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Special Commission Minutes

To: NCPA Commission
From: Carrie Pollo, Assistant Secretary to the Commission
Subject: NCPA Special Commission Meeting – January 5, 2024

1. *Call Meeting to Order and Introductions*

Chair Jerry Serventi called the meeting to order at 11:05 am at 651 Commerce Drive, Roseville, California. Introductions and roll call were made. Those in attendance are shown on the attached attendance list.

PUBLIC FORUM

Chair Serventi 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.

OPEN SESSION

DISCUSSION/ACTION ITEMS

2. *Resolution 24-01, Reliable Turbine Services LLC – Five Year Multi-Task General Services Agreement; Applicable to the following: All Northern California Power Agency (NCPA) Facilities (Except the Lodi Energy Center), 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 Reliable Turbine Services LLC for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$10,000,000 over five years, for use at any facilities owned and/or operated by NCPA (except the Lodi Energy Center), NCPA Members, by SCPPA and SCPPA Members.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$10,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

Motion: A motion was made by Sudhanshu Jain and seconded by Jeff Berkheimer recommending the Commission adopt Resolution 24-01 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Reliable Turbine Services LLC for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$10,000,000 over five years, for use at any facilities owned and/or operated by NCPA

(except the Lodi Energy Center), NCPA Members, by SCPPA and SCPPA Members. The motion carried by a majority of those members present on a roll call vote as follows:

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

3. Resolution 24-02, NCPA Geothermal Plant 1, Unit 2 Turbine Overhaul Project; Applicable to the following: NCPA Geothermal Facility – adopt resolution by all members authorizing the Geothermal (Geo) Plant 1, Unit 2 Turbine Overhaul 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, including approval for the turbine work to be awarded on a sole-source basis, without further approval by the Commission, for a total not to exceed \$7,200,000, and authorizing the use of previously collected Geo Decommissioning Reserve funds to fund the project. These funds are to be replenished by the Project Participants over a three-year period through the normal budgeting process.

Fiscal Impact: The total cost is anticipated not to exceed \$7,200,000. A breakdown of the project costs is shown in the table below.

Description	Cost
Unit 2 Turbine Rotor Overhaul and Generator Reset	\$4,500,000
Unit 2 GSU Transformer Overhaul	\$300,000
Transportation and Insurance	\$100,000
Additional Balance of Plant Work	\$200,000
Incidentals (scaffold, etc.)	\$400,000
Lakeville 230KV Line Repairs	\$500,000
Contingency	\$1,200,000
Total	\$7,200,000

Funding for the Unit 2 Overhaul may be accomplished in several ways. Funding options are shown in the table below.

Description	Cost
Geo Decommissioning Reserve	\$7,200,000
Other Options	
Combined Special Geo Reserve	\$1,500,000
Maintenance Reserve	\$3,589,000
Defer or Reduced Project Funding	\$1,500,000
Total	\$6,589,000

Staff is recommending that \$7,200,000 for the Geothermal Plant 1, Unit 2 Overhaul Project be spent from the Geo Decommissioning Reserve and replenished over a three-year period through the normal budget process. Staff will recommend a budget augmentation of \$7,200,000 at the January 18, 2024 regularly scheduled Commission meeting with no additional collections required in Fiscal Year 2024.

The Projected cash balance for the Decommissioning Reserve at June 30, 2024 is approximately \$1.2 million. NCPA will fund the balance of the repair costs by liquidating reserve investments as necessary when the expenditures are invoiced.

The Fiscal Year 2025 budget impact of a three-year payback period of the \$7.2 million into the reserve would be as follows:

2024 Budget	
Decommissioning Reserve Collection	\$1,578,823
Debt Service Collection	\$3,482,198
Total 2024 Decommissioning and Deb Svc	\$5,061,021
2025 Budget	
Decommissioning Reserve Collection	\$2,417,081
Year One Reserve Reimbursement	\$2,400,000
Debt Service Collection	\$ 0
Total 2025 Decommissioning and Deb Svc	\$4,817,081
Net Decrease to 2025 Budget	\$ 243,940

The Combined Special Geo Reserve balance is currently invested with a maturity date of November 7, 2025. The sale of that investment would result in a loss and is not recommended.

In December 2023, during a planned transmission line outage scheduled by Pacific Gas and Electric (PG&E), RTS was able to perform a nondestructive visual inspection on the Unit 2 turbine rotor L-0 blades. The visual inspection revealed significant wear on the L-0 blades. As with Unit 1, RTS recommends that the L-0 blades be replaced. Due to the high probability of a catastrophic failure, RTS does not recommend putting Unit 2 back into service until the blade replacement is complete. NCPA consulted with Siemens Energy USA, Inc. for a second opinion. Siemens agreed with RTS' findings that the blades must be replaced and the unit should remain offline until this work is complete. As with the Unit 1 blades, the Unit 2 blades will need to be reverse-engineered.

Plant 1, Unit 2 was scheduled for a planned outage in March 2024. Delaying work to repair the blades until the original planned outage in March poses a safety concern from the deteriorated state of the blades and will likely result in this outage extending into the critical summer months. Therefore, the recommended course of action is to seek immediate authority to initiate the outage and take advantage of the knowledge, staff, and resources working on Plant 1, Unit 1.

Chair Serventi thanked Assistant General Manager, Mike DeBortoli and his staff for all the hard work that has been done during the Plant 1, Unit 1 outage and for the work done to move the Plant 1, Unit 2 outage forward to avoid a catastrophic failure in the future.

Motion: A motion was made by Sudhanshu Jain and seconded by James "Bo" Sheppard recommending the Commission adopt Resolution 24-02 authorizing the Geothermal (Geo) Plant 1, Unit 2 Turbine Overhaul 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, including approval for the turbine work to be awarded on a sole-source basis, without further approval by the Commission, for a total not to exceed \$7,200,000, and authorizing the use of previously collected Geo Decommissioning Reserve funds to fund the project. These funds are to be replenished by the Project Participants over a three-year period through the normal budgeting process. The motion carried by a majority of those members present on a roll call vote as follows:

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

ADJOURNMENT

The January 5, 2024 Commission meeting was adjourned at 12:00 pm by Chair Serventi.

Respectfully submitted,

Prepared by,

JERRY SERVENTI
Commission Chair

CARRIE POLLO
Assistant Secretary to the Commission



Special Commission Meeting
January 5, 2024
COMMISSIONERS
Attendance List

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

MEMBER	NAME
1 - ALAMEDA	Jerry Serventi
2 - BIGGS	Bo Sheppard
3 - GRIDLEY	
4 - HEALDSBURG	Dave Hagele, Terry Crowley
5 - LODI	Jeff Bertheimer
6 - LOMPOC	Jenelle Osborne
7 - PALO ALTO	Dean Batchelor
8 - PLUMAS-SIERRA REC	
9 - PORT OF OAKLAND	
10 - REDDING	Nick Zettel
11 - ROSEVILLE	Pauline Rancucci
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	Suds Jain
14 - SHASTA LAKE	
15 - TRUCKEE DONNER	Steven Poncelet
16 - UKIAH	Cindy Sowers



**Special Commission Meeting
January 5, 2024
Attendance List**

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

NAME	AFFILIATION
Carrie Pollo	NCPA
Jane Luckhardt	NCPA
Randy S. Howard	NCPA
Jeff Berthelmer	Lodi
STAN MATZEM	ROSEVILLE
Mike DeBortoli	NCPA
Pauline Proccucci	Roseville



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Commission Minutes

To: NCPA Commission
From: Carrie Pollo, Assistant Secretary to the Commission
Subject: NCPA Commission Meeting – January 18, 2024

1. *Call Meeting to Order and Introductions*

Chair Jerry Serventi called the meeting to order at 9:05 am at The Kimpton Sawyer Hotel, 500 J Street, Sacramento, CA. Introductions were made and roll call was taken. Those in attendance are shown on the attached attendance list.

2. *Approve Minutes of the November 30, 2023, Regular Commission Meeting*

MOTION: A motion was made by Pauline Roccucci, and seconded by James “Bo” Sheppard to approve the minutes of the November 30, 2023 Regular Commission Meeting. The motion carried by a majority on a roll call vote of those Members present as follows:

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

PUBLIC FORUM

Chair Serventi 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.

REPORTS AND COMMITTEE UPDATES

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

Randy Howard reported:

- Thanked everyone for attending the Strategic Issues Conference.
- The LEC Hydrogen Project continues to move forward.
- Current utility rates are concerning. Cold weather prices are sky rocketing in the Pacific Northwest.
- The 2024 Annual Conference has a good lineup of speakers including the CEO of PG&E.
- The site for the 2025 Annual Conference has been secured at the Portola Hotel and Spa in Monterey as well as the Monterey Bay Aquarium for the evening of September 25, 2025.
- NCPA has received a proposal from Everline in Olympic Valley for the 2026 Annual Conference.
- Western Pathways Initiative – The West needs more transmission plus more efficient use of resources.

4. *Executive Committee*

Committee Chair Serventi reported the Executive Committee met this morning. At that meeting the Committee discussed today's Commission meeting Item 27 on the Discussion/Action portion of the agenda. A quorum of the Committee was established and the Committee was supportive of the above mentioned item. The next Executive Committee meeting is scheduled February 22, 2024.

5. *Facilities Committee*

Power Management Assistant General Manager, Tony Zimmer, reported the Facilities Committee met on December 6, 2023. At that meeting the Committee discussed today's Commission meeting Items 21 through 23 on the Consent Calendar. A quorum of the Committee was not established but those in attendance were supportive of the above mentioned items. The Facilities Committee also met on January 3, 2024. At that meeting the Committee discussed today's Commission meeting Items 13 through 20 and 24 on the Consent Calendar as well as Item 25 on the Discussion/Action portion of today's Agenda and Item 28 under the Informational items. A quorum of the Committee was established and the Committee was supportive of the above mentioned items. The next Facilities Committee meeting is scheduled February 7, 2024.

6. *Finance Committee*

Administrative Services Assistant General Manager, Monty Hanks reported that the Finance Committee has not met since November 2023. The next Finance Committee meeting is scheduled for February 13, 2024.

7. *Legal Committee*

General Counsel Jane Luckhardt reported the Legal Committee did not meet in December 2023 or January 2024.

8. *Legislative & Regulatory Affairs Committee*

L&R Committee Vice Chair, David Hagele, thanked everyone for attending the Strategic Issues Conference. The Legislative and Regulatory Affairs Committee has not met since November 29, 2023. Capitol Day will be held on February 5, 2024. There will be a number of important policy issues that will be addressed early in the session as well as many new

Chairs that will be overseeing key committees. The annual L&R Committee budget workshop will be held at NCPA Headquarters on February 21, 2024.

9. Members' Announcements & Meeting Reporting

No member updates were provided.

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 requested to be pulled from the Consent Calendar. No Members wished to abstain from any items.

MOTION: A motion was made by Brad Wilkie, and seconded by Sudhanshu Jain to approve the Consent Calendar consisting of Agenda Items 10 through 24. The motion carried by a majority of those Members present on a roll call vote as follows:

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

10. NCPA's Financials for the Month Ended November 30, 2023 – approval by all Members.

11. Treasurer's Report for the Month Ended November 30, 2023 – accept by all Members.

12. Disposal of Northern California Power Agency Surplus Property – note and file the report by all Members for the disposal of the following: 1991 Trailer and Scrap Metal.
Fiscal Impact: This report has not direct fiscal impact to the Agency.

13. Resolution 24-03, Eaton Corporation – Five Year Multi-Task General Services Agreement for Electrical Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Eaton Corporation for electrical related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA.

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

- 14. Resolution 24-04, Schneider Electric USA, Inc. – First Amendment to Five Year Multi-Task General Services Agreement for Electric Maintenance Related Services; Applicable to the following project: NCPA Hydroelectric Facility for work performed under Purchase Order #57190** – 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 Schneider Electric USA, Inc. for electric maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, extending the agreement expiration from January 28, 2024 to December 31, 2024, for continued use by NCPA's Hydroelectric Facility for work performed under Purchase Order #57190 only.

Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain unchanged at not to exceed \$2,000,000.

- 15. Resolution 24-05, Irani Engineering, Inc. – Five Year Multi-Task Consulting Services Agreement for Injection Well Related Consulting Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Irani Engineering, Inc. for injection well related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

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

- 16. Resolution 24-06, Advanced Chemical Transport, Inc. dba ACTEnviro – Five Year Multi-Task General Services Agreement for Waste Removal Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Advanced Chemical Transport, Inc. dba ACTEnviro for waste removal services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$3,000,000 over five years, for use at any facilities owned and/or operated by NCPA.

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

- 17. Resolution 24-07, Process Cooling International, Inc. dba Applied Process Cooling Corp. dba APCCO – Five Year Multi-Task General Services Agreement for Insulation Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Process Cooling International Inc. dba Applied Process Cooling Corp. dba APCCO for insulation services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$4,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$4,000,000 over five years.

- 18. Resolution 24-08, Univar Solutions, Inc. – Five Year Multi-Task Agreement for Purchase of Chemicals; Applicable to the following: All Northern California Power Agency (NCPA) Facilities** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Advanced Chemical Transport, Inc. dba ACTEnviro for waste removal services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$3,000,000 over five years, for use at any facilities owned and/or operated by NCPA.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.
- 19. Resolution 24-09, Quantum Spatial, Inc. dba NV5 Geospatial, Inc. – First Amendment to Five Year Multi-Task General Services Agreement for Transmission and Distribution Line Modeling and Inspection Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Quantum Spatial, Inc. dba NV5 Geospatial, Inc. for transmission and distribution line modeling and inspection related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, accepting assignment of the agreement to NV5 Geospatial, Inc., with no change to the not to exceed amount or contract term, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain unchanged at not to exceed \$2,000,000.
- 20. Resolution 24-10, Western Hydrologics, LLP – Five Year Multi-Task Consulting Services Agreement for Forecasting and Modeling Related Consulting Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Western Hydrologics, LLP for forecasting and modeling related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.
- 21. Resolution 24-11, Millennium Power Services, Inc. – Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Millennium Power Services, Inc. for valve parts and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

22. Resolution 24-12, Energy Options, Inc. – Five Year Multi-Task General Services Agreement for Cooling Tower Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Energy Options, Inc. for cooling tower maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years.

23. Resolution 24-13, Nick Barbieri Trucking, LLC dba Redwood Coast Fuels – Five Year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies for Delivery of Fuels, Oils, Lubricants and Other Miscellaneous Petroleum Products; Applicable to the following: NCPA Geothermal Facility – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Nick Barbieri Trucking, LLC dba Redwood Coast Fuels for delivery of fuels, oils, lubricants, and other miscellaneous petroleum products, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at NCPA's Geothermal facility.

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

24. Resolution 24-17, Ulteig Engineers, Inc. – First Amendment to Five Year General Services Agreement Accepting Assignment to Ulteig Operations for Meter Maintenance; Applicable to the following: NCPA Members – adopt resolution by all members authorizing the General Manager or his designee to enter into the First Amendment to General Services Agreement between NCPA and Ulteig Engineers, Inc. Accepting Assignment to Ulteig Operations, LLC for Meter Maintenance, including any non-substantive modifications to the First Amendment approved by the NCPA General Counsel.

Fiscal Impact: Upon execution, the total not to exceed amount of the agreement will remain the unchanged at not to exceed \$1,200,000. There is no direct fiscal impact to NCPA. All costs associated with the Meter Maintenance services will be invoiced to the Pooling Agreement Participants in accordance with the procedures set forth in Section 9 of Second Amended and Restated Pooling Agreement, or other NCPA Members pursuant to separate contractual requirements.

DISCUSSION/ACTION ITEMS

25. Resolution 24-14, NCPA Inter-Agency Resource Plan; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members – adopt resolution by all members approving the NCPA Inter-Agency Resource Plan to prepare, develop, and maintain a diverse generation resource portfolio in accordance with or exceeding renewable portfolio standards and capacity obligations.

Fiscal Impact: The cost to develop the NCPA IARP was \$177,000, and was included in the approved FY2023 budget. There are no additional fiscal impacts from the NCPA IARP at this time.

Motion: A motion was made by Sudhanshu Jain and seconded by Catalina Sanchez recommending the Commission adopt Resolution 24-14 approving the NCPA Inter-Agency Resource Plan to prepare, develop, and maintain a diverse generation resource

portfolio in accordance with or exceeding renewable portfolio standards and capacity obligations. The motion carried by a majority of those members present on a roll call vote as follows:

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

26. Resolution 24-15, FY2024 Geothermal Budget Augmentation for the Geothermal Plant 1, Unit 2 Turbine Overhaul Project; Applicable to the following: NCPA Geothermal Facility

– adopt resolution by all members authorizing a Fiscal Year 2024 budget augmentation to the Geothermal Project Budget in the amount of \$7,200,000, for the unbudgeted Geothermal (Geo) Plant 1, Unit 2 Turbine Overhaul Project, and the transfer of \$7,200,000 previously collected funds for plant decommissioning costs from the Geo Decommissioning Reserve, as needed, to pay for the (Geo) Plant 1, Unit 2 Turbine Overhaul Project costs and authorizing the replenishment of the Geo Decommissioning Reserve funds by the Project Participants, to the extent utilized, over a three-year period through the normal budgeting process beginning in Fiscal Year 2025.

Fiscal Impact: The requested amount of the Fiscal Year 2024 Geothermal Project Budget augmentation is \$7,200,000. The additional cost of \$7,200,000 will be funded from funds for plant decommissioning costs from the Geothermal Decommissioning Reserve and will not be collected from Project Participants in Fiscal Year 2024. These funds will be budgeted, collected, and replenished into the decommissioning reserve over a three-year period beginning in Fiscal Year 2025.

Chair Jerry Serventi asked if the collection to replenish the decommissioning reserve could be extended over a five year period rather than three years. This is a possibility that but will need more discussion and research. An actuarial report needs to be done, which staff will share at a later time.

Motion: A motion was made by Brad Wilkie and seconded by Cindy Sauers recommending the Commission adopt Resolution 24-15 authorizing a Fiscal Year 2024 budget augmentation to the Geothermal Project Budget in the amount of \$7,200,000, for the unbudgeted Geothermal (Geo) Plant 1, Unit 2 Turbine Overhaul Project, and the transfer of \$7,200,000 previously collected funds for plant decommissioning costs from the Geo Decommissioning Reserve, as needed, to pay for the (Geo) Plant 1, Unit 2 Turbine Overhaul Project costs and authorizing the replenishment of the Geo Decommissioning Reserve funds by the Project Participants, to the extent utilized, over a three-year period through the normal budgeting process beginning in Fiscal Year 2025. The motion carried by a majority of those members present on a roll call vote as follows:

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

27. Resolution 24-16, Reclassify Administrative Assistant/Office Administrator III to Executive Assistant to the CFO, AGM II Administrative Services, Hometown

Connections Board Secretary – adopt resolution by all members authorizing the Agency to reclassify the Administrative Assistant/Office Administrator III to Executive Assistant to the CFO, AGM II, Administrative Services, Hometown Connections Board Secretary.

Fiscal Impact: The total cost of the revised compensation package (salary and benefits) is projected to be \$204,160.62 per year. This change would only impact 5 months of the remaining fiscal year and would result in an increased cost of \$11,696.87. This change will be budgeted appropriately in the coming fiscal years.

Motion: A motion was made by Pauline Roccucci and seconded by Sudhanshu Jain recommending the Commission adopt Resolution 24-16 authorizing the Agency to reclassify the Administrative Assistant/Office Administrator III to Executive Assistant to the CFO, AGM II, Administrative Services, Hometown Connections Board Secretary. The motion carried by a majority of those members present on a roll call vote as follows:

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

INFORMATIONAL ITEMS

28. NCPA Preliminary Studies and Investigations Procedure – staff will lead a discussion regarding the NCPA Preliminary Studies and Investigations (PS&I) Procedure (GS-201), which will establish a process for the use of funds in the PS&I budget account, including the requirements for project evaluations approvals, funds tracking, and reimbursement.

Assistant General Manager Michael DeBortoli lead a discussion and shared background information regarding the NCPA Preliminary Studies and Investigations (PS&I) Procedure (GS-201). This procedure is applicable to any study or project investigation that is not specifically connected to an existing NCPA Phase II agreement that utilizes funds from the Preliminary Studies and Investigations budget account. NCPA has established a Preliminary Studies and Investigations (PS&I) budget account to fund the activities associated with researching and/or evaluating new projects that might be of interest to the Members. Funding for these studies or project investigations will come out of this budget. All Members will be allocated to pay a portion for the research of a new project. Once a Member or Members decide to move forward into a Phase II Agreement for the project, then the Member or Members in the project will pay accordingly.

NEW BUSINESS

No new business discussed.

ADJOURNMENT

The January 18, 2024 Commission meeting was adjourned at 10:16 am by Chair Serventi.

Respectfully submitted,

Prepared by,

JERRY SERVENTI
Commission Chair

CARRIE POLLO
Assistant Secretary to the Commission



Commission Meeting
January 18, 2024
COMMISSIONERS
Attendance List

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

MEMBER	NAME
1 - ALAMEDA	<i>Jerry Lawrence</i>
2 - BIGGS	<i>Bo Sheppard</i>
3 - GRIDLEY	<i>Colin Smith</i>
4 - HEALDSBURG	<i>[Signature]</i>
5 - LODI	<i>Melissa Price</i>
6 - LOMPOC	<i>Byrd Wilby</i>
7 - PALO ALTO	<i>Vicki Teent</i>
8 - PLUMAS-SIERRA REC	<i>[Signature]</i>
9 - PORT OF OAKLAND	
10 - REDDING	<i>Nick Zettel</i>
11 - ROSEVILLE	<i>Pauline Rocucci</i>
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	<i>[Signature]</i>
14 - SHASTA LAKE	<i>Simon Tolson</i>
15 - TRUCKEE DONNER	<i>Jared Carpenter</i>
16 - UKIAH	<i>DOUGLAS CRANE</i>



**Commission Meeting
January 18, 2024
Attendance List**

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

NAME	AFFILIATION
Carrie Pollo	NCPA
Jane Luckhardt	NCPA
Randy Howard	NCPA
Dan Beany	Roseville
Michael DeBortoli	NCPA
Tony Zimmer	NCPA
Nico Proulx	Alameda
Katie Lucchesi	City of Lodi
Melissa Price	City of Lodi
Doreen Cindy Sowers	City of Ukiah
James Takekara	City of Shasta Lake
J.F.W. COOK	13166 S PUBLIC POWER
Teri Alderson	Alameda NP
Dean Albro	City of Lompoc
Tim Berringer	City of Lompoc
Basil Wotny	SVP
TERRY CROWLEY	MARLBOROUGH
Jane Cunningham	NCPA
Howard Quan	NCPA
MANUELA PILLORA	SVP
Kathleen Hughes	SVP
Elise Hunter	Alameda PUB
CHRISTINA NASHY MCKENNA	ALAMEDA PUB

Northern California Power Agency
Commission Meeting
January 18, 2024
Attendance List

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

NAME	AFFILIATION
RYAN BIRD	ALAMEDA PUBLIC UTILITIES BOARD
JEREMY LAWSON	NCPA
RAFAEL SANTANA	NCPA
BRYNNA BRYANT	NCPA
JIM BEACH	NCPA
NATHAN TANG	PORT OF OAKLAND
MONTY HAWKS	NCPA

3

SUPPORT SERVICES PROGRAM STATUS REPORT

February 14, 2024

<i>Member Name</i>	<i>Designated Representatives</i>	<i>Authorized Confirmation NTE Amount</i>	<i>Date Approved</i>
Alameda - AMP	General Manager & AMP City Attorney	\$ 75,000	06/08/16
BART			
Biggs	Utility Director & City Attorney	\$ 125,000	08/09/16
Gridley	City Administrator & City Attorney	\$ 125,000	02/07/22
Healdsburg	City Manager & City Attorney	\$ 50,000	05/06/19
Lodi	Utility Director & City Attorney NTE \$30,000; City Manager & City Attorney NTE \$60,000	\$ 60,000	09/07/16; 05/20/22
Lompoc	Utility Director & City Attorney	\$ 125,000	11/15/16
Palo Alto	City Manager & City Attorney	\$ 85,000/yr. with up to 3 yr. term per vendor	06/05/17
Plumas-Sierra REC	General Manager & Cooperative Attorney	\$ 20,000	01/25/23
Port of Oakland	Executive Director & Deputy Port Attorney	\$ 150,000	04/14/16
Redding	Utility Director & City Attorney Procurement Authority Increased	\$ 200,000	04/19/16; 08/20/20
Roseville	Electric Utility Director & City Attorney Procurement Authority Increased	\$ 74,999	10/05/15; 05/05/21
Santa Clara	City Manager & City Attorney	\$ 150,000	05/24/16
Shasta Lake	City Manager & General Counsel	\$ 75,000	07/02/19
Truckee Donner PUD	General Manager & General Counsel NTE \$15,000; General Manager, General Counsel & Board President NTE \$250,000	\$ 250,000	11/02/16
Ukiah	Utility Director & City Attorney	\$ 20,000	01/19/22

SSPA CONFIRMATIONS EXECUTED/WORK IN PROGRESS

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0319	City of Palo Alto	2/8/24	\$ 17,265.00	Aspen Environmental; provide support re regulatory and legislative matters and objectives, CPUC filings, orders and decisions; impacts on the City.
0318	City of Roseville	1/24/24	\$ 24,910.00	Dudek; Wildfire Mitigation Plan review and update as necessary.
0316	City of Healdsburg	1/11/24	\$ 16,234.51	Dudek; Wildfire Mitigation Plan review services.
0315	Port of Oakland	11/29/23	\$ 149,995.00	NewGen Strategies and Solutions, LLC; Electric cost of Service and Retail Rate Design Study.
0311	City of Redding	12/18/23	\$ 21,290.50	GreatBlue Research, Inc.; Comprehensive Customer Satisfaction Study for REU
0309	City of Roseville	8/17/23	\$ 30,835.00	EcoEngineers; Providing LCFS Pathway Registration services for the Pleasant Grove Wastewater Treatment Plant.
0308	City of Redding	8/25/23	\$1,167,293.55	Siemens Energy, Inc.; Year 1 of a 5-year T-3000 control systems maintenance and support services program.
0307	City of Roseville	9/6/2023	\$1,196,537.12	Siemens Energy, Inc.; Year 1 of a 5-year T-3000 control systems maintenance and support services program.
0305	City of Lompoc	6/23/23	\$ 51,675.00	Utility Financial Solutions, LLC; Wastewater Cost of Service and Rate Design studies.
0304	Alameda Municipal Power	7/31/23	\$713,195.50	CLEAResult Consulting Inc.; EV charging outreach and technical assistance services.
0303	City of Palo Alto	5/16/23	\$51,015.00	Flynn Resource Consultants, Inc.; Analysis to aid the City in Electric Supply Portfolio Planning.
0298	City of Palo Alto	3/16/23	\$249,829.00	iParametrics LLC; Grant writing services for Electric GRIP Grant and for Gas NGDISM Grant and for Post-Award services and support for future grants.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0295	Alameda Municipal Power	5/3/23	\$250,000.00	SpryPoint Services, Inc.; Implement SpryMobile Asset & Workflow Management Software to support AMP's operational needs through September 14, 2027.
0294	City of Palo Alto	4/1/23	\$53,540.00	Cool the Earth ; Through the Ride and Drive Clean campaign, will host webinars on EV's and ebikes, including incentives and charging education.
0292	City of Santa Clara	8/23/23	\$13,926.00	CLEAResult Consulting, Inc.; Energy efficiency services provided through the ChooseEV digital platform to facilitate EV communications.
0291	Truckee Donner PUD	2/8/23	\$ 62,500.00	ADM Associates, Inc.; EM&V technical advisory services including Electrification Saturation Study, 2022 and 2023 Program Review and free-ridership analysis.
0286	City of Palo Alto	3/2/23	\$ 84,515.00	ADM Associates Inc.; EM&V of the cost effectiveness and energy savings attributed to energy efficiency and electrification programs as detailed in the ADM SOW for Palo Alto Utilities.
0283	Alameda Municipal Power	11/29/22	\$141,075.00	Cooperative Response Center; for after-hours answering services for 36-month period through November 2025.
0281	Truckee Donner PUD	11/23/22	\$ 25,227.00	Dudek; Comprehensive revision of TDPUD Wildfire Mitigation Plan pursuant to AB 1054 and PUC section 8387; including review, collection of data, and WMP revision.
0277	City of Lodi	9/28/22	\$156,460.00	Electric Power Systems International, Inc.; Specialized electrical services as identified in 9/26/22 letter addressed to Lodi.
0275	Alameda Municipal Power	10/21/22	\$46,675.00	Utility Financial Solutions; for Electric Cost of Service Study.
0274	City of Roseville	9/27/22	\$ 67,900.00	EES Consulting; for Cost of Service analysis including four primary tasks incl. developing a 10-year financial model that feeds directly to a COSA model, customize a COSA model including analysis of all financial, load, and rate inputs, develop a rate design model and alternatives, and develop a line extension model for new development in the City.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0270	City of Lompoc	1/1/23	\$125,000.00	Power Engineers, Inc.; provide system impact study for new development projects and other engineering services within Scope included in NCPA agreement.
0269	City of Lodi	10/18/22	\$281,460.00	Cooperative Response Center, Inc.; after-hours answering services for Lodi Electric and Lodi Public Works departments for three-year period.
0266 Amd.	City of Healdsburg	9/20/22 9/13/23	\$ 27,995.00	Norwood Creative Group, Inc. (f/k/a Dee's Design Box, LLC); graphic design services for various projects including bill inserts, direct mail flyers, and as requested and included in contract's scope of work.
0258 Amd.	Alameda Municipal Power	6/6/22 8/30/23	\$ 70,255.00	Norwood Creative Group, Inc. (f/k/a Dee's Design Box, LLC); Graphic design services including branding package development, document creation including newsletters, bill inserts, online ads, and information sheets through FY25.
0257	Truckee Donner PUD	7/1/22	\$ 60,000.00	iParametrics; Grant writing services.
0253	City of Palo Alto	7/26/22	\$ 29,250.00	D+R International; provide network access via Qmerit to EV vetted local contractors able to install EV chargers and conduct electric panel upgrades. Includes White Label Package with standard reporting. (No actual installation included in the services.)
0251	City of Santa Clara	5/3/22	\$ 42,720.00	Cameron-Cole LLC; perform verification services for Calendar years 2021-2023 CARB Greenhouse Gas emissions and Electric Power Entity reports for compliance with mandatory reporting.
0249	City of Lodi	7/21/22	\$ 92,170.00	Central Coast Energy Services, Inc.; income verification and recertification services for financial rate assistance programs through FY25.
0243	City of Lompoc	1/24/22	\$ 62,500.00	Utility Financial Solutions; cost of service financial projection and rate design study for the City's utility department.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0240	Alameda Municipal Power	2/23/22	\$198,025.00	Frontier Energy, Inc.; Energy efficiency services including electrification and clean transportation courses, induction cooking demonstrations, commercial food service site audits, and work force education and training courses.
0237	City of Santa Clara	9/14/21	\$132,058.00	Central Coast Energy Services, Inc.; income eligibility and processing of applications for Financial Rate Assistance Program, both new and renewal for existing customers.
0236	City of Santa Clara	3/1/22	\$422,368.00	CLEAResult; EV charging structure technical assistance, electrification education, and electrification assessment services.
0230	City of Santa Clara	8/30/21	\$ 87,715.00	Frontier Energy, Inc.; Electrification and education services including Induction Cooking demonstration, online trainings, commercial food services site audits, and Guest Chef cooking classes.
0229	City of Lompoc	8/2/21	\$ 71,470.00	MFP Connect, LLC; Services re electric line extensions including conceptual framework, interviews with staff, reporting, policies, and development of rules and regulations.
0224 Amd. Amd.2	City of Healdsburg	7/1/21 5/16/23 12/31/23	\$ 9,394.00	HOT/SHOT Infrared Inspections Inc.; infrared inspections of one substation and overhead 12kv distribution system.
0221	City of Lompoc	6/7/21	\$ 57,500.00	Hometown Connections, Inc.; services to facilitate the development of a Strategic Plan through HCI planning process and preparation of final plan document.
0186 Amd. Amd.2 Amd.3	Alameda Municipal Power	9/21/20 7/23/21 8/23/22 12/8/23	\$200,000.00	Flynn Resource Consultants, Inc.; services related to electric transmission issues, grid planning, load levels, regulatory matters, litigation support, through FY24.

**SSA CONFIRMATIONS EXECUTED AND IN PROGRESS
(SERVICES THROUGH SCPPA CONTRACTS OR TO SCPPA MEMBERS THROUGH NCPA CONTRACTS)**

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0296	Alameda - AMP	6/29/23	\$121,670.00	Radian Generation LLC; provide NERC regulatory compliance administrative services.
0282	City of Vernon	1/23/23	\$374,245.00	Ascend Analytics, LLC; provide services for the development of an integrated Resource Plan.
0273	City of Vernon	4/13/23	\$145,225.00	NewGen Strategies and Solutions, LLC; provide Electric Cost of Service analysis and Rate Design Study.
0265	City of Santa Clara	7/6/23	\$98,965.00	Tinker, LLC; provide its turnkey Energy Education Program through a digital science-based curriculum to teach students about energy and using it wisely.
0259 Amd.	City of Burbank/ Burbank Water & Power	10/26/22 3/31/23	\$134,010.00	NewGen Strategies and Solutions, LLC; provide Electric Cost of Service Analysis and Rate Design Recommendations.
0222	City of Santa Clara	11/15/21	\$150,000.00	The Energy Federation, Inc.; create, host and maintain a secure eCommerce site (marketplace) for SVP customers to support current and future version of the major Web browser on common operating systems and mobile devices.



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: December 31, 2023 Financial Report (unaudited)

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Financial Report for month ending December 31, 2023.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the February 22, 2024 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 31, 2023 financial reports are also included.

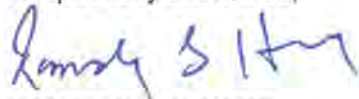
FISCAL IMPACT:

This report has no direct budget impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- December 31, 2023 Financial Report

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

**Schedule of Disbursements
(Unaudited)**

For the Month of December 2023

Operations:

Geothermal	\$	2,100,063
Hydroelectric		3,046,022
CT#1 Combustion Turbines		180,495
CT#2 STIG		519,459
Lodi Energy Center		8,408,149
NCPA Operating		38,323,018
Total	\$	<u>52,577,206</u>

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED DECEMBER 31, 2023

PERCENT OF YEAR ELAPSED
50%

	This Month	Actual Year To-Date	FY 2024 Budget	% Used	
GENERATION RESOURCES					
NCPA Plants					
Hydroelectric					
Other Plant Cost	\$ 2,397,406	\$ 12,549,022	\$ 23,004,110	55%	(a)
Debt Service (Net)	2,887,166	17,322,997	34,645,995	50%	
Annual Budget Cost	5,284,572	29,872,019	57,650,105	52%	
Geothermal					
Other Plant Cost	3,227,606	19,171,964	46,526,658	41%	
Debt Service (Net)	290,183	1,741,099	3,482,198	50%	
Annual Budget Cost	3,517,789	20,913,063	50,008,856	42%	
Combustion Turbine No. 1					
Fuel	57,505	463,650	2,388,097	19%	
Other Plant Cost	357,491	2,365,249	4,543,872	52%	
Annual Budget Cost	414,996	2,828,899	6,931,969	41%	
Combustion Turbine No. 2 (Stig)					
Fuel and Pipeline Transport Charges	20,073	716,992	1,177,097	61%	(b)
Other Plant Cost	402,251	1,453,102	2,981,807	49%	
Debt Service (Net)	421,526	2,529,156	5,058,312	50%	
Annual Budget Cost	843,850	4,699,250	9,217,216	51%	
Lodi Energy Center					
Fuel	4,969,979	27,268,371	71,517,913	38%	
Other Plant Cost	3,486,531	19,528,567	39,286,497	50%	
Debt Service (Net)	2,166,020	12,996,119	25,992,239	50%	
Annual Budget Cost	10,622,530	59,793,057	136,796,649	44%	
Member Resources - Energy	5,646,234	38,966,775	70,124,965	56%	(c)
Member Resources - Energy (Customer)	4,972	27,713	358,681	8%	
Member Resources - Natural Gas	433,240	2,602,281	2,510,204	104%	(d)
Western Resources	841,977	7,401,143	25,839,240	29%	
Market Power Purchases	3,309,064	24,352,670	37,308,809	65%	(c)
Load Costs - CAISO	34,142,218	226,381,172	691,439,249	33%	
Load Costs - CAISO (Customer)	16,248,744	63,804,942	220,937,079	29%	
Net GHG Obligations	-	1,489,290	1,362,776	109%	(e)
Preliminary Surveys & Investigations	-	-	300,000	0%	
	81,310,186	483,132,274	1,310,785,798	37%	
TRANSMISSION					
Independent System Operator					
Grid Management Charge	213,995	1,298,286	2,860,382	45%	
Wheeling Access Charge	12,776,502	79,713,294	179,046,864	45%	
Ancillary Services	145,536	2,195,863	10,376,526	21%	
Other ISO Charges/(Credits)	(336,984)	(4,228,919)	3,478,258	-122%	(f)
Independent System Operator (Customer)	2,617,252	7,372,701	-		
	15,416,301	86,351,226	195,762,030	44%	

Management Services continued on next page

**NORTHERN CALIFORNIA POWER AGENCY
REPORT OF BUDGET VS. ACTUAL COST
FOR THE PERIOD ENDED DECEMBER 31, 2023**

PERCENT OF YEAR ELAPSED 50%
--

	This Month	Actual Year To-Date	FY 2024 Budget	% Used	
<u>MANAGEMENT SERVICES</u>					
Legislative & Regulatory					
Legislative Representation	133,529	992,700	2,250,245	44%	
Regulatory Representation	87,820	407,988	762,692	53%	
Western Representation	39,289	183,352	767,880	24%	
Customer Programs	93,841	286,950	648,513	44%	
Judicial Action	43,209	258,104	1,064,000	24%	
Power Management					
System Control & Load Dispatch	741,843	3,793,969	7,900,090	48%	
Forecasting, Planning, Prescheduling & Trading	310,183	1,456,895	2,891,089	50%	
Industry Restructuring & Regulatory Affairs	43,831	233,083	392,354	59%	(g)
Contract Admin, Interconnection Svcs & External Affairs	102,289	553,453	1,176,376	47%	
Gas Purchase Program	6,095	30,707	78,683	39%	
Market Purchase Project	7,576	40,661	113,164	36%	
Energy Risk Management					
Settlements	11,730	68,555	144,341	47%	
Integrated Systems Support	81,224	338,981	1,075,571	32%	
Participant Pass Through Costs	49,362	305,365	772,316	40%	
Support Services	57,895	936,074	1,765,079	53%	
	125,186	1,187,159	-	N/A	(h)
	1,934,902	11,073,996	21,802,393	51%	
TOTAL ANNUAL BUDGET COST					
	98,661,389	580,557,495	1,528,350,221	38%	
<u>LESS: THIRD PARTY REVENUE</u>					
Plant ISO Energy Sales	12,201,972	85,381,976	244,823,776	35%	
Member Resource ISO Energy Sales	4,403,759	34,040,082	74,476,973	46%	
Member Owned Generation ISO Energy Sales	10,912,347	78,554,610	179,428,631	44%	
Revenue from Customers	9,742,215	26,519,002	70,212,295	38%	
Customer Owned Generation ISO Energy Sales	3,062	383,918	154,465,980	0%	
NCPA Contracts ISO Energy Sales	1,565,773	12,269,855	45,274,824	27%	
Western Resource Energy Sales	461,684	16,737,878	31,462,876	53%	
Load Energy Sales	7,697,474	36,606,238	-	N/A	
Ancillary Services Sales	295,245	1,067,453	9,294,760	11%	
Transmission Sales	9,198	55,188	110,376	50%	
Western Credits, Interest and Other Income	4,746,494	33,733,190	44,090,343	77%	(i)
	52,039,223	325,349,390	853,640,834	38%	
NET ANNUAL BUDGET COST TO PARTICIPANTS					
	\$ 46,622,166	\$ 255,208,105	\$ 674,709,387	38%	

- (a) Increase due to higher than budgeted ISO charges. Generation for Hydro is approximately 174% of the YTD budgeted MWh as of 12/31/2023.
- (b) Increase due to the majority of projected generation occurring in the first three months of the fiscal year. Variance expected to levelize throughout the fiscal year.
- (c) Increase due to higher than budgeted ISO Energy Purchases. Generation related to Member & NCPA Contracts is approximately 347% of YTD budgeted MWh as of 12/31/2023.
- (d) Increase due to higher purchases by two participants compared to budget for the month. Variance expected to levelize throughout the fiscal year.
- (e) Increase due to unbudgeted customer transactions of over one million dollars, which is equivalent to more than two thirds of the budgeted total for the entire year.
- (f) Net credit due to revenue from unbudgeted unbalanced energy settlement credits.
- (g) Increase due to higher than budgeted labor effort attributed to Industry Restructuring. Variance expected to levelize throughout the fiscal year.
- (h) Support services includes training services, vendor services and other services to support participants as requested.
- (i) Increase due to higher than budgeted third party market sales and member contract sales.

COMBINED STATEMENTS OF NET POSITION

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

UNAUDITED

	December 31	
	2023	2022
(in thousands)		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 70,033	\$ 58,028
Investments	32,032	28,457
Accounts receivable		
Participants	24	1,215
Other	4,572	14,156
Interest receivable	953	598
Inventory and supplies	6,654	6,509
Prepaid expenses	3,227	3,563
TOTAL CURRENT ASSETS	117,495	112,526
RESTRICTED ASSETS		
Cash and cash equivalents	73,403	68,902
Investments	177,624	167,092
Interest receivable	32	30
TOTAL RESTRICTED ASSETS	251,059	236,024
ELECTRIC PLANT		
Electric plant in service	1,603,549	1,601,550
Less: accumulated depreciation & amortization	(1,134,065)	(1,097,384)
	469,484	504,166
Construction work-in-progress	1,606	1,552
TOTAL ELECTRIC PLANT	471,090	505,718
OTHER ASSETS		
Regulatory assets	151,518	171,853
Investment in associated company	265	265
TOTAL ASSETS	991,427	1,026,386
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	505	1,114
Pension and OPEB deferrals	25,345	14,141
Asset retirement obligations	62,386	61,701
TOTAL DEFERRED OUTFLOWS OF RESOURCES	88,236	76,956
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,079,663	\$ 1,103,342

COMBINED STATEMENTS OF NET POSITION

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

UNAUDITED

	December 31	
	2023	2022
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 47,105	\$ 63,497
Member advances	1,143	993
Operating reserves	27,825	19,886
Current portion of long-term debt	55,778	54,798
Accrued interest payable	4,755	5,540
TOTAL CURRENT LIABILITIES	136,606	144,714
NON-CURRENT LIABILITIES		
Net pension and OPEB liabilities	56,556	30,112
Operating reserves and other deposits	169,332	161,341
Asset retirement obligations	72,922	70,465
Long-term debt, net	497,599	555,940
TOTAL NON-CURRENT LIABILITIES	796,409	817,858
TOTAL LIABILITIES	933,015	962,572
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	95,061	95,278
Pension and OPEB deferrals	2,112	19,950
TOTAL DEFERRED INFLOWS OF RESOURCES	97,173	115,228
NET POSITION		
Net investment in capital assets	(68,704)	(88,740)
Restricted	24,579	24,104
Unrestricted	93,600	90,178
TOTAL NET POSITION	49,475	25,542
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,079,663	\$ 1,103,342

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

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

UNAUDITED

	For the Six Months Ended December 31,	
	2023	2022
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 278,252	\$ 325,519
Other Third-Party	141,857	287,432
TOTAL OPERATING REVENUES	420,109	612,951
OPERATING EXPENSES		
Purchased power	183,167	311,648
Operations	62,659	115,212
Transmission	93,998	114,934
Depreciation & amortization	15,374	15,371
Maintenance	16,566	18,188
Administrative and general	12,515	14,994
TOTAL OPERATING EXPENSES	384,279	590,347
NET OPERATING REVENUES	35,830	22,604
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(9,373)	(10,381)
Interest income	19,753	14,250
Other	4,461	7,252
TOTAL NON OPERATING EXPENSES	14,841	11,121
FUTURE RECOVERABLE AMOUNTS	(12,889)	(12,475)
REFUNDS TO PARTICIPANTS	(14,662)	(12,405)
INCREASE (DECREASE) IN NET POSITION	23,120	8,845
NET POSITION, Beginning of year	26,355	16,697
NET POSITION, Period ended	\$ 49,475	\$ 25,542

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

December 31, 2023

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	
ASSETS										
CURRENT ASSETS										
Cash and cash equivalents	\$ -	\$ -	\$ 1	\$ 1	\$ 171	\$ -	\$ -	\$ 1,379	\$ 68,481	\$ 70,033
Investments	-	-	-	-	-	-	-	-	32,032	32,032
Accounts receivable										
Participants	-	-	-	-	-	-	-	-	24	24
Other	-	-	-	-	2,987	-	645	-	940	4,572
Interest receivable	185	251	-	-	58	-	52	-	-407	953
Inventory and supplies	1,854	1,575	285	429	2,511	-	-	-	-	6,654
Prepaid expenses	1,125	1,100	-	110	1,193	-	-	(156)	(145)	3,227
Due from Agency and other programs*	19,733	646	2,592	3,922	38,227	-	19,538	5,339	(89,997)	-
TOTAL CURRENT ASSETS	22,897	3,572	2,878	4,462	45,147	-	20,235	6,562	11,742	117,495
RESTRICTED ASSETS										
Cash and cash equivalents	718	9,777	416	-	8,535	-	29,519	-	24,438	73,403
Investments	32,166	42,529	1,714	-	26,139	-	17,709	-	57,367	177,624
Interest receivable	-	16	-	-	16	-	-	-	-	32
TOTAL RESTRICTED ASSETS	32,884	52,322	2,130	-	34,690	-	47,228	-	81,805	251,059
ELECTRIC PLANT										
Electric plant in service	579,164	395,680	65,473	38,380	447,597	7,736	61,426	1,116	6,977	1,603,549
Less: accumulated depreciation & amortization	(555,434)	(314,328)	(60,535)	(35,762)	(146,062)	(7,736)	(8,498)	(870)	(4,840)	(1,134,065)
	23,730	81,352	4,938	2,618	301,535	-	52,928	246	2,137	469,484
Construction work-in-progress	-	-	-	-	-	-	-	-	1,606	1,606
TOTAL ELECTRIC PLANT	23,730	81,352	4,938	2,618	301,535	-	52,928	246	3,743	471,090
OTHER ASSETS										
Regulatory assets	-	85,272	-	-	28,664	-	-	-	37,582	151,518
Investment in associated company	-	-	-	-	-	-	-	-	265	265
TOTAL ASSETS	79,511	222,518	9,946	7,080	410,036	-	120,391	6,808	135,137	991,427
DEFERRED OUTFLOWS OF RESOURCES										
Excess cost on refunding of debt	158	-	-	-	347	-	-	-	-	505
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	25,345	25,345
Asset retirement obligations	62,007	-	177	-	202	-	-	-	-	62,386
TOTAL DEFERRED OUTFLOWS OF RESOURCES	62,165	-	177	-	549	-	-	-	25,345	88,236
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 141,676	\$ 222,518	\$ 10,123	\$ 7,080	\$ 410,585	\$ -	\$ 120,391	\$ 6,808	\$ 160,482	\$ 1,079,663

* Eliminated in Combination

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

December 31, 2023

	GENERATING & TRANSMISSION RESOURCES									Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ (17)	\$ 245	\$ 1	\$ 1	\$ 4,601	\$ -	\$ 34,689	\$ -	\$ 7,585	\$ 47,105
Member advances	791	-	-	-	-	-	-	352	-	1,143
Operating reserves	3,681	250	617	3,829	19,448	-	-	-	-	27,825
Current portion of long-term debt	3,425	27,420	4,825	-	14,238	-	5,805	-	65	55,778
Accrued interest payable	29	3,613	58	-	1,055	-	-	-	-	4,755
TOTAL CURRENT LIABILITIES	7,909	31,528	5,501	3,830	39,342	-	40,494	352	7,650	136,606
NON-CURRENT LIABILITIES										
Net pension and OPEB liability	-	-	-	-	-	-	-	-	56,556	56,556
Operating reserves and other deposits	1,500	32,121	-	-	166	-	48,842	4,041	82,662	169,332
Asset retirement obligations	72,543	-	177	-	202	-	-	-	-	72,922
Long-term debt, net	-	147,752	880	-	301,711	-	47,123	-	133	497,599
TOTAL NON-CURRENT LIABILITIES	74,043	179,873	1,057	-	302,079	-	95,965	4,041	139,351	796,409
TOTAL LIABILITIES	81,952	211,401	6,558	3,830	341,421	-	136,459	4,393	147,001	933,015
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	39,480	8,220	3,200	2,854	37,892	-	-	245	3,170	95,061
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	2,112	2,112
TOTAL DEFERRED INFLOWS OF RESOURCES	39,480	8,220	3,200	2,854	37,892	-	-	245	5,282	97,173
NET POSITION										
Net investment in capital assets	20,306	(91,085)	(521)	2,618	(3,813)	-	-	246	3,545	(68,704)
Restricted	1,712	12,766	2,072	-	8,029	-	-	-	-	24,579
Unrestricted	(1,774)	81,216	(1,186)	(2,222)	27,056	-	(16,068)	1,924	4,654	93,600
TOTAL NET POSITION	20,244	2,897	365	396	31,272	-	(16,068)	2,170	8,199	49,475
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 141,676	\$ 222,518	\$ 10,123	\$ 7,080	\$ 410,585	\$ -	\$ 120,391	\$ 6,808	\$ 160,482	\$ 1,079,663

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, 2023

	GENERATING & TRANSMISSION RESOURCES						Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission				
OPERATING REVENUES										
Participants	\$ 13,164	\$ 6,802	\$ 2,347	\$ 1,481	\$ 36,025	\$ -	\$ 206,054	\$ 10,678	\$ 1,699	\$ 278,252
Other Third-Party	16,773	21,187	1,074	1,176	47,285	-	52,926	1,436	-	141,857
TOTAL OPERATING REVENUES	29,937	27,989	3,421	2,659	83,310	-	258,980	12,114	1,699	420,109
OPERATING EXPENSES										
Purchased power	123	2,402	55	282	1,676	-	178,629	-	-	183,167
Operations	9,642	2,916	1,182	923	38,705	-	2,602	6,689	-	62,659
Transmission	248	209	2	2	367	-	93,168	2	-	93,998
Depreciation & amortization	1,975	4,770	1,104	168	7,078	-	-	77	202	15,374
Maintenance	7,847	4,320	513	861	2,916	-	-	109	-	16,566
Administrative and general	3,344	2,437	388	498	3,387	-	-	4,574	(2,113)	12,515
Intercompany (sales) purchases, net*	(449)	181	34	44	196	-	-	(6)	-	-
TOTAL OPERATING EXPENSES	22,730	17,235	3,278	2,778	54,325	-	274,399	11,445	(1,911)	384,279
NET OPERATING REVENUES	7,207	10,754	143	(119)	28,985	-	(15,419)	669	3,610	35,830
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(164)	(2,947)	75	-	(6,337)	-	-	-	-	(9,373)
Interest income	3,885	2,125	105	85	2,465	-	3,013	140	7,935	19,753
Other	-	29	1,134	-	2,936	-	-	-	362	4,461
TOTAL NON OPERATING (EXPENSES) REVENUES	3,721	(793)	1,314	85	(936)	-	3,013	140	8,297	14,841
FUTURE RECOVERABLE AMOUNTS	(524)	(10,358)	(1,533)	-	(474)	-	-	-	-	(12,889)
REFUNDS TO PARTICIPANTS	167	(795)	(416)	(246)	(917)	-	(3,233)	(3,940)	(5,282)	(14,662)
INCREASE (DECREASE) IN NET POSITION	10,571	(1,192)	(492)	(280)	26,658	-	(15,639)	(3,131)	6,625	23,120
NET POSITION, Beginning of year	9,673	4,089	857	676	4,614	-	(429)	5,301	1,574	26,355
NET POSITION, Period ended	\$ 20,244	\$ 2,897	\$ 365	\$ 396	\$ 31,272	\$ -	\$ (16,068)	\$ 2,170	\$ 8,199	\$ 49,475

* Eliminated in Combination

NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS
AGED ACCOUNTS RECEIVABLE
December 31, 2023

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 3,655,678
PAST DUE:			
1 - 30	Calpine Geysers	Effluent O&M July 2023	190,777
	Calpine Geysers	Effluent O&M August 2023	213,392
	Calpine Geysers	Effluent O&M September 2023	158,897
31 - 60	Calpine Geysers	Effluent O&M June 2023	376,749
61 - 90			
91 - 120			
Over 120 Days			
		PARTICIPANT and OTHER RECEIVABLES (net)	\$ 4,595,493

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

**Schedule of Disbursements
(Unaudited)**

For the Month of December 2023

Operations:

Geothermal	\$ 2,100,063
Hydroelectric	3,046,022
CT#1 Combustion Turbines	180,495
CT#2 STIG	519,459
Lodi Energy Center	8,408,149
NCPA Operating	<u>38,323,018</u>
Total	<u>\$ 52,577,206</u>



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Treasurer's Report for Month Ended December 31, 2023

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Treasurer's Report for December 31, 2023.

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 \$580,639 of which approximately \$773 was applicable to Special and Reserve Fund Deposits, \$4,050 to Debt Service and \$575,816 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 \$340,881,327 at month end. The current market value of the portfolio totaled \$330,831,215.

The overall portfolio had a combined weighted average interest rate of 3.517% with a bond equivalent yield (yield to maturity) of 3.566%. Investments with a maturity greater than one year totaled \$167,085,000. December maturities totaled \$24,378,984 and monthly receipts totaled \$62 million. During the month \$35 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 10 basis points from 5.54% to 5.44% and rates on one-year T-Bills decreased 45 basis points from 5.26% to 4.81%.

To the best of my knowledge and belief, all securities held by NCPA as of December 31, 2023 are in compliance with NCPA's investment policy. There are adequate cash flow and investment maturities to meet cash requirements for the next six months.

FISCAL IMPACT:

This report has no direct budget impact to NCPA.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachment: Treasurer's Report December 31, 2023

NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

DECEMBER 31, 2023

TABLE OF CONTENTS

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

**Northern California Power Agency
Treasurer's Report
Cash & Investment Balance
December 31, 2023**

	CASH	INVESTMENTS	TOTAL	PERCENT
NCPA FUNDS				
Operating	\$ 562,287	\$ 137,087,365	\$ 137,649,652	40.31%
Special Deposits	13,529	-	13,529	0.00%
Debt Service	4,050	29,299,141	29,303,191	8.58%
Special & Reserve	773	174,494,821	174,495,594	51.11%
	<u>\$ 580,639</u>	<u>\$ 340,881,327</u>	<u>\$ 341,461,966</u>	<u>100.00%</u>

Portfolio Investments at Market Value

\$ 330,831,215

NOTE A - Investment amounts shown at book carrying value.

**Northern California Power Agency
Treasurer's Report
Cash Activity Summary
December 31, 2023**

	RECEIPTS			EXPENDITURES			CASH
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	INCREASE / (DECREASE)
NCPA FUNDS							
Operating	\$ 61,441,496	\$ 430,176	\$ 5,871,846	\$ (27,513,553)	\$ (9,861,251)	\$ (31,600,887)	\$ (1,232,173)
Special Deposits	423,189	-	-	(19,828,629)	-	19,404,242	(1,198)
Debt Service	-	3	13,690,138	(9,318,651)	(12,253,578)	5,230,883	(2,651,205)
Special & Reserve	178,835	410,841	4,817,000	-	(12,392,549)	6,965,762	(20,111)
	<u>\$ 62,043,520</u>	<u>\$ 841,020</u>	<u>\$ 24,378,984</u>	<u>\$ (56,660,833)</u>	<u>\$ (34,507,378)</u>	<u>\$ -</u>	<u>\$ (3,904,687)</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, 2023**

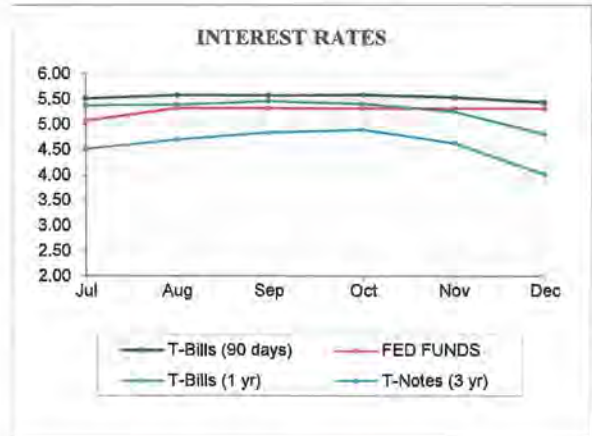
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
NCPA FUNDS						
Operating	\$ 9,861,251	\$ (5,871,846)	\$ 89	\$ -	\$ -	\$ 3,989,494
Special Deposits	-	-	-	-	-	-
Debt Service	12,253,578	(13,690,138)	106,408	-	-	(1,330,152)
Special & Reserve	12,392,549	(4,817,000)	13,107	-	-	7,588,656
	<u>\$ 34,507,378</u>	<u>\$ (24,378,984)</u>	<u>\$ 119,604</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,247,998</u>
Less Non- Cash Activity						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(119,604)</u>
Net Change in Investment –Before Non-Cash Activity						<u><u>\$ 10,128,394</u></u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Interest Rate/Yield Analysis
December 31, 2023**

	<u>WEIGHTED AVERAGE INTEREST RATE</u>	<u>BOND EQUIVALENT YIELD</u>
OVERALL COMBINED	<u><u>3.517%</u></u>	<u><u>3.566%</u></u>
OPERATING FUNDS:	3.700%	3.712%
PROJECTS:		
Geothermal	2.262%	2.388%
Capital Facilities	5.076%	5.238%
Hydroelectric	3.917%	4.083%
Lodi Energy Center	2.778%	2.815%

<u>KEY INTEREST RATES</u>		
	<u>CURRENT</u>	<u>PRIOR YEAR</u>
Fed Fds (Overnight)	5.33%	4.33%
T-Bills (90da.)	5.44%	4.45%
Agency Disc (90da.)	5.21%	4.57%
T-Bills (1yr.)	4.81%	4.73%
Agency Disc (1yr.)	4.65%	4.75%
T-Notes (3yr.)	4.01%	4.18%



**Northern California Power Agency
Total Portfolio
Liquidity and Investment Maturities Analysis
December 31, 2023**

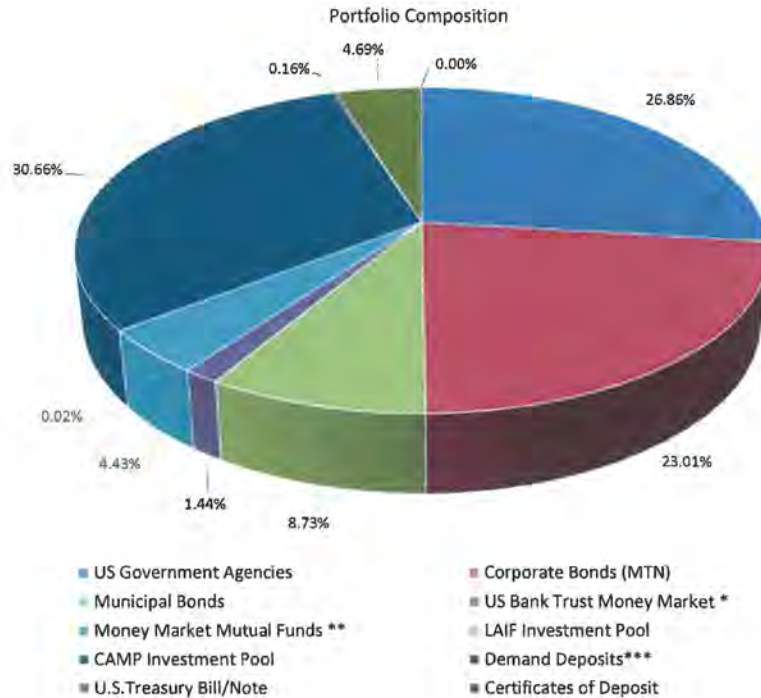
Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$ 12,261	\$ 2,590	\$ 4,350	\$ 2,070	\$ 3,570	\$ 56,989	\$ 10,182	\$ 92,012	26.86%
Corporate Bonds (MTN)	1,000	1,940	628	185	965	74,119	-	78,837	23.01%
Municipal Bonds	-	-	-	2,815	1,280	22,575	3,220	29,890	8.73%
US Bank Trust Money Market *	4,924	-	-	-	-	-	-	4,924	1.44%
Money Market Mutual Funds **	15,171	-	-	-	-	-	-	15,171	4.43%
LAIF Investment Pool	52	-	-	-	-	-	-	52	0.02%
CAMP Investment Pool	105,029	-	-	-	-	-	-	105,029	30.66%
Demand Deposits***	562	-	-	-	-	-	-	562	0.16%
U.S.Treasury Bill/Note	3,048	425	9,503	3,102	-	-	-	16,078	4.69%
Certificates of Deposit	10	-	-	-	-	-	-	10	0.00%
Total Dollars	\$ 142,057	\$4,955	\$14,481	\$8,172	\$ 5,815	\$153,683	\$13,402	\$ 342,565	100.00%
Total Percents	41.46%	1.45%	4.23%	2.39%	1.70%	44.86%	3.91%	100.00%	

Investments are shown at Face Value, in thousands.

* Uninvested debt service balances at U.S. Bank Global Trust and Custody are swept into U.S. Bank unrated money market demand deposit investment products.

** Money market mutual fund investments held at U.S. Bank and U.S. Bank Global Trust and Custody are invested in short-term U.S. Treasury obligations, including repurchase agreements secured by U.S. Treasury obligations and short-term U.S. government securities, including repurchase agreements secured by U.S. government securities respectively.

*** The cash balance held at US Bank includes outstanding checks that have not yet cleared.



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
 12/31/2023

Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank, N.A.	USB	0	2.550		0		1	2.560	0	SYS70101	70101	0
First American Govt	USBGC	28,025	5.250		28,025		1	5.250	28,025	SYS70014	70014	28,025
First American Funds	USB	14,941,000	5.178		14,941,000		1	5.178	14,941,000	SYS70102	70102	14,941,000
California Asset Mgm	CMP	52,873,178	5.580	10/19/2018	52,873,178		1	5.580	52,873,178	SYS70070	70070	52,873,178
Local Agency Investm	LAIF	52,199	3.590		52,199		1	3.590	52,199	SYS70000	70000	52,199
US Bank	USB	562,287	0.001		562,287		1	0.001	562,287	SYS70050	70050	562,287
US Bank	USB	10,000	0.050	10/07/2023	10,000	01/07/2024	6	0.050	10,000	SYS30335	30335	10,000
JP Morgan	USBGC	500,000	3.875	02/15/2019	514,550	02/01/2024	31	3.561	499,115	46825HJT8	26760	500,244
Federal Farm Credit	USBGC	200,000	5.125	02/28/2023	199,964	02/28/2024	58	5.143	199,870	3133EPCB9	27554	199,994
American Honda Finan	USBGC	185,000	0.550	04/17/2023	176,124	07/12/2024	193	4.586	160,318	02685WDS7	27575	181,190
East Side Union High	USBGC	500,000	0.820	10/29/2020	500,000	08/01/2024	213	0.876	488,375	275282PR6	27105	500,000
CA St Dept of Wlr Re	USBGC	600,000	0.560	08/06/2020	600,000	12/01/2024	335	0.584	576,558	13087WRBQ	27055	600,000
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	382	1.846	486,570	90331HMS9	26947	504,865
State of Louisiana	USBGC	260,000	0.697	02/25/2021	260,000	06/15/2025	531	0.730	244,728	546486BV2	27178	260,000
Nashville Met Gov	USBGC	500,000	0.610	09/18/2023	500,000	07/01/2025	547	0.609	470,480	592112XC5	27642	500,000
City of Phoenix AZ	USBGC	500,000	0.959	08/25/2020	500,000	07/01/2025	547	0.980	472,970	71884AF20	27058	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	547	0.787	471,445	977123X78	27041	500,000
Met Life Glob Fundin	USBGC	1,000,000	0.950	03/04/2022	961,800	07/02/2025	548	2.145	942,780	59217GEJ4	27375	982,749
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	578	0.992	943,060	275282PE4	27106	1,000,000
Federal National Mtg	USBGC	1,000,000	0.650	12/21/2020	1,005,200	11/18/2025	687	0.542	930,400	3135GA4P3	27137	1,001,992
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	721	0.825	229,545	48128GY53	27138	250,000
Toyota Motor Credit	USBGC	500,000	0.700	01/21/2021	500,000	01/20/2026	750	0.699	457,710	89236THY4	27149	500,000
Federal Home Loan Ba	USBGC	375,000	0.500	02/25/2021	375,000	02/25/2026	786	0.500	346,073	3130AKXX9	27179	375,000
Federal Home Loan Ba	USBGC	1,000,000	2.500	02/28/2022	1,000,000	02/27/2026	788	2.248	966,550	3130AQZV8	27366	1,000,000
Cisco Systems Inc.	USBGC	102,000	2.950	11/18/2022	98,129	02/28/2026	789	4.200	98,742	17275RBC5	27480	99,451
Federal Farm Credit	USBGC	1,100,000	0.800	03/09/2021	1,100,000	03/09/2026	798	0.800	1,018,578	3133EMSU7	27200	1,100,000
United Health Group	USBGC	500,000	1.150	05/28/2021	501,880	05/15/2026	865	1.079	482,880	91324PEC2	27230	500,807
Bank of America Corp	USBGC	1,700,000	1.250	05/28/2021	1,700,000	05/28/2026	878	1.250	1,545,334	06048WM31	27225	1,700,000
Met Govt Nashville &	USBGC	250,000	1.181	10/14/2021	250,000	07/01/2026	912	1.181	228,983	592098X77	27291	250,000
San Diego CA Unif Sc	USBGC	250,000	1.201	10/21/2021	250,000	07/01/2026	912	1.201	230,815	797356DF6	27298	250,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	927	1.050	456,445	57629WDE7	27247	501,852
County of Bexar TX	USBGC	100,000	1.272	09/23/2021	100,000	08/15/2026	957	1.272	91,565	088518NV3	27273	100,000
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	959	0.875	457,350	3130ANGX2	27252	500,000
JP Morgan	USBGC	1,000,000	1.150	08/17/2021	1,000,000	08/17/2026	959	1.150	896,420	48128G4R8	27251	1,000,000
Bank of America Corp	USBGC	750,000	1.250	08/26/2021	750,000	08/26/2026	968	1.250	668,948	06048WN22	27255	750,000
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	987	1.227	459,080	14913R2Q9	27288	498,992
John Deere Capital C	USBGC	500,000	2.250	10/14/2021	524,355	09/14/2026	987	1.225	472,030	24422EVB2	27294	513,388
Federal Home Loan Ba	USBGC	630,000	0.900	09/28/2021	630,000	09/28/2026	1,001	0.900	574,352	3130ANXS4	27276	630,000
Reliance Standard LI	USBGC	1,500,000	1.512	10/14/2021	1,491,180	09/29/2026	1,001	1.635	1,340,640	75951AAQ1	27292	1,485,120
Paypal Holdings Inc.	USBGC	500,000	2.650	10/14/2021	533,315	10/01/2026	1,004	1.280	474,880	70450YAD5	27293	518,457



**Northern California Power Agency
Treasurer's Report
12/31/2023**

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
TSMC Arizona Corp.	USBGC	1,525,000	1.750	12/08/2021	1,537,993	10/25/2026	1,028	1.567	1,405,547	872888AA9	27330	1,532,499
Public Storage	USBGC	1,910,000	1.500	12/08/2021	1,912,216	11/09/2026	1,043	1.475	1,754,029	74460DAG4	27336	1,911,286
Federal Home Loan Ba	USBGC	50,000	2.000	12/29/2021	50,000	12/29/2026	1,093	1.509	47,048	3130AQER0	27342	50,000
Federal Home Loan Ba	USBGC	3,000,000	2.000	01/28/2022	3,000,000	01/28/2027	1,123	1.700	2,823,630	3130AQN66	27364	3,000,000
Federal Home Loan Ba	USBGC	455,000	4.700	03/17/2023	452,498	06/30/2027	1,276	4.841	452,739	3130ASH44	27559	452,958
Meta Platforms Inc.	USBGC	526,000	3.500	11/21/2022	494,240	08/15/2027	1,322	4.944	512,208	30303M8B1	27483	501,695
Amazon.com Inc	USBGC	600,000	3.150	09/21/2022	573,894	08/22/2027	1,329	4.136	575,862	023135BC9	27455	580,675
TCI Communications I	USBGC	1,000,000	7.125	06/09/2023	1,098,280	02/15/2028	1,506	4.757	1,093,170	872287AL1	27597	1,086,463
American Honda Finan	USBGC	1,000,000	2.000	06/08/2023	887,330	03/24/2028	1,544	4.848	905,690	02665WDWB	27598	900,581
Mercedes-Benz Fin. N	USBGC	750,000	4.800	04/14/2023	755,445	03/30/2028	1,550	4.834	757,238	58765JAG2	27572	754,661
Meta Platforms Inc.	USBGC	500,000	4.600	07/03/2023	496,500	05/15/2028	1,596	4.761	507,295	30303M8L9	27614	496,856
Federal Home Loan Ba	USBGC	1,000,000	4.800	06/23/2023	1,000,000	06/23/2028	1,635	4.800	992,250	3130AWE55	27606	1,000,000
Fund Total and Average		\$ 100,534,689	4.342		\$ 100,520,707		302	4.341	\$ 98,676,964			\$ 100,498,464

MPP GHG Auction Acct

California Asset Mgm	CMP	1,379,079	5.580	09/13/2022	1,379,079		1	5.580	1,379,079	SYS70076	70076	1,379,079
Local Agency Investm		0	3.590	07/01/2023	0		1	3.590	0	SYS70045	70045	0
Fund Total and Average		\$ 1,379,079	5.580		\$ 1,379,079		1	5.580	\$ 1,379,079			\$ 1,379,079

SCPA Balancing Account

First American Govt.	USBGC	6,002	5.250		6,002		1	5.250	6,002	SYS70023	70023	6,002
California Asset Mgm	CMP	17,886,530	5.580	05/27/2022	17,886,530		1	5.580	17,886,530	SYS70072	70072	17,886,530
Local Agency Investm	LAIF	0	3.590	07/01/2023	0		1	3.590	0	SYS70022	70022	0
Federal Farm Credit	USBGC	500,000	5.125	02/28/2023	499,909	02/28/2024	58	5.143	499,675	3133EPCB9	27556	499,986
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	456	0.800	487,725	588145F74	27113	514,463
State of Wisconsin	USBGC	105,000	0.850	01/30/2023	105,000	05/01/2025	486	0.849	99,421	97705MZH1	27539	105,000
State of Wisconsin	USBGC	295,000	0.650	01/30/2023	295,000	05/01/2025	486	0.849	279,822	97705MZR9	27540	295,000
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	517	0.952	473,460	13032UXM5	27110	500,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	547	0.932	470,995	059231X39	27125	500,000
Nashville Met Gov	USBGC	500,000	0.810	09/18/2023	500,000	07/01/2025	547	0.609	470,480	592112XC5	27643	500,000
Federal Farm Credit	USBGC	2,045,000	0.530	09/29/2020	2,045,000	09/29/2025	637	0.530	1,911,012	3133EMB0J	27077	2,045,000
Federal Farm Credit	USBGC	2,050,000	0.530	09/29/2020	2,050,000	09/29/2025	637	0.530	1,915,684	3133EMB04	27078	2,050,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	769	0.699	463,085	037833EB2	27158	500,000
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	773	0.530	461,540	3130AKWA0	27164	499,894
JP Morgan	USBGC	1,000,000	0.750	02/17/2021	1,000,000	02/17/2026	778	0.650	911,856	46632FRV9	27171	1,000,000
Federal Home Loan Ba	USBGC	125,000	0.500	02/25/2021	125,000	02/25/2026	786	0.500	115,358	3130AKXX9	27180	125,000
Federal Home Loan Ba	USBGC	1,000,000	0.630	02/26/2021	1,000,000	02/26/2026	787	0.630	923,960	3130ALB94	27195	1,000,000
Federal Farm Credit	USBGC	1,650,000	0.800	03/09/2021	1,650,000	03/09/2026	798	0.800	1,527,867	3133EMSU7	27201	1,650,000
Bank of America Corp	USBGC	500,000	1.200	06/28/2021	500,000	06/25/2026	906	1.199	445,730	06048VM84	27227	500,000



Northern California Power Agency
Treasurer's Report
12/31/2023

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
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	927	1.050	456,445	57629WDE7	27248	501,852
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	968	1.250	44,597	06048WV22	27256	50,000
TSMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,028	1.567	184,334	872898AA9	27331	200,983
Public Storage	USBGC	275,000	1.900	11/19/2021	274,095	11/09/2026	1,043	1.569	252,544	74460DAG4	27311	274,480
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,043	1.475	229,585	74460DAG4	27337	250,168
Federal Home Loan Ba	USBGC	100,000	2.000	12/29/2021	100,000	12/29/2026	1,093	1.509	94,096	3130AQER0	27343	100,000
John Deere Capital C	USBGC	525,000	1.700	01/14/2022	524,223	01/11/2027	1,106	1.731	484,675	24422EWA3	27362	524,529
Federal Home Loan Ba	USBGC	300,000	2.000	01/28/2022	300,000	01/28/2027	1,123	1.691	282,363	3130AQN66	27365	300,000
Federal Home Loan Ba	USBGC	500,000	3.500	04/29/2022	500,000	04/29/2027	1,214	4.219	496,375	3130ARR52	27399	500,000
State of Oregon	USBGC	500,000	4.112	03/23/2023	500,000	05/01/2027	1,216	4.110	497,275	68609UBF1	27680	500,000
Alameda County	USBGC	130,000	3.460	08/24/2022	130,000	08/01/2027	1,308	3.509	126,701	010878BF2	27440	130,000
Desert Community Col	USBGC	300,000	1.823	06/16/2023	267,654	08/01/2027	1,308	4.730	274,554	250375LS9	27602	271,901
Federal Home Loan Ba	USBGC	370,000	4.200	09/25/2022	370,000	08/25/2027	1,332	4.200	364,424	3130ASVCD	27441	370,000
Blackstonia Holdings	USBGC	1,000,000	5.900	02/03/2023	1,047,880	11/03/2027	1,402	4.759	1,037,500	09261BAJ9	27541	1,038,696
Mercedes-Benz Fin. N	USBGC	300,000	3.750	06/26/2023	284,544	02/22/2028	1,513	5.003	290,826	233851DF8	27607	286,250
Mercedes-Benz Fin. N	USBGC	125,000	4.800	04/14/2023	126,508	03/30/2028	1,550	4.634	126,206	58769JAG2	27573	125,777
Fund Total and Average		\$ 35,587,532	3.627		\$ 35,642,494		413	3.594	\$ 34,592,702			\$ 35,601,511

General Operating Reserve

First American Govt.	USBGC	91,912	5.250		91,912		1	5.250	91,912	SYS70019	70010	91,912
California Asset Mgm	CMP	24,527,868	5.580	12/14/2018	24,527,868		1	5.580	24,527,888	SYS70071	70071	24,527,868
Local Agency Investm	LAIF	0	3.580	07/01/2023	0		1	3.590	0	SYS70000	70002	0
US Bank	USB	0	0.000	07/01/2023	0		1	0.000	0	SYS70051	70051	0
Citibank NA	USBGC	500,000	3.650	02/07/2019	507,490	01/23/2024	22	3.319	499,440	17325FAS7	26756	500,092
JP Morgan	USBGC	500,000	3.875	02/07/2019	515,120	02/01/2024	31	3.535	499,115	46625HJT8	26757	500,253
US Bank, N.A.	USBGC	440,000	3.375	10/31/2019	462,862	02/05/2024	35	2.093	438,957	91159HHV5	26906	440,507
East Side Union High	USBGC	565,000	0.820	10/29/2020	565,000	08/01/2024	213	0.820	551,864	275282PR6	27107	565,000
Honolulu City and Co	USBGC	1,500,000	1.832	04/13/2020	1,522,710	08/01/2024	213	1.058	1,471,995	438687KT1	26980	1,503,081
California State Uni	USBGC	250,000	0.665	09/17/2020	250,000	11/01/2024	305	0.665	241,355	13077DMK5	27072	250,000
Federal Home Loan Ba	USBGC	1,620,000	2.750	03/25/2020	1,961,288	12/13/2024	347	0.830	1,785,256	3130A3QEB	26962	1,852,486
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	392	1.846	486,570	90331HMS9	26951	504,865
W W Grainger Inc.	USBGC	500,000	1.850	04/30/2020	516,000	02/15/2025	411	1.161	482,590	384802AE4	27000	503,747
W W Grainger Inc.	USBGC	500,000	1.850	05/21/2020	514,500	02/15/2025	411	1.217	482,590	384802AE4	27005	503,438
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	456	0.600	487,725	586145F74	27114	514,463
Tulsa County OK Ind	USBGC	1,000,000	1.500	05/26/2020	1,016,450	04/01/2025	456	1.038	960,300	899559QD3	27008	1,004,242
City of Huntsville A	USBGC	516,000	2.750	11/06/2020	560,351	05/01/2025	465	0.750	501,543	447025A56	27112	528,479
Honeywell Internatio	USBGC	1,000,000	1.350	06/03/2020	1,023,560	06/01/2025	517	0.866	954,650	438516CB0	27008	1,006,683
County of Jasper IA	USBGC	420,000	2.350	06/11/2020	443,558	06/01/2025	517	1.299	406,888	471378FJT	27011	426,712
Precision Castparts	USBGC	1,500,000	3.250	06/25/2020	1,687,985	06/15/2025	531	1.033	1,468,875	740189AM7	27017	1,549,176
JP Morgan	USBGC	750,000	1.050	06/23/2020	750,000	06/23/2025	539	1.050	699,818	46126GL40	27024	750,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	547	0.845	470,995	059231X39	27126	600,000



Northern California Power Agency
Treasurer's Report
12/31/2023

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
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	547	0.774	471,445	977123X78	27042	500,000
Mel Life Glob Fundin	USBGC	4,000,000	0.950	03/04/2022	3,847,200	07/02/2025	548	2.145	3,771,120	59217GEJ4	27376	3,930,998
East Side Union High	USBGC	815,000	0.940	10/29/2020	815,000	08/01/2025	578	0.940	788,594	275282PS4	27108	815,000
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	595	0.600	940,350	3136G4G72	27056	1,000,000
Federal Agricultural	USBGC	1,000,000	0.570	09/17/2020	1,000,000	09/17/2025	625	0.570	936,360	31422BY23	27071	1,000,000
Federal Farm Credit	USBGC	2,000,000	0.530	09/29/2020	2,000,000	09/29/2025	637	0.530	1,866,960	3133EMBH4	27079	2,000,000
Federal Farm Credit	USBGC	1,720,000	0.530	09/29/2020	1,720,000	09/29/2025	637	0.530	1,607,308	3133EMBJ0	27080	1,720,000
Federal Home Loan Ba	USBGC	1,000,000	0.520	09/29/2020	1,000,000	09/29/2025	637	0.520	934,350	3130AKAZ9	27081	1,000,000
Federal Home Loan Mt	USBGC	500,000	0.540	10/27/2020	500,000	10/27/2025	655	0.540	465,405	3134GW4Z6	27104	500,000
Bank of America Corp	USBGC	1,000,000	0.850	11/25/2020	1,000,000	11/25/2025	694	0.796	921,300	08048WK41	27122	1,000,000
Federal Farm Credit	USBGC	500,000	0.560	12/01/2020	500,000	12/01/2025	700	0.560	463,625	3133EMJC7	27124	500,000
Guardian Life	USBGC	1,520,000	0.875	05/05/2021	1,507,384	12/10/2025	709	1.060	1,406,365	40139LBC6	27223	1,514,672
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	721	0.825	229,545	48128GY53	27139	250,000
Federal National Mtg	USBGC	500,000	0.540	12/30/2020	501,000	12/30/2025	729	0.599	462,805	3135G0BQ1	27141	500,399
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	769	0.699	463,085	037833EB2	27169	500,000
JP Morgan	USBGC	1,000,000	0.750	02/17/2021	1,000,000	02/17/2026	778	0.650	911,856	46832FRV9	27172	1,000,000
Charles Schwab Corp	USBGC	630,000	0.900	04/30/2021	625,407	03/11/2026	800	1.054	577,527	808513BF1	27220	627,928
Federal Home Loan Ba	USBGC	1,000,000	0.790	03/25/2021	997,500	03/18/2026	805	0.841	925,140	3130ALEL4	27203	998,890
Federal Home Loan Ba	USBGC	170,625	1.000	09/23/2023	170,625	03/23/2026	812	1.000	158,497	3130ALGJ7	27657	170,625
Federal Home Loan Ba	USBGC	1,000,000	1.010	03/30/2021	1,000,000	03/30/2026	819	1.010	928,530	3130ALTT1	27213	1,000,000
Oregon State Dept o	USBGC	500,000	1.119	04/27/2021	500,000	04/01/2026	821	1.119	464,795	68607V2Q7	27216	500,000
Federal Home Loan Ba	USBGC	500,000	1.400	04/21/2021	500,000	04/21/2026	841	1.084	469,770	3130ALXR0	27215	500,000
United Health Group	USBGC	550,000	1.150	06/28/2021	551,826	05/15/2026	865	1.079	509,146	91324PEC2	27232	550,888
Bank of America Corp	USBGC	1,108,000	1.250	05/23/2021	1,108,000	05/28/2026	878	1.250	1,007,194	06048WM31	27226	1,108,000
Bank of America Corp	USBGC	1,250,000	1.200	06/28/2021	1,250,000	06/25/2026	906	1.199	1,114,325	08048WM64	27228	1,250,000
State University of	USBGC	370,000	1.591	12/02/2021	370,000	07/01/2026	912	1.590	342,597	650008GU6	27329	370,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	927	1.050	912,890	57626WDE7	27249	1,003,703
Home Depot Inc.	USBGC	415,000	2.125	04/12/2022	400,052	09/15/2026	988	3.000	390,179	437076BN1	27387	405,860
John Deere Capital C	USBGC	100,000	1.300	10/18/2021	100,313	10/13/2026	1,016	1.235	91,978	24422EVW8	27297	100,175
Nationwide Bldg Soci	USBGC	2,035,000	1.500	06/16/2022	1,792,286	10/13/2026	1,016	4.589	1,849,408	63859UBH5	27420	1,878,802
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,028	1.567	783,420	87289BAA9	27333	854,180
Public Storage	USBGC	1,585,000	1.500	11/15/2021	1,585,745	11/09/2026	1,043	1.490	1,455,569	74480DAG4	27308	1,585,427
Public Storage	USBGC	385,000	1.500	11/19/2021	383,799	11/09/2026	1,043	1.569	335,194	74480DAG4	27312	384,310
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	1,043	1.475	977,114	74480DAG4	27339	1,064,716
JP Morgan	USBGC	1,200,000	1.500	11/30/2021	1,200,000	11/30/2026	1,064	1.500	1,049,432	48130UZH1	27313	1,200,000
Federal Home Loan Ba	USBGC	150,000	2.000	12/29/2021	150,000	12/29/2026	1,093	1.509	141,144	3130AQER0	27345	150,000
John Deere Capital C	USBGC	438,000	1.700	01/11/2022	437,352	01/11/2027	1,106	1.731	404,357	24422EWA3	27363	437,607
Federal Home Loan Ba	USBGC	500,000	3.375	04/28/2022	500,000	01/28/2027	1,123	3.375	467,785	3130ARP62	27398	500,000
Amazon.com Inc	USBGC	1,030,000	3.300	06/16/2022	993,208	04/13/2027	1,198	4.123	999,831	023135CF1	27419	1,004,964
TSMC Arizona Corp.	USBGC	1,770,000	3.875	05/26/2022	1,789,399	04/22/2027	1,207	3.628	1,730,801	87289BAF8	27404	1,783,083
Qualcomm Inc	USBGC	1,035,000	3.250	06/16/2022	995,059	05/20/2027	1,235	4.122	1,001,890	747525AU7	27421	1,007,555
State of Connecticut	USBGC	500,000	3.631	06/22/2022	500,000	06/15/2027	1,261	3.631	469,300	20772KQK8	27423	500,000



Northern California Power Agency
 Treasurer's Report
 12/31/2023

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
Meta Platforms Inc.	USBGC	270,000	3.500	11/21/2022	253,697	05/15/2027	1,322	4.944	262,921	30303M8B1	27484	257,524
Amazon.com Inc	USBGC	75,000	3.150	09/21/2022	71,737	09/22/2027	1,329	4.136	71,983	023135BC9	27457	72,584
Federal Farm Credit	USBGC	1,000,000	4.750	10/19/2023	1,000,000	10/19/2027	1,381	4.750	1,026,480	3133EPYM1	27659	1,000,000
California State Gen	USBGC	900,000	1.700	10/12/2023	787,473	02/01/2028	1,482	4.962	813,312	13063DC48	27658	793,212
City of Houston TX	USBGC	230,000	1.438	11/30/2023	199,849	03/01/2028	1,521	4.888	203,759	4423317B4	27677	200,460
Lenape NJ Regional H	USBGC	590,000	1.815	09/18/2023	519,230	03/15/2028	1,535	4.816	533,053	525876WS3	27641	523,737
NYC Transitional F	USBGC	2,315,000	4.600	09/14/2023	2,284,326	05/01/2028	1,582	4.922	2,334,955	64971X7J1	27639	2,286,295
Fund Total and Average		\$ 82,180,405	2.911		\$ 82,056,772		552	2.959	\$ 78,977,233			\$ 81,804,598
GRAND TOTALS:		\$ 219,681,705	3.700		\$ 219,598,052		411	3.712	\$ 213,625,978,			\$ 219,283,652

*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 12/31/2023

Callable Dates:

Inv #		Inv #		
26906	USBANK 1/5/2024	27169	APPL	Anytime starting 1/8/2026
26947	USBANK Anytime starting 12/27/2024	27171	JPM	Quarterly
26951	USBANK Anytime starting 12/27/2024	27172	JPM	Quarterly
26980	HON Anytime	27178	LOUIS	Anytime
27011	JAS 6/1/2024	27195	FHLB	Quarterly
27024	JPM Quarterly starting 6/23/2024	27200	FFCB	Anytime
27041	WISTRN Anytime	27201	FFCB	Anytime
27042	WISTRN Anytime	27203	FHLB	Quarterly
27055	CASWTR Anytime	27213	FHLB	Quarterly
27056	FNMA Quarterly	27216	ORSGEN	Anytime
27058	PHOGEN Anytime	27220	SCHW	2/11/2026
27071	FAMC Semi-annually	27225	BAC	Semi-annually
27072	CASHGR Anytime	27226	BAC	Semi-annually
27077	FFCB Anytime	27227	BAC	Semi-annually
27078	FFCB Anytime	27228	BAC	Semi-annually
27079	FFCB Anytime	27251	JPM	Annually
27080	FFCB Anytime	27252	FHLB	Quarterly
27081	FHLB Anytime	27255	BAC	Semi-annually
27104	FHLMC Annually	27258	BAC	Semi-annually
27110	CASMED Anytime	27276	FHLB	Quarterly
27113	MEMGEN Anytime	27313	JPM	Quarterly
27114	MEMGEN Anytime	27329	NYSHGR	Anytime
27124	FFCB Anytime	27388	FHLB	Quarterly
27125	BALGEN Anytime	27399	FHLB	Quarterly
27128	BALGEN Anytime	27423	CTS	Anytime
27137	FNMA Annually	27440	ALA	Anytime
27138	JPM Quarterly	27441	FHLB	Quarterly
27139	JPM Quarterly	27559	FHLB	Quarterly
27141	FNMA Quarterly	27560	ORS	Anytime
27149	TOY 1/20/2025 and 7/20/2025	27605	FHLB	6/23/2025
27164	FHLB Anytime	27639	NYCGEN	Anytime
27168	APPL Anytime starting 1/8/2026	27657	FHLB	Monthly



**Northern California Power Agency
Treasurer's Report
12/31/2023**

Geo 2016A 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	297,000	5.260	07/28/2023	290,144	01/02/2024	1	5.459	296,828	313384RG6	27615	296,957
Federal Home Loan Ba	USBT	294,000	5.285	09/28/2023	289,857	01/02/2024	1	5.435	293,829	313384RG6	27651	293,957
Federal Home Loan Ba	USBGC	292,000	5.250	11/24/2023	290,339	01/02/2024	1	5.353	291,831	313384RG6	27670	291,957
Federal National Mtg	USBT	296,000	5.250	08/29/2023	290,561	01/02/2024	1	5.422	295,828	313568RG2	27628	295,967
U.S. Treasury	USBGC	293,000	5.240	10/25/2023	290,057	01/02/2024	1	5.366	293,000	912797HX8	27661	292,957
Federal Home Loan Ba	USBT	275,000	5.050	12/29/2023	268,056	06/26/2024	177	5.252	268,043	313384YQ8	27684	268,172
Fund Total and Average		\$ 1,747,000	5.225		\$ 1,719,014		28	5.384	\$ 1,739,359			\$ 1,739,957

Geothermal Special Reserve

First American Govt.	USBGC	5,000	5.250		5,000		1	5.250	5,000	SYS70015	70015	5,000
Federal National Mtg	USBGC	1,485,000	0.500	02/16/2021	1,497,796	11/07/2025	676	0.460	1,392,518	3135G08G3	27167	1,496,095
Fund Total and Average		\$ 1,500,000	0.516		\$ 1,502,796		674	0.476	\$ 1,397,518			\$ 1,501,095

Geo Decommissioning Reserve

First American Govt.	USBGC	25,745	5.250		25,745		1	5.250	25,745	SYS70034	70034	25,745
California Asset Mgm	CMP	137,853	5.580	09/01/2022	137,853		1	5.580	137,853	SYS70074	70074	137,853
Local Agency Investm	LAIF	0	3.590	07/01/2023	0		1	3.590	0	SYS70027	70027	0
Sacramento Suburban	USBGC	330,000	3.480	04/09/2020	349,473	11/01/2024	305	1.846	326,096	78807QAY1	26977	333,658
W W Grainger Inc.	USBGC	425,000	1.850	04/30/2020	438,600	02/15/2025	411	1.161	410,202	384802AE4	27002	428,185
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	517	0.952	473,460	13032UXM5	27111	500,000
Houston Airport Sys	USBGC	750,000	1.372	10/20/2020	750,000	07/01/2025	547	1.372	713,258	442349EM4	27102	750,000
Nashville Met Gov	USBGC	500,000	0.610	09/18/2023	500,000	07/01/2025	547	0.609	470,480	592112XC5	27644	500,000
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	578	0.940	943,060	275282PS4	27109	1,000,000
Guardian Life	USBGC	505,000	0.875	05/05/2021	500,809	12/10/2025	709	1.060	467,248	40139LBC6	27224	503,230
Apple Inc.	USBGC	1,000,000	0.700	02/08/2021	1,000,000	02/08/2026	789	0.700	926,170	037833EB2	27162	1,000,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	850	1.200	450,620	48128G3G3	27218	500,000
Bank of America Corp	USBGC	750,000	1.200	06/28/2021	750,000	06/25/2026	906	1.199	668,595	06048WMB4	27229	750,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	968	1.250	44,597	06048WVN22	27258	50,000
Apple Inc.	USBGC	1,895,000	2.050	01/12/2022	1,830,807	09/11/2026	884	1.629	1,785,052	037833DN7	27361	1,916,571
Caterpillar Financia	USBGC	150,000	1.150	10/13/2021	149,450	09/14/2026	967	1.227	137,724	14913R2Q9	27289	149,698
TSMC Arizona Corp.	USBGC	1,375,000	1.750	12/08/2021	1,386,715	10/25/2026	1,028	1.567	1,267,296	872898AA9	27334	1,381,761
Public Storage	USBGC	765,000	1.500	11/15/2021	765,380	11/09/2026	1,043	1.490	702,530	74460DAG4	27309	765,206
Public Storage	USBGC	1,722,000	1.500	12/08/2021	1,723,998	11/09/2026	1,043	1.475	1,581,381	74460DAG4	27340	1,723,169
New York City Genera	USBGC	750,000	3.862	05/26/2022	750,000	05/01/2027	1,216	3.862	735,600	64966QC99	27405	750,000
Federal Home Loan Ba	USBGC	200,000	4.700	03/17/2023	196,900	06/30/2027	1,276	4.841	199,006	3130ASH44	27658	199,102
LA Dept. Water & Pow	USBGC	500,000	5.518	08/01/2023	513,735	07/01/2027	1,277	4.738	515,440	544495VX9	27626	512,274
Walmart, Inc.	USBGC	1,400,000	3.950	09/21/2022	1,389,024	09/09/2027	1,347	4.125	1,392,216	931142EX7	27858	1,391,848



Northern California Power Agency
Treasurer's Report
12/31/2023

Geo Decommissioning Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond ^a Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Bay Area CA Wtr Supp	USBGC	200,000	3.365	08/15/2023	180,204	10/01/2027	1,369	4.682	192,292	072031AP2	27627	191,101
Federal Farm Credit	USBGC	150,000	4.750	10/13/2023	150,000	10/13/2027	1,381	4.750	153,972	3133EPYM1	27660	150,000
Intel Corp	USBGC	200,000	4.875	02/24/2023	195,252	02/10/2028	1,501	5.075	203,336	458140CE8	27553	198,552
TCI Communications I	USBGC	320,000	7.125	09/08/2023	351,806	02/15/2028	1,506	4.747	349,814	872287AL1	27599	347,803
American Honda Finan	USBGC	375,000	3.500	09/20/2023	357,113	02/15/2028	1,506	4.650	360,113	02665WCE9	27604	359,162
Mercedes-Benz Fin. N	USBGC	125,000	4.800	04/14/2023	125,908	03/30/2028	1,550	4.634	126,206	58769JAG2	27574	125,777
City of Manhattan Be	USBGC	235,000	2.021	11/30/2023	201,787	01/01/2029	1,827	5.220	209,411	562784AJ7	27678	202,350
New York City Genera	USBGC	585,000	2.040	04/30/2021	583,204	03/01/2030	2,251	2.078	508,792	64968QUX6	27219	583,747
California State Uni	USBGC	210,000	1.740	11/18/2022	167,082	11/01/2030	2,496	4.870	176,125	13077DMR0	27482	173,123
Federal Home Loan Ba	USBGC	1,000,000	1.000	02/10/2021	1,000,000	02/10/2031	2,597	1.360	825,570	3130AKX76	27163	1,000,000
Federal Agricultural	USBGC	972,000	1.460	02/18/2021	972,000	02/18/2031	2,605	1.460	799,927	31422XAU6	27177	972,000
Federal Agricultural	USBGC	600,000	1.460	07/30/2021	598,800	02/18/2031	2,605	1.462	493,782	31422XAU6	27246	599,104
Federal Home Loan Ba	USBGC	1,700,000	1.750	08/17/2022	1,482,587	09/20/2031	2,727	3.439	1,413,159	3130ANUL2	27439	1,516,329
West Hartford CT	USBGC	330,000	1.844	01/12/2023	270,273	07/01/2031	2,738	4.430	274,296	953107AK5	27512	277,110
Federal Home Loan Ba	USBGC	2,000,000	1.740	07/29/2021	2,006,440	07/29/2031	2,766	1.704	1,659,540	3130AN7G9	27245	2,004,880
Marin Community Coll	USBGC	500,000	1.710	09/14/2021	505,610	08/01/2031	2,769	1.565	413,500	58781RKZ9	27272	505,073
Oceanside Unified Sc	USBGC	310,000	1.900	01/12/2023	247,916	08/01/2031	2,769	4.780	258,345	675383TR4	27513	254,953
County of Bexar TX	USBGC	385,000	2.134	09/23/2021	385,000	08/15/2031	2,783	2.134	319,173	088518PA7	27274	385,000
County of Bexar TX	USBGC	250,000	2.134	09/23/2021	250,000	08/15/2031	2,783	2.134	208,678	088518NH4	27275	250,000
Chicago Transit Auth	USBGC	90,000	3.302	11/21/2022	78,348	12/01/2031	2,891	5.110	81,104	16772PCS3	27485	79,782
Federal Farm Credit	USBGC	2,500,000	1.800	01/11/2022	2,445,000	01/05/2032	2,926	2.044	2,063,900	3133ENJZ4	27360	2,455,865
Federal Agricultural	USBGC	975,000	4.120	05/25/2022	970,125	04/27/2032	3,039	4.181	922,623	31422XXY3	27403	970,911
California State Gen	USBGC	325,000	5.700	08/31/2023	344,500	10/01/2032	3,196	4.873	346,247	13063D2Z0	27637	343,784
Federal Home Loan Ba	USBGC	435,000	4.500	09/13/2023	428,258	09/09/2033	3,539	4.695	440,751	3130AWV23	27638	428,480
Fund Total and Average		\$ 30,002,598	2.175		\$ 29,621,282		1752	2.309	\$ 27,176,283			\$ 29,642,046
GRAND TOTALS:		\$ 33,249,598	2.262		\$ 32,843,092		1612	2.388	\$ 30,315,160			\$ 32,883,098

^aBond 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 12/31/2023

Callable Dates:

Inv #		Inv #	
26977	SCRWTR Anytime	27258	BAC Semi-annually
27111	CASMED Anytime	27403	FAMCA Quarterly
27162	APPL Anytime starting 1/8/2026	27405	NYC Anytime
27163	FHLB Quarterly	27439	FHLB Monthly
27177	FAMCA Semi-annually	27482	CASHGR Anytime
27218	JPM Annually	27485	CHITRN Anytime
27219	NYC Anytime	27553	INTC Anytime starting 1/10/2028
27229	BAC Semi-annually	27626	LOSUTL Anytime
27245	FHLB Anytime	27627	BAYUTL Anytime
27246	FAMCA Semi-annually	27678	MINBGEN Anytime



Northern California Power Agency
Treasurer's Report
12/31/2023

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	571	0.010		571		1	0.010	571	SYS79017	79017	571
Federal Home Loan Ba	USBT	433,000	5.319	08/29/2023	423,018	02/01/2024	31	5.521	430,844	313384SN0	27633	431,016
Federal Home Loan Ba	USBT	429,000	5.280	09/28/2023	421,072	02/01/2024	31	5.454	426,864	313384SN0	27652	427,049
Federal Home Loan Ba	USBGC	428,000	5.300	10/25/2023	421,762	02/01/2024	31	5.453	425,869	313384SN0	27666	426,047
U.S. Treasury	USBGC	425,000	5.080	11/24/2023	420,861	02/01/2024	31	5.202	423,134	912797GE1	27675	423,141
U.S. Treasury	USBT	432,000	4.394	12/29/2023	421,717	07/11/2024	192	4.557	421,144	912797GB7	27689	421,875
Fund Total and Average		\$ 2,147,571	5.076		\$ 2,109,001		63	5.238	\$ 2,128,426			\$ 2,129,699
GRAND TOTALS:		\$ 2,147,571	5.076		\$ 2,109,001		63	5.238	\$ 2,128,426			\$ 2,129,699

*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 12/31/2023



Northern California Power Agency
 Treasurer's Report
 12/31/2023

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
First American Govt.	USBGC	57,400	5.250		57,400		1	5.250	57,400	SYS70031	70031	57,400
California Asset Mgm	CMP	4,278,821	5.580	09/01/2022	4,278,821		1	5.580	4,278,821	SYS70073	70073	4,278,821
Local Agency Investm	LAIF	0	3.590	07/01/2023	0		1	3.590	0	SYS70028	70028	0
J Paul Getty Trust	USBGC	1,000,000	0.391	01/28/2021	1,000,000	01/01/2024	0	0.401	1,000,000	374288AB4	27161	1,000,000
Federal Home Loan Ba	USBGC	500,000	5.000	01/30/2023	500,000	01/26/2024	25	5.000	499,805	3130AUJ82	27515	500,000
Federal Farm Credit	USBGC	50,000	5.125	02/28/2023	49,991	02/28/2024	58	5.143	49,998	3133EPCB9	27556	49,999
Met Life Globl Fundin	USBGC	209,000	0.700	04/12/2022	199,867	04/05/2024	95	2.988	206,254	58989V2C7	27385	207,796
Met Life Globl Fundin	USBGC	419,000	0.700	04/12/2022	400,690	04/05/2024	95	2.988	413,494	58989V2C7	27386	416,586
Federal National Mtg	USBGC	500,000	5.000	01/26/2023	500,000	04/26/2024	116	5.006	499,040	3135GAE72	27514	500,000
Federal Home Loan Ba	USBGC	985,000	4.875	01/30/2023	987,778	06/14/2024	165	4.649	983,483	3130ATVC8	27520	985,917
U.S. Treasury	USBGC	795,000	0.375	01/30/2023	749,536	07/15/2024	186	4.466	775,308	91282CCL3	27527	778,260
Nashville Met Gov	USBGC	250,000	1.030	12/17/2020	250,000	08/01/2024	213	1.029	244,373	59209DGB4	27134	250,000
California Infra & E	USBGC	100,000	0.645	12/17/2020	100,000	10/01/2024	274	0.683	96,834	13034AL57	27135	100,000
Federal Home Loan Ba	USBGC	1,750,000	5.000	01/30/2023	1,750,000	10/28/2024	301	5.004	1,744,190	3130AULQ5	27517	1,750,000
Wal-Mart, Inc.	USBGC	500,000	2.650	02/07/2020	620,976	12/15/2024	349	1.744	489,210	931142DV2	26950	504,128
Federal Home Loan Ba	USBGC	500,000	4.625	04/03/2023	502,995	03/14/2025	438	4.296	500,080	3130AUZC1	27571	501,850
Bank of NY Mellon Co	USBGC	545,000	1.600	04/30/2021	561,197	04/24/2025	479	0.639	523,053	06406FRAN7	27221	550,343
Federal Agricultural	USBGC	500,000	0.675	05/19/2020	500,000	05/19/2025	504	0.675	473,270	31422BA26	27004	500,000
State of Maine	USBGC	100,000	5.000	06/22/2023	100,413	06/01/2025	517	4.773	100,495	56052AH90	27605	100,301
Met Govl Nashville &	USBGC	100,000	1.031	11/30/2023	94,007	07/01/2025	547	5.007	94,258	592098X89	27676	94,332
Federal Home Loan Ba	USBGC	1,000,000	5.000	01/30/2023	1,000,000	07/28/2025	574	5.000	995,270	3130AUPL2	27519	1,000,000
Nashville Met Gov	USBGC	250,000	1.230	12/17/2020	250,000	08/01/2025	578	1.229	236,890	59209DGC2	27133	250,000
City of El Paso TX	USBGC	500,000	4.346	12/07/2020	553,420	08/15/2025	592	1.950	496,240	283734TC5	27131	518,482
Federal Home Loan Ba	USBGC	180,000	4.875	09/01/2023	179,862	09/12/2025	620	4.904	181,244	3130AWS92	27525	179,905
California Infra & E	USBGC	130,000	0.765	12/17/2020	130,000	10/01/2025	639	0.765	121,434	13034AL85	27132	130,000
Federal Home Loan Ba	USBGC	1,000,000	5.050	01/30/2023	1,000,000	10/28/2025	666	5.053	995,440	3130AUQK3	27521	1,000,000
Federal Home Loan MI	USBGC	1,000,000	5.020	01/30/2023	1,000,000	10/28/2025	666	5.023	995,390	3134GYG30	27522	1,000,000
Federal Home Loan MI	USBGC	1,000,000	5.000	01/30/2023	1,000,000	10/30/2025	668	5.003	995,150	3134GYFX5	27523	1,000,000
Toyota Motor Credit	USBGC	250,000	5.400	06/28/2023	252,413	11/10/2025	679	4.960	253,863	89236TKK0	27606	251,890
Bank of America Corp	USBGC	1,000,000	0.850	11/25/2020	1,000,000	11/25/2025	694	0.798	921,300	06048WK41	27121	1,000,000
Federal National Mtg	USBGC	500,000	0.650	12/17/2020	500,850	12/10/2025	709	0.615	463,995	3135G06J7	27136	500,331
JP Morgan	USBGC	500,000	0.825	12/22/2020	500,000	12/22/2025	721	0.825	459,090	48128GY53	27140	500,000
Federal National Mtg	USBGC	500,000	0.640	01/06/2021	501,550	12/30/2025	729	0.576	462,905	3135G06Q1	27148	500,621
Federal Home Loan MI	USBGC	1,000,000	5.050	01/27/2023	1,000,000	01/27/2026	757	5.050	995,110	3134GYEY4	27538	1,000,000
Federal Home Loan Ba	USBGC	1,000,000	5.100	01/30/2023	1,000,000	01/28/2026	758	5.100	998,430	3130AUNJ9	27518	1,000,000
Federal Home Loan MI	USBGC	1,000,000	4.800	01/30/2023	1,000,000	01/30/2026	760	4.800	999,140	3134GYFB3	27525	1,000,000
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	773	0.530	461,540	3130AKWA0	27165	499,894
Federal Home Loan MI	USBGC	1,000,000	5.150	02/17/2023	1,000,000	02/17/2026	778	5.150	999,080	3134GYFR8	27542	1,000,000
Merck & Co Inc.	USBGC	550,000	0.750	01/30/2023	495,534	02/24/2026	785	4.226	509,828	58933YAY1	27526	511,864
Federal Home Loan Ba	USBGC	500,000	0.500	02/25/2021	500,000	02/25/2026	788	0.500	461,430	3130AKXX9	27181	500,000



**Northern California Power Agency
Treasurer's Report
12/31/2023**

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
Cisco Systems Inc.	USBGC	35,000	2.950	11/18/2022	33,672	02/28/2026	789	4.200	33,882	17275RBC5	27481	34,125
Federal Farm Credit	USBGC	200,000	4.500	05/02/2023	202,660	03/02/2026	791	3.996	200,742	3133EPCF0	27587	202,037
Mercedes-Benz Fin. N	USBGC	400,000	1.450	05/04/2023	369,068	03/02/2026	791	4.386	373,012	233851EC4	27588	376,269
Nestle Holdings Inc	USBGC	200,000	5.250	06/16/2023	202,680	03/13/2026	802	4.720	203,262	641062BK9	27603	202,151
Federal Home Loan Ba	USBGC	500,000	1.400	04/21/2021	500,000	04/21/2026	841	1.090	469,770	3130ALXR0	27214	500,000
Unidad Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	865	1.082	462,860	91324PEC2	27231	500,807
Arizona State Univer	USBGC	250,000	4.388	05/10/2023	250,000	07/01/2026	912	4.385	249,306	040664HH0	27569	250,000
Federal Home Loan Mt	USBGC	1,000,000	5.000	01/30/2023	1,000,000	07/30/2026	941	5.000	993,850	3134GYFL1	27524	1,000,000
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	959	0.875	457,350	3130ANGX2	27253	500,000
Federal Home Loan Ba	USBGC	500,000	1.050	08/24/2021	500,000	08/24/2026	966	0.967	459,215	3130ANFT2	27254	500,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	968	1.250	44,597	06048WN22	27257	50,000
TSMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,028	1.567	184,334	872898AA9	27332	200,983
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,043	1.475	229,586	74460DAG4	27336	250,168
Federal Home Loan Ba	USBGC	500,000	2.000	12/29/2021	500,000	12/29/2026	1,093	1.509	470,480	3130AQER0	27344	500,000
Amazon.com Inc	USBGC	150,000	3.150	09/21/2022	143,474	08/22/2027	1,329	4.136	143,966	023135BC9	27456	145,169
Federal Home Loan Ba	USBGC	400,000	4.200	08/25/2022	400,000	08/25/2027	1,332	4.200	393,972	3130ASVC0	27442	400,000
Federal Home Loan Ba	USBGC	437,838	5.555	01/30/2023	438,276	01/27/2028	1,487	5.531	438,960	3130AUJJ4	27516	438,195
Fund Total and Average		\$ 32,572,059	3.539		\$ 32,510,553		540	3.682	\$ 31,838,257			\$ 32,518,614

Hydro Debt Service

Federal Home Loan Ba	USBT	470,000	5.260	07/28/2023	459,150	01/02/2024	1	5.459	469,727	313384RG6	27616	489,931
Federal Home Loan Ba	USBT	466,000	5.285	09/28/2023	459,433	01/02/2024	1	5.435	465,730	313384RG6	27653	485,932
Federal Home Loan Ba	USBGC	463,000	5.249	11/24/2023	460,367	01/02/2024	1	5.353	462,731	313384RG6	27671	462,932
Federal National Mtg	USBT	468,000	5.250	08/29/2023	459,401	01/02/2024	1	5.422	467,729	313588RG2	27629	467,932
U.S. Treasury	USBGC	464,000	5.240	10/25/2023	459,340	01/02/2024	1	5.366	464,000	912797HX8	27662	463,932
Federal Home Loan Ba	USBT	434,000	5.050	12/29/2023	423,042	08/26/2024	177	5.252	423,020	313384YQ6	27685	423,224
Fund Total and Average		\$ 2,765,000	5.225		\$ 2,720,733		28	5.384	\$ 2,752,937			\$ 2,753,893

Hydro 2018A Debt Service

Federal Home Loan Ba	USBT	1,276,000	5.260	07/28/2023	1,246,543	01/02/2024	1	5.459	1,275,260	313384RG6	27617	1,275,814
Federal Home Loan Ba	USBT	1,265,000	5.285	09/28/2023	1,247,172	01/02/2024	1	5.435	1,264,266	313384RG6	27654	1,264,814
Federal Home Loan Ba	USBGC	1,253,000	5.250	11/24/2023	1,245,874	01/02/2024	1	5.353	1,252,273	313384RG6	27672	1,252,817
Federal National Mtg	USBT	1,269,000	5.250	08/29/2023	1,245,682	01/02/2024	1	5.422	1,263,264	313588RG2	27630	1,263,815
U.S. Treasury	USBGC	1,259,000	5.240	10/25/2023	1,246,355	01/02/2024	1	5.366	1,259,000	912797HX8	27663	1,258,817
Federal Home Loan Ba	USBT	1,186,000	5.050	12/29/2023	1,156,054	08/26/2024	177	5.252	1,155,994	313384YQ6	27686	1,156,553
Fund Total and Average		\$ 7,508,000	5.225		\$ 7,387,680		28	5.384	\$ 7,475,057			\$ 7,477,530

Hydro 2022A Debt Service



Northern California Power Agency
Treasurer's Report
12/31/2023

Hydro 2022A 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	792,000	5.260	07/28/2023	773,716	01/02/2024	1	5.459	791,541	313384RG6	27618	791,884
Federal Home Loan Ba	USBT	784,000	5.285	09/28/2023	772,951	01/02/2024	1	5.435	783,545	313384RG6	27655	783,885
Federal Home Loan Ba	USBGC	777,000	5.250	11/24/2023	772,581	01/02/2024	1	5.353	776,549	313384RG6	27673	776,887
Federal National Mtg	USBT	787,000	5.250	08/29/2023	772,539	01/02/2024	1	5.422	786,544	313588RG2	27631	786,885
U.S. Treasury	USBGC	781,000	5.239	10/25/2023	773,168	01/02/2024	1	5.366	781,000	912797HX8	27664	780,886
Federal Home Loan Ba	USBT	735,000	5.050	12/29/2023	716,441	06/28/2024	177	5.252	716,405	313384YQ6	27687	716,751
Fund Total and Average		\$ 4,656,000	5.225		\$ 4,581,384		28	5.384	\$ 4,635,584			\$ 4,637,178

Hydro 2022B Debt Service

Federal Home Loan Ba	USBGC	255,000	5.260	07/28/2023	249,113	01/02/2024	1	5.459	254,852	313384RG6	27619	254,963
Federal Home Loan Ba	USBT	252,000	5.285	09/28/2023	248,448	01/02/2024	1	5.435	251,854	313384RG6	27656	251,963
Federal Home Loan Ba	USBGC	251,000	5.249	11/24/2023	249,572	01/02/2024	1	5.353	250,854	313384RG6	27674	250,963
Federal National Mtg	USBT	254,000	5.250	08/29/2023	249,333	01/02/2024	1	5.422	253,853	313588RG2	27632	253,963
U.S. Treasury	USBGC	251,000	5.240	10/25/2023	248,479	01/02/2024	1	5.366	251,000	912797HX8	27665	250,963
Federal Home Loan Ba	USBT	235,000	5.050	12/29/2023	229,066	06/28/2024	177	5.252	229,055	313384YQ6	27688	229,165
Fund Total and Average		\$ 1,496,000	5.225		\$ 1,474,011		28	5.384	\$ 1,491,468			\$ 1,491,980

Hydro Special Reserve

First American Govt.	USBGC	5,000	5.250		5,000		1	5.250	5,000	3YS70015	70016	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	676	0.460	1,392,518	313506G3	27166	1,496,095
Fund Total and Average		\$ 1,500,000	0.516		\$ 1,502,796		674	0.476	\$ 1,397,518			\$ 1,501,095

Hydro 2012 DSRA

U.S. Treasury	USBT	18,000	4.938	07/28/2023	17,207	06/13/2024	164	5.179	17,588	912797FS1	27623	17,595
U.S. Treasury	USBT	36,000	4.653	12/29/2023	37,111	06/27/2024	178	4.830	37,058	912798Y45	27693	37,126
U.S. Treasury	USBT	1,875,000	1.750	04/27/2022	1,843,359	06/30/2024	181	2.551	1,843,725	9128286Z8	27388	1,867,796
Fund Total and Average		\$ 1,931,000	1.835		\$ 1,897,677		181	2.619	\$ 1,898,371			\$ 1,922,517

GRAND TOTALS: \$ 52,430,059 3.917 \$ 52,074,834 370 4.083 \$ 51,489,192 \$ 52,302,897

*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 12/31/2023

Callable Dates:

Inv #			Inv #		Inv #		Inv #		Inv #		Inv #			
26950	WMT	Anytime starting 10/15/2024	27132	FFCB	Anytime	27221	BK	3/24/2025	27515	FHLB	Quarterly	27522	FHLMC	Quarterly
27004	FAMCA	Semi-annually	27136	CASDEV	Anytime	27253	FHLB	Quarterly	27516	FHLB	Quarterly	27523	FHLMC	Quarterly
27131	ELPASO	Annually	27140	FNMA	Quarterly	27254	FHLB	Monthly	27517	FHLB	Quarterly	27524	FHLMC	Quarterly starting 1/30/2024
			27161	JPM	Quarterly	27257	BAC	Semi-annually	27518	FHLB	Quarterly	27525	FHLMC	1/30/2024
			27185	JPGETY	Anytime	27442	FHLB	Quarterly	27519	FHLB	Quarterly	27538	FHLMC	Quarterly
01/05/2024	08:41 am			FHLB	Anytime	27514	FNMA	Quarterly	27521	FHLB	Quarterly	27542	FHLMC	Quarterly
												27689	AZSHGR	Anytime



Northern California Power Agency
Treasurer's Report
12/31/2023

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
California Asset Mgm	CMP	170,596	5.580	09/13/2022	170,596		1	5.580	170,596	SYS70077	70077	170,596
Local Agency Investm		0	3.580	07/01/2023	0		1	3.590	0	SYS70046	70046	0
Fund Total and Average		\$ 170,596	5.580		\$ 170,596		1	5.580	\$ 170,596			\$ 170,596

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	809	0.010		809		1	0.010	809	SYS79004	79004	809
U.S. Treasury	USBT	51,000	5.140	12/05/2023	49,711	05/30/2024	150	5.346	49,935	912797HS9	27679	49,908
U.S. Treasury	USBT	685,000	5.010	12/29/2023	670,415	05/30/2024	150	5.190	670,690	912797HS9	27690	670,701
Fund Total and Average		\$ 736,809	5.013		\$ 720,935		150	5.195	\$ 721,434			\$ 721,418

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	807	0.010		807		1	0.010	807	SYS79012	79012	807
U.S. Treasury	USBT	3,262,000	5.140	12/05/2023	3,179,564	05/30/2024	150	5.346	3,193,857	912797HS9	27680	3,192,139
U.S. Treasury	USBT	685,000	5.010	12/29/2023	668,457	05/30/2024	150	5.190	668,732	912797HS9	27691	668,742
Fund Total and Average		\$ 3,945,807	5.116		\$ 3,848,828		150	5.318	\$ 3,863,396			\$ 3,861,688

LEC Issue#1 2017A DS Fund

U.S. Treasury	USBT	3,892,000	5.110	12/06/2023	3,794,769	05/30/2024	150	5.313	3,810,696	912797HS9	27683	3,809,133
U.S. Treasury	USBT	691,000	5.010	12/29/2023	676,287	05/30/2024	150	5.190	676,565	912797HS9	27692	676,575
Fund Total and Average		\$ 4,583,000	5.095		\$ 4,471,056		150	5.295	\$ 4,487,261			\$ 4,485,708

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	4,921,632	0.010		4,921,632		1	0.010	4,921,632	SYS79005	79005	4,921,632
Federal Home Loan Ba	USBT	20,000	4.875	04/25/2023	20,107	09/13/2024	256	4.468	19,986	3130ATVD6	27586	20,054
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	791	0.840	4,108,515	3133EMSK9	27199	4,430,000
Federal Home Loan Ba	USBT	150,000	0.875	09/27/2021	150,528	06/12/2026	893	0.799	138,590	3130AN4T4	27270	150,270
Federal Home Loan Ba	USBT	120,000	4.000	07/28/2023	118,496	06/30/2028	1,642	4.285	120,504	3130AWN63	27624	118,626
U.S. Treasury	USBT	21,000	4.375	09/28/2023	20,785	08/31/2028	1,704	4.608	21,450	91282CHX2	27647	20,797
Fund Total and Average		\$ 9,662,632	0.473		\$ 9,661,548		401	0.475	\$ 9,330,677			\$ 9,661,379

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	144	0.010		144		1	0.010	144	SYS79006	79006	144
U.S. Treasury	USBT	132,000	5.140	12/05/2023	128,664	05/30/2024	150	5.346	129,243	912797HS9	27681	129,173



**Northern California Power Agency
Treasurer's Report
12/31/2023**

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
Fund Total and Average		\$ 132,144	5.134		\$ 128,808		150	5.341	\$ 129,387			\$ 129,317

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	318	0.010		318		1	0.010	318	SYS79013	79013	318
U.S. Treasury	USBT	51,000	5.140	12/05/2023	49,711	05/30/2024	150	5.346	49,935	912797HS9	27682	49,908
Fund Total and Average		\$ 51,318	5.108		\$ 50,029		149	5.313	\$ 50,253			\$ 50,226

LEC O & M Reserve

First American Govt.	USBGC	11,151	5.250		11,151		1	5.250	11,151	SYS70041	70041	11,151
California Asset Mgm	GMP	3,774,621	5.580	09/09/2022	3,774,621		1	5.580	3,774,621	SYS70075	70075	3,774,621
Local Agency Investm		0	3.590	07/01/2023	0		1	3.580	0	SYS70047	70047	0
Federal Farm Credit	USBGC	50,000	5.125	02/28/2023	49,991	02/28/2024	58	5.143	49,968	3133EPCB9	27557	49,999
Federal Farm Credit	USBGC	2,050,000	5.375	09/15/2023	2,053,075	09/13/2024	256	5.217	2,055,904	3133EPVU8	27640	2,052,165
Caterpillar Financia	USBGC	465,000	3.250	02/03/2020	496,569	12/01/2024	335	1.776	457,732	14912L6G1	26952	470,994
Nashville Met Gov	USBGC	350,000	0.610	09/18/2023	350,000	07/01/2025	547	0.609	329,336	592112XC5	27645	350,000
Nashville Met Gov	USBGC	150,000	0.610	09/18/2023	150,000	07/01/2025	547	0.609	141,348	592112XA9	27646	150,000
Federal National Mtg	USBGC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	575	0.579	942,540	3136G4D75	27047	1,000,316
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	595	0.600	940,350	3136G4G72	27057	1,000,000
Federal Farm Credit	USBGC	750,000	0.530	09/29/2020	750,000	09/29/2025	637	0.530	700,860	3133EMBH4	27083	750,000
Federal Farm Credit	USBGC	670,000	0.530	09/29/2020	670,000	09/29/2025	637	0.530	626,102	3133EMBJ0	27084	670,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	769	0.699	463,085	037833E82	27170	500,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	850	1.200	450,620	48128G3G3	27222	500,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	927	1.050	912,890	57629WDE7	27250	1,003,703
Bank of America Corp	USBGC	100,000	1.250	08/26/2021	100,000	08/26/2026	968	1.250	89,193	06048WN22	27259	100,000
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	987	1.227	459,080	14913R2Q9	27290	498,992
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,028	1.567	783,420	872898AA9	27335	854,180
Public Storage	USBGC	515,000	1.500	11/15/2021	515,242	11/09/2026	1,043	1.490	472,945	74460DAG4	27310	515,139
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	1,043	1.475	977,114	74460DAG4	27341	1,064,716
City of Beverly Hill	USBGC	200,000	1.327	06/28/2022	179,194	06/01/2027	1,247	3.654	178,910	088008KB6	27424	185,566
Mercedes-Benz Fin. N	USBGC	275,000	3.750	06/26/2023	260,832	02/22/2028	1,513	5.003	266,591	233851DF8	27609	262,396
Fund Total and Average		\$ 15,774,772	2.800		\$ 15,789,536		541	2.764	\$ 15,083,760			\$ 15,763,938

GRAND TOTALS:	\$ 35,057,078	2.77%	\$ 34,841,336	396	2.81%	\$ 33,836,764	\$ 34,844,270
---------------	---------------	-------	---------------	-----	-------	---------------	---------------

*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 12/31/2023

Callable Dates:

Inv #

27047	FHLMC	Quarterly
27057	FNMA	Quarterly
27083	FFCB	Anytime
27084	FFCB	Anytime
27170	APPL	Anytime starting 1/8/2028
27199	FFCB	Anytime
27222	JPM	Annually
27259	BAC	Semi-annually



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Disposal of Northern California Power Agency Surplus Property

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MH</i>	METHOD OF SELECTION:
	Assistant General Manager	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:

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

- 2000 Ford Expedition

BACKGROUND:

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

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

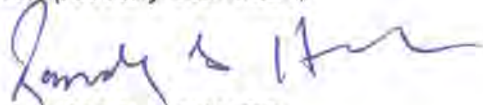
FISCAL IMPACT:

This report has no direct fiscal impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: Declarations of Surplus
Receipts of disposal



**NORTHERN CALIFORNIA POWER AGENCY
DECLARATION OF EXCESS**

Date: 01/23/2024

QTY	U/M*	DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs)	COND **	ESTIMATED VALUE		NCPA Property# / Stock # / Fleet # or Project #	SITE LOCATION	
				UNIT	TOTAL			
1.	1	Each	2000 Ford Expedition 4WD (Pool - SUV) VIN#1FMPU16L5YLC16684	(P)	1	\$500.00	#592	Hydro
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								

JUSTIFICATION FOR EXCESS/DISPOSAL: Replacing this 24-year old SUV with 176,858 miles (as of 01/2/24) for a newer more safe vehicle.

RECOMMENDED DISPOSITION: Trade-in for credit toward the acquisition of a new truck.

PREPARED BY: *Michael DeBortoli* 1/23/2024
 ORG. *Michael DeBortoli*
 APPROVED BY: *Michael DeBortoli* CODE: _____
 (ASST. GEN. MANAGER)
 AUTHORIZATION *Randy S Howard*
 TO PROCEED: *Randy S Howard* DATE: _____
 (GENERAL MANAGER)

_____ PUBLIC SALE _____ PRIVATE SALE
 _____ DISPOSAL - NO NET SCRAP VALUE

*U/M = UNIT OF MEASURE

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

ORIGINAL TO TREASURER-CONTROLLER



I. (paid to)	\$	N/A	(I)
J. Prior Credit or Lease Balance (e) paid by Seller to (see downpayment and trade-in calculation)	\$	N/A	(J)
K. Prior Credit or Lease Balance (e) paid by Seller to (see downpayment and trade-in calculation)	\$	N/A	(K)
L. (Optional) Debt Cancellation Agreement or Guaranteed Asset Protection Waiver	\$	N/A	(L)
M. (Optional) Used Vehicle Contract Cancellation Option Agreement	\$	N/A	(M)
N. Other paid to _____ For _____	\$	N/A	(N)
O. Other paid to _____ For _____	\$	N/A	(O)
Total Cash Price (A through O)	\$	52835.00	(1)
2. Amounts Paid to Public Officials			
A. Vehicle License Fees	\$	N/A	(A)
B. Registration/Transfer/Titling Fees	\$	N/A	(B)
C. California Tire Fees	\$	N/A	(C)
D. Other _____	\$	N/A	(D)
Total Official Fees (A through D)	\$	0.00	(2)
3. Amount Paid to Insurance Companies (Total premiums from Statement of Insurance)	\$	N/A	(3)
<input type="checkbox"/> State Emissions Certification Fee or <input type="checkbox"/> State Emissions Exemption Fee	\$	N/A	(4)
5. Subtotal (1 through 4)	\$	52835.00	(5)
6. Total Downpayment			
A. Total Agreed Value of Property Being Traded-In (see Trade-In Vehicle(s))	\$	52835.00	(A)
Vehicle 1 \$ _____ Vehicle 2 \$ _____			
B. Total Less Prior Credit or Lease Balance (e)	\$	N/A	(B)
Vehicle 1 \$ _____ Vehicle 2 \$ _____			
C. Total Net Trade-In (A-B)	\$	52835.00	(C)
Vehicle 1 \$ _____ Vehicle 2 \$ _____			
D. Deferred Downpayment Payable to Seller	\$	N/A	(D)
E. Manufacturer's Rebate	\$	N/A	(E)
F. Other _____	\$	N/A	(F)
G. Other _____	\$	N/A	(G)
H. Other _____	\$	N/A	(H)
I. Cash, Cash Equivalent, Check, Credit Card, or Debit Card	\$	0.00	(I)
Total Downpayment (C through I)	\$	52835.00	(6)
<small>If negative, enter zero on line 6 and enter the amount less than zero as a positive number on line 13 and/or 18 above.</small>			
7. Amount Financed (5 less 6)	\$	0.00	(7)

Trade-In Vehicle(s)	
1. Vehicle 1	
Year	2000 Make
Model	EXPLORER Odometer
VIN	1HMLLH3XLD10684
a. Agreed Value of Property	\$ 52835.00
b. Buyer/Co-Buyer Retained Trade Equity	\$ N/A
c. Agreed Value of Property Being Traded-In (a-b)	\$ 52835.00
d. Prior Credit or Lease Balance	\$ N/A
e. Net Trade-In (c-d) (must be ≥ 0 for buyer/co-buyer to retain equity)	\$ 52835.00
2. Vehicle 2	
Year	N/A Make
Model	N/A Odometer
VIN	N/A
a. Agreed Value of Property	\$ N/A
b. Buyer/Co-Buyer Retained Trade Equity	\$ N/A
c. Agreed Value of Property Being Traded-In (a-b)	\$ N/A
d. Prior Credit or Lease Balance	\$ N/A
e. Net Trade-In (c-d) (must be ≥ 0 for buyer/co-buyer to retain equity)	\$ N/A
Total Agreed Value of Property Being Traded-In (1c+2c)	\$ 52835.00 *
Total Prior Credit or Lease Balance (1d+2d)	\$ N/A *
Total Net Trade-In (1e+2e)	\$ 52835.00 *
<small>(*See item 6A-6C in the Itemization of Amount Financed)</small>	
<p>Agreement to Arbitrate: By signing below you agree that, pursuant to the Arbitration Provision on the reverse side of this contract, you or we may elect to resolve any dispute by neutral, binding arbitration and not by a court action. See the Arbitration Provision for additional information concerning the agreement to arbitrate.</p>	
Buyer Signs X _____	
Co-Buyer Signs X _____	

OPTION: You pay no finance charge if the Amount Financed, item 7, is paid in full on or before _____ Year _____ SELLER'S INITIALS _____

Trade-In Payoff Agreement: Seller relied on information from you and/or the lienholder or lessor of your trade-in vehicle(s) to arrive at the payoff amount shown as the Prior Credit or Lease Balance in Trade-In Vehicle(s). You understand that the amount quoted is an estimate. Seller agrees to pay the payoff amount shown as the Prior Credit or Lease Balance in Trade-In Vehicle(s) to the lienholder or lessor of the trade-in vehicle(s) or its designee. If the actual payoff amount is more than the amount shown as the Prior Credit or Lease Balance in Trade-In Vehicle(s), you must pay the Seller the excess on demand. If the actual payoff amount is less than the amount shown as the Prior Credit or Lease Balance in Trade-In Vehicle(s), Seller will refund to you any coverage Seller receives from your prior lienholder or lessor. Except as stated in the "NOTICE" on the back of this contract, any assignee of this contract will not be obligated to pay the Prior Credit or Lease Balance shown in Trade-In Vehicle(s) or any refund. You agree to sign or provide any documents Seller reasonably requires to effect the transfer of the Trade-In Vehicle to Seller or its designee.

Buyer Signature X _____ Co-Buyer Signature X _____



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Debt and Interest Rate Management Report ending December 31, 2023

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission accept the Debt and Interest Rate Management Report for the period ending December 31, 2023.

BACKGROUND:

In accordance with the Debt and Interest Rate Management Policy, Section 20, *Monitoring and Reporting Requirements*, approved by the Commission in May 2023, 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, 2023, is attached for your information and acceptance. Listed below is a summary of the report.

Fixed Rate Debt

There have been no changes or activity since the last report.

Variable Rate Debt

The Agency no longer has variable rate debt.

Interest Rate Swaps

The Agency no longer has interest rate swaps.

Counterparties

N/A

Rating Changes

Since the last report, NCPA received the following reports and/or notifications:

- S&P upgraded the rating on the Hydroelectric bonds to 'AA-' from 'A+' with a stable outlook

FISCAL IMPACT:

There is no fiscal impact in accepting the Debt and Interest Rate Management Report for the period ending December 31, 2023. There were no material changes, and no defaults and the ratings remained the same on the rated projects.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 13, 2024, the Finance Committee reviewed and approved the recommendation above for Commission acceptance.

Respectfully submitted,

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

RANDY S. HOWARD
General Manager

Attachments:

- Debt and Interest Rate Management Report as of 12-31-2023



Debt and Interest Rate Management Report As of December 31, 2023

Monty Hanks
February 2024

	<u>Page</u>
▪ Key Highlights	3
▪ Fixed Rate Debt Overview	5
▪ Debt Overview by Project	
• Geothermal Project	7
• Hydroelectric Project	8
• Capital Facilities	9
• Lodi Energy Center	10

Key Highlights from July – December 2023

- No material changes since the last report
- No changes to any outstanding debt issues
- One rating was upgraded while all others remained the same
- No defaults occurred on any of NCPA's outstanding debt



FIXED RATE DEBT OVERVIEW

Fixed Rate Debt Overview

- Fixed Rate Debt
 - No changes since the last update
- Ratings
 - November 2023
 - S&P Global Ratings raised its long-term rating to 'AA-' from 'A+' on the Hydroelectric Project bonds

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): -/-/- ⁽¹⁾

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2016 Series A	Tax-Exempt	Fixed-Rate	\$17,530,000	\$3,425,000	1.670%	-	7/1/2024

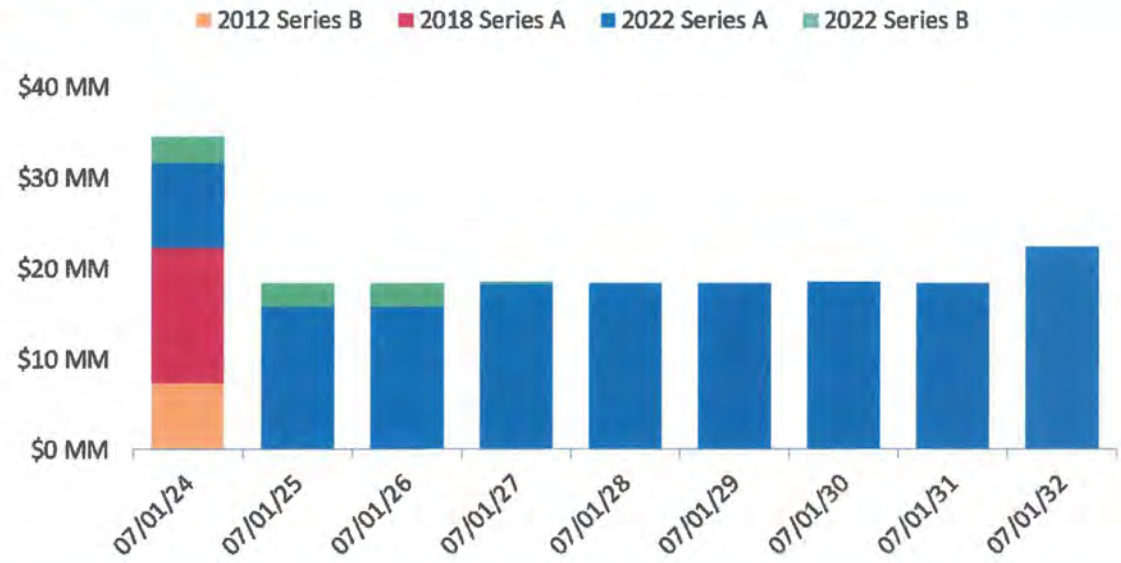
⁽¹⁾ Outstanding bonds are bank loans; ratings withdrawn

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-/AA-, Stable/Positive/Stable Outlooks ⁽¹⁾

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
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	\$14,245,000	5.000%	Non-Callable	7/1/2024
2022 Series A	Tax-Exempt	Fixed-Rate	\$120,300,000	\$120,300,000	5.000%	Non-Callable	7/1/2032
2022 Series B	Taxable	Fixed-Rate	\$12,010,000	\$8,060,000	2.223%-2.593%	Make-Whole	7/1/2027

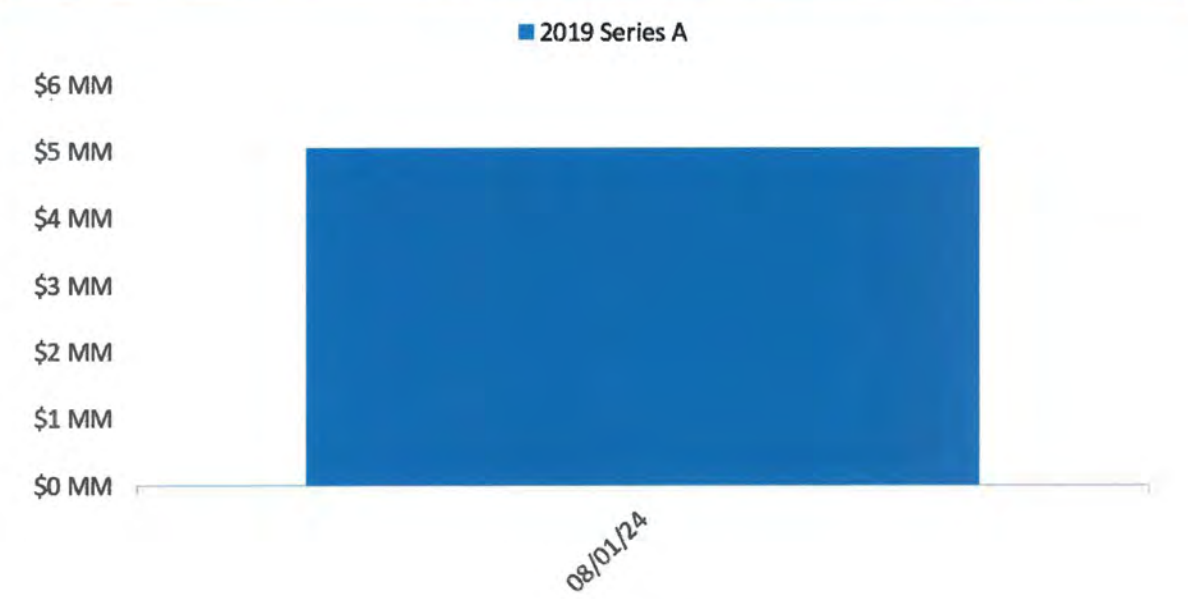
⁽¹⁾ S&P rating only on 2012 Series B Bonds

Capital Facilities Debt Overview

Capital Facilities Participation Percentages

Member	Entitlement Share (%)
Alameda	19.00
Lodi	39.50
Lompoc	5.00
Roseville	36.50

Capital Facilities Debt Service



Summary of Outstanding Capital Facilities Debt

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	\$4,815,000	5.000%	-	8/1/2024

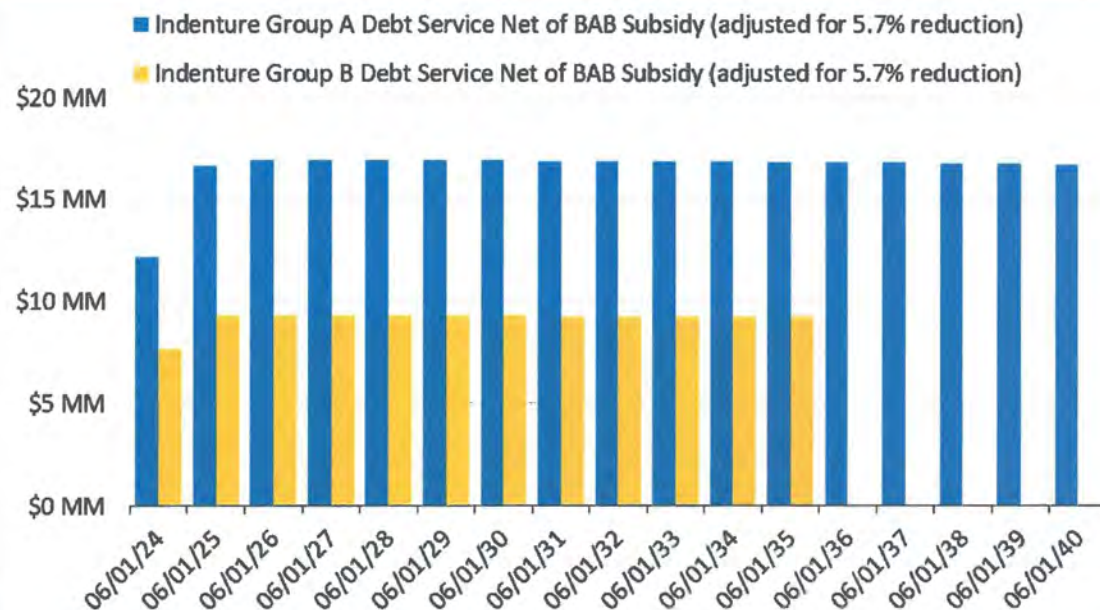
Ratings (M/S/F): A1/-/-, Stable Outlook

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

Lodi Energy Center Debt Service



Summary of Outstanding Lodi Energy Center Debt

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Next Call	Final Maturity
Indenture Group A Ratings (M/S/F): A1/A-/A, Stable Outlooks ⁽¹⁾							
2010 Series B	Taxable BABs	Fixed-Rate	\$176,625,000	\$176,625,000	7.311% ⁽²⁾	Make-Whole	6/1/2040
2017 Series A	Tax-Exempt	Fixed-Rate	\$38,970,000	\$15,470,000	2.270%	-	6/1/2025
Indenture Group B—CADWR Ratings (M/SF): Aa2/AAA/-, Stable Outlooks							
2010 Series B	Taxable BABs	Fixed-Rate	\$110,225,000	\$88,315,000	5.679% ⁽²⁾	Make-Whole	6/1/2035

⁽¹⁾ Ratings only on 2010 Series B Bonds; 2017 Series A Bonds are bank loans

⁽²⁾ Taxable Build America Bonds; Interest rate gross of BAB subsidy



14

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: American Power Systems, LLC – Five Year Multi-Task General Services Agreement for Battery Testing Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 24-23 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with American Power Systems, LLC for battery testing related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

BACKGROUND:

Various battery testing 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 SCPPA Members. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has agreements in place for similar services with Exponential Power, LLC and Nor-Cal Battery Co.

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 needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 7, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On February 12, 2024 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

February 22, 2024
Page 3

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 24-23
- Multi-Task General Services Agreement with American Power Systems, LLC

RESOLUTION 24-23

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH AMERICAN
POWER SYSTEMS, LLC**

(reference Staff Report 129:24)

WHEREAS, various battery testing 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, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, American Power Systems, LLC is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with American Power Systems, LLC to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; 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 said Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
AMERICAN POWER SYSTEMS, 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 American Power Systems, LLC, a Pennsylvania limited liability company, with its principal office located at 1851 Central Pl S, Ste 206, Kent, WA 98030 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2024 ("Effective Date") in Roseville, California.

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

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

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

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

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

- 4.1** **Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) 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, 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 for bodily injury or property damage arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except to the extent caused by the sole, gross or active 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, at Contractor's principal office. 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 Reserved.

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 the Assistant General Manager, Generation Services, 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:

American Power Systems, LLC
Attention: Legal
1851 Central Pl S, Ste 206
Kent, WA 98030

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

AMERICAN POWER SYSTEMS, LLC

Date _____

Date _____

RANDY S. HOWARD,
General Manager

JASON GARDNER,
Director of Compliance

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF WORK

American Power Systems, LLC ("Contractor") shall provide battery related services related to project support and plant operations as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

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

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

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:

- Contractor provides firm-fixed-price quotes for Requested Work. In the event Agency needs work performed outside of a firm-fixed-price quote, the following labor rates shall apply:
- Prevailing wage rates of one hundred sixty dollars (\$165) per hour for straight-time hours.
- Prevailing wage rates of two hundred twenty-five dollars (\$225) per hour for overtime hours, including daily, Saturday, or Sunday and Holiday.
- Travel time shall be billed at the appropriate Prevailing Wage rate listed above.**
- Overnight Travel Expense rate of two hundred fifty dollars (\$250) per technician per night or other such rate as required by law.**

Prevailing wage rates are subject to adjustment by the California Department of Labor. Current rates will be reflected in responses to requests for Work quotes or Purchase Orders for the time period for which the work will be performed.

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

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

American Power Systems, 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.

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)



15

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: KW Emerson, Inc. – Five Year Multi-Task General Services Agreement for General Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli <i>MD</i>	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe.</i>
Department:	Hydroelectric	

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

RECOMMENDATION:

Approve Resolution 24-24 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with KW Emerson, Inc. for general maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

General maintenance services, including concrete patching maintenance, minor dam maintenance, and minor road and drainage maintenance 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 SCPPA Members. The current agreement with KW Emerson, Inc. expired. NCPA has utilized this vendor in the past and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has agreements in place for similar services with Capital Industrial Restoration, Ford Construction, Inc., Epidendio Construction, Inc., Granite Construction Co., Gold Electric, Inc. and Syblon Reid.

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.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 7, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On February 12, 2024 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

February 22, 2024
Page 3

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 24-24
- Multi-Task General Services Agreement with KW Emerson, Inc.

RESOLUTION 24-24

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH KW EMERSON,
INC.**

(reference Staff Report #130:24)

WHEREAS, general maintenance services, including concrete patching maintenance, minor dam maintenance, and minor road and drainage maintenance 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, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, KW Emerson, Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with KW Emerson, Inc. to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; 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 said Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
K.W. EMERSON, INC.**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and K.W. Emerson, Inc., a corporation with its office located at 413 West St. Charles Street, San Andreas, CA 95249 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2024 ("Effective Date") in Roseville, California.

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

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

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

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have 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.

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 the Assistant General Manager, Generation Services, 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:

Rusti Emerson, President
K.W. Emerson, Inc.
P.O. Box 549
San Andreas, CA 95249

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

K.W. EMERSON, INC.

Date _____

Date _____

RANDY S. HOWARD,
General Manager

RUSTI EMERSON,
President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

As requested by the Northern California Power Agency ("Agency"), K.W. Emerson, Inc. ("Contractor") shall provide routine, recurring, and usual maintenance services for the preservation, protection, and keeping of any facilities owned or operated by the Agency, its Members, SCPPA, or SCPPA Members, in a safe and continually usable condition.

Maintenance services may include:

- Asphalt patch paving;
- Concrete patching and maintenance;
- Minor dam maintenance; and
- Minor road / drainage maintenance.

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:

WORK TO BE PAID FOR ON A TIME AND MATERIAL BASIS (COST PLUS 15 %) AS FOLLOWS:			
LABOR CLASS	REGULAR WAGE	PREVAILING WAGE	
Superintendent	\$109.00	\$135.00	
Foreman	\$67.00	\$125.00	
Operator	\$91.00	\$117.00	
Truck Driver	\$78.00	\$102.00	
Laborer	\$74.00	\$96.00	
EQUIPMENT	UNOPERATED RATE	OPERATED RATE	OPERATED RATE
Fiat-Allis 745 Log Loader	\$81.00	\$152.00	\$178.00
Cat 980 C Loader	\$99.00	\$190.00	\$216.00
Cat 950 H Loader	\$85.00	\$176.00	\$202.00
Cat 289 / 299 Skid Steer Loader	\$45.00	\$136.00	\$162.00
Deere 210 LE Box Scraper	\$45.00	\$136.00	\$162.00
Cat 415 F2 Box Scraper	\$48.00	\$139.00	\$165.00
Timberjack Log Skidder	\$55.00	\$146.00	\$172.00
Cat 631 C Scraper	\$142.00	\$233.00	\$259.00
Cat 308 E Excavator	\$54.00	\$145.00	\$171.00
Cat 320 C Excavator	\$107.00	\$188.00	\$224.00
Cat 320 C Excavator with 5,000 LB Hammer	\$202.00	\$293.00	\$319.00
Cat 330 B Excavator	\$122.00	\$213.00	\$239.00
Cat 335 F Excavator	\$135.00	\$228.00	\$254.00
Cat D6 C Dozer	\$65.00	\$158.00	\$184.00
Cat D6 H Dozer	\$82.00	\$174.00	\$200.00
Cat D6 T Dozer	\$103.00	\$194.00	\$220.00
Cat D6 R Dozer	\$130.00	\$221.00	\$247.00
Cat D6 T Dozer	\$145.00	\$238.00	\$264.00
Cat D9 L Dozer	\$185.00	\$278.00	\$304.00
Cat 416 Backhoe	\$49.00	\$140.00	\$166.00
Cat 420 Backhoe	\$55.00	\$146.00	\$172.00
Cat 445 Backhoe	\$85.00	\$155.00	\$181.00
Cat 445 Backhoe with 2,000 LB Hammer	\$154.00	\$245.00	\$271.00
Cat 450 Backhoe	\$89.00	\$160.00	\$186.00
Cat 14 G Grader	\$105.00	\$195.00	\$221.00
Cat 14 G Grader w/ GPS	\$125.00	\$218.00	\$244.00
Cat 140 M Grader	\$115.00	\$208.00	\$234.00
Cat 130 G Grader	\$58.00	\$159.00	\$185.00
Bladmore 747 Grader	\$44.00	\$135.00	\$161.00
Cat 815 F Compactor	\$92.00	\$183.00	\$209.00
Cat C578 84" Vibratory Compactor	\$78.00	\$169.00	\$195.00
Cat CP563 C 84" Vibratory Compactor	\$85.00	\$160.00	\$186.00
Cat CP323 C 42" Vibratory Compactor	\$45.00	\$138.00	\$164.00
Cat 224 B 48" Double Drum Roller	\$45.00	\$138.00	\$164.00
Volvo DB35 B 54" Double Drum Roller	\$45.00	\$138.00	\$164.00
Volvo P7110 B Paving Machine	\$250.00	\$341.00	\$367.00
Transfer Truck	\$80.00	\$151.00	\$177.00
10 Yard Dump Truck (10 Wheeler)	\$44.00	\$135.00	\$161.00
Mechanic Truck	\$45.00	\$138.00	\$164.00
Water Truck - 4,000 Gallons	\$44.00	\$135.00	\$161.00
Water Truck - 2,000 Gallons	\$35.00	\$128.00	\$154.00
Foreman Pickup	\$22.00	\$119.00	\$147.00
Rebel Humane Vac Truck	\$200.00	\$297.00	\$323.00
Cenotech C60 Concrete Truck	\$175.00	\$272.00	\$300.00
Lowbed Transport		\$125.00	
Lowbed Transport - Oversize		\$135.00	
Lowbed Transport - Oversize & Scraper Dolly		\$150.00	
Pilot Car		\$55.00	
375 CFM Air Compressor	\$300.00 / Day		
Laser	\$50.00 / Day		
2000W - 3600W Generator	\$50.00 / Day		
4,000 PSI Pressure Washer	\$200.00 / Day		
Vibratory Plate Compactor	\$65.00 / Day		
Rammex Compactor	\$250.00 / Day		
Whacker Compactor	\$75.00 / Day		
Chain Saw	\$25.00 / Day		
2" Submersible Pump	\$110.00 / Day		
6" Trailer Mounted Trash Pump	\$350.00 / Day		
Vermeer Trailer Mounted Vacuum	\$250.00 / Day		
Transportation Permits	Cost Plus 15%		

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested. NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, _____

(Name of person signing affidavit) (Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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

EXHIBIT D – NOT APPLICABLE

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit) (Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 __.

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

EXHIBIT E

**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 these 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)



16

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Alliance Cooling Products and Construction, Inc. – First Amendment to Five Year Multi-Task General Services Agreement for Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli <i>MD</i> Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Geothermal	

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

RECOMMENDATION:

Approve Resolution 24-25 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc. for maintenance services, including cooling tower structures and equipment, stretford systems, buildings, structures, fiberglass piping, and other miscellaneous maintenance, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1,000,000 to \$6,000,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Cooling tower structures and equipment, stretford systems, buildings, structures, fiberglass piping, and other miscellaneous maintenance are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five-year Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc., effective March 25, 2022, for an amount not to exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has upcoming work for which Alliance Cooling Products and Construction, Inc. will be a potential bidder. This agreement does not have enough funds remaining for this potential work. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$1,000,000 to \$6,000,000 to ensure sufficient funds are available should this vendor be the successful bidder on this or any future work. Exhibit B – Compensation Schedule and Hourly Fees will also be amended as requested by the vendor to reflect an increase in labor costs. NCPA has agreements in place for similar services with EvapTech, Inc., American Cooling Tower, Inc., and Energy Options, Inc.

FISCAL IMPACT:

Upon execution, the total not to exceed amount of the agreement will increase from \$1,000,000 to \$6,000,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

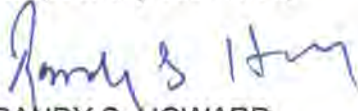
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

On February 7, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On February 12, 2024 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 24-25
- Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc.
- First Amendment to Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc.

RESOLUTION 24-25

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES
AGREEMENT WITH ALLIANCE COOLING PRODUCTS AND CONSTRUCTION, INC.**

(reference Staff Report #131:24)

WHEREAS, cooling tower structures and equipment, stretford systems, buildings, structures, fiberglass piping, and other miscellaneous maintenance, are required from time to time for the operation and maintenance of facilities owner and/or operated by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Northern California Power Agency (NCPA) and Alliance Cooling Products and Construction, Inc. entered into a Multi-Task General Services Agreement effective March 25, 2022 to provide such services; and

WHEREAS, NCPA has work for which Alliance Cooling Products and Construction, Inc. will be a potential bidder; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$1,000,000 to \$6,000,000 to ensure there are sufficient funds available should this vendor be the successful bidder on this or any future work; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Fist Amendment to the Multi-Task General Services Agreement, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1,000,000 to \$6,000,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

CARRIE POLLO
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
ALLIANCE COOLING PRODUCTS AND CONSTRUCTION, INC.**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Alliance Cooling Products and construction, Inc., a corporation with its office located at 123 W. North Street, P.O. Box 1512, Healdsburg, CA 95448 ("Contractor") (together sometimes referred to as the "Parties") as of 3/25/, 2022 ("Effective Date") in Roseville, California.

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

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

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

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

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$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.** Intentionally Omitted.

4.4 **Pollution Insurance.** Intentionally Omitted.

4.5 **All Policies Requirements.**

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

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

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

4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, 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.** Intentionally Omitted.

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

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

of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding

Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall 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 GENERATION SERVICES, 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:

Alliance Cooling Products and Construction, Inc.
123 W. North Street
P.O. Box 1512
Healdsburg, CA 95448

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

ALLIANCE COOLING PRODUCTS AND CONSTRUCTION, INC.

Date 3/25/22

Date 3/17/2022

Randy S Howard
RANDY S. HOWARD, General Manager

Sheri Smith VP
SHERI SMITH, Vice President

Attest:

[Signature]
Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt
Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Alliance Cooling Products and Construction, Inc. ("Contractor") shall provide maintenance services which include but are not limited to cooling tower structures and equipment, Stretford systems, buildings, structures, and fiberglass piping, and any other miscellaneous maintenance work necessary as requested by Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA") or SCPPA members.

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:

Alliance Cooling Products, Inc. hourly billing rates and fee schedule for performing work on a Time & Materials basis for NCPA.

The below listed rates will be effective 01/01/22 on a PREVAILING WAGE Basis.

Hourly Billing Rates

<u>CRAFT</u>	<u>S.T.</u>	<u>T 1/2</u>
Superintendent/Carpenter	120.20	155.67
Foreman/Construction Spec	95.33	120.46
LR1/Laborer	96.56	118.00

All of the above rates will require written approval on the part of a NCPA representative by issuing a contract work authorization prior to the start of work.

Minimum of four (4) hours for Superintendent and Foreman.

1. Basis of Overtime Payment (per person)

T-1/2: All hours worked over 8 and up to 12 Monday through Friday.
Weekends.
All hours worked over 40 in one week.

D.T.: All hours worked over 12 in one day.
All hours worked over 8 on Sunday.
All hours worked on ACPC's observed holidays.

2. Material/Miscellaneous Charges

- A. All of the following shall be billed at cost plus, and copies of invoices for said items will accompany all billing to NCPA.
1. Direct shipment or jobsite purchased materials – Cost Plus 15%
 2. Equipment costs (third party rentals) – Cost Plus 8%
- B. ACPC stocked items or fabricated items will be quoted as needed prior to shipment for NCPA's review.
- C. Delivery charges for usage of ACPC's truck will be billed at \$1.00 per mile traveled plus actual time at the delivery rate.
- D. Site specific safety training shall be billed per our time and materials rates.
- E. Freight will be billed at cost + 5% or freight collect.

3. Travel Allowance

- A. Outside the seventy-five (75) mile radius of ACPC's Healdsburg office or employee home, the following will apply:

Travel Allowance: Superintendent/Inspector shall be billed at the straight time rate for actual travel to and from the jobsite plus \$0.52 per mile traveled, on a one-time basis to the jobsite and return at the completion of the project. All other employees shall be billed at the straight time rate for actual travel from the home office or their then current jobsite on a one-time basis to and from the jobsite.

Company truck and tool trailer shall be added at the rate of \$100.00 per working day/per truck & trailer.

ACTS OF GOD CLAUSE

The following is intended to become a part of this proposal and will become effective upon our award of this contract in the event that work does not start on any given day.

Once ACPC employees arrive at the jobsite and check in with the NCPA Work Supervisor, any work stoppage due to Acts of God (rain, snow or any other phenomena beyond the reasonable control of ACPC) will be considered a lost time situation if authorized by NCPA Work Supervisor and the following subsequent rates will apply:

1. **Job Superintendent:** The Superintendent will charge a four (4) hour minimum with full travel allowance, unless NCPA representative authorizes additional hours.
2. **Foreman:** The job Foreman will charge a four (4) hour minimum with full subsistence allowance.
3. **LR1 and below:** A two (2) hour minimum will be charged for all other crewmembers with full subsistence allowance.

Pricing for services to be performed at NCPA Member or SCPA 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, John Smith VP

(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.

John Smith

(Signature of officer or agent)

Dated this 17 day of APRIL, 20 22.

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, Shari Smith VP

(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.

Shari Smith

(Signature of officer or agent)

Dated this 17 day of MAY, 2020

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: 3/17/22

Name of Employer

Alliance Cooling

Shan Smith VP

(Authorized Officer & Title)

Shan Smith VP

(Address)

PO Box 1512

HBG, CA 95448

3. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

ALLIANCE COOLING PRODUCTS AND
CONSTRUCTION, INC.

SHERI SMITH, Vice President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Alliance Cooling Products, Inc. hourly billing rates and fee schedule for performing work on a Time & Materials basis for **NCPA**.

Below listed rates will be effective 01/01/24. Rates are based on The Director of Industrial Relations current prevailing wage and may be amended as specified in the collective bargaining agreements.

Hourly Billing Rates

<u>CRAFT</u>	<u>S.T.</u>	<u>T 1/2</u>
Superintendent/Carpenter	\$129.57	\$169.13
Foreman/Construction Spec	\$99.75	\$126.62
LR1/Laborer	\$98.16	\$124.31

All of the above rates will require written approval on the part of a **NCPA** representative by issuing a contract work authorization prior to the start of work.

Minimum of four (4) hours for Superintendent and Foreman.

1. Basis of Overtime Payment (per person)

T-1/2: All hours worked over 8 and up to 12 Monday through Friday.
Weekends.
All hours worked over 40 in one week.

D.T.: All hours worked over 12 in one day.
All hours worked over 8 on Sunday.
All hours worked on ACPC's observed holidays.

2. Material/Miscellaneous Charges

- A. All of the following shall be billed at cost plus, and copies of invoices for said items will accompany all billing to **NCPA**.
1. Direct shipment or jobsite purchased materials – Cost Plus 15%
 2. Equipment costs (third party rentals) – Cost Plus 8%
- B. ACPC stocked items or fabricated items will be quoted as needed prior to shipment for **NCPA's** review.
- C. Delivery charges for usage of ACPC's truck will be billed at \$1.00 per mile traveled plus actual time at the delivery rate.
- D. Site specific safety training shall be billed per our time and materials rates.
- E. Freight will be billed at cost + 5% or freight collect.

3. Travel Allowance

- A. Outside the seventy-five (75) mile radius of ACPC's Healdsburg office or employee home, the following will apply:

Travel Allowance: Superintendent/Inspector shall be billed at the straight time rate for actual travel to and from the jobsite plus the current IRS rate per mile for miles traveled, on a one-time basis to the jobsite and return at the completion of the project. All other employees shall be billed at the straight time rate for actual travel from the home office or their then current jobsite on a one-time basis to and from the jobsite.

Company truck and tool trailer shall be added at the rate of \$145.00 per working day/per truck & trailer.

ACTS OF GOD CLAUSE

The following is intended to become a part of this proposal and will become effective upon our award of this contract in the event that work does not start on any given day.

Once ACPC employees arrive at the jobsite and check in with the **NCPA** Work Supervisor, any work stoppage due to Acts of God (rain, snow or any other phenomena beyond the reasonable control of ACPC) will be considered a lost time situation if authorized by **NCPA** Work Supervisor and the following subsequent rates will apply:

1. **Job Superintendent:** The Superintendent will charge a four (4) hour minimum with full travel allowance, unless **NCPA** representative authorizes additional hours.
2. **Foreman:** The job Foreman will charge a four (4) hour minimum with full subsistence allowance.
3. **LR1 and below:** A two (2) hour minimum will be charged for all other crewmembers with full subsistence allowance.

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.



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Frontier Energy, Inc.– First Amendment to Three Year Multi-Task Consulting Services Agreement for Electrification Education and Outreach Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

FROM:	Jane Cirrincione <i>JCV</i>	METHOD OF SELECTION:
	Assistant General Manager	<i>Competitive Pricing Process</i>
Division:	Legislative & Regulatory Affairs	<i>If other, please describe:</i>
Department:	Legislative & Regulatory	

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 24-31 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement (MTCSA) with Frontier Energy, Inc. for Electrification Education and Outreach Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, to extend the term of the Agreement for an additional two year period and to update the Scope of Services and Compensation Schedule, for continued use by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Participants in NCPA's Transportation Electrification Working Group and Demand Management Working Groups requested assistance in contracting for electrification education and outreach services, with a focus on finding virtual and online outreach programs due to the COVID-19 situation. NCPA issued a Request for Proposal (RFP) LR2001 on August 12, 2020, to solicit proposals from qualified consultants providing various electrification education and outreach programs and services. Specifically, the RFP requested services in the areas of: youth education, building electrification, transportation electrification, and additional related services.

Ten vendors responded to the RFP. Based on the scoring committee's evaluation, eight of the vendors were interviewed and selected to provide electrification education and outreach services. Frontier Energy, Inc. was one of the consultants selected based upon its experience and response to the RFP.

NCPA entered into a three-year MTCSA with Frontier Energy, Inc. effective March 8, 2021, for an amount not to exceed \$1,000,000. This agreement has been used by multiple NCPA Members through NCPA's Support Services program, and several NCPA Members have requested that the agreement be extended. This amendment will extend the term of the Agreement for an additional two-year period from the original expiration date of March 7 2024, to a new date of March 7, 2026. Additionally, the amendment will update the Scope of Services and Compensation Schedule to reflect current hourly rates and services.

NCPA has agreements in place for similar services with D&R International Ltd. and CLEAResult Consulting Inc.

FISCAL IMPACT:

The total not to exceed amount of the agreement will remain at \$1,000,000 for the amended contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

Eight vendors were selected as a result of a Request for Proposal (RFP) process in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from August 12, 2020, through September 10, 2020. A total of ten responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity;

4) competitive rates for the requested services; 5) respondent's financial stability; 6) ability to perform the work within the time specified and demonstrated strong project management abilities; and 7) customer references. The responses were evaluated by a review team consisting of staff from the City of Palo Alto Utilities, Silicon Valley Power, and NCPA.

This enabling agreement does not commit NCPA to any expenditure of funds. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

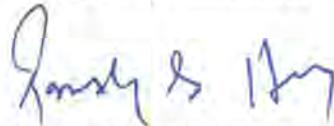
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed by the Legislative and Regulatory Affairs Committee on February 21, 2024.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 24-31
- Multi-Task Consulting Services Agreement with Frontier Energy, Inc.
- First Amendment to Multi-Task Consulting Services Agreement with Frontier Energy, Inc.

RESOLUTION 24-31

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK CONSULTING SERVICES
AGREEMENT WITH FRONTIER ENERGY, INC.

(reference Staff Report #138:24)

WHEREAS, Northern California Power Agency (NCPA) and Frontier Energy, Inc. entered into a Multi-Task Consulting Services Agreement effective March 8, 2020, for Frontier Energy, Inc. to provide electrification education and outreach services, for use by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, NCPA Members have requested that the Agreement with Frontier Energy, Inc. be extended beyond the original three-year term to accommodate anticipated projects; and

WHEREAS, NCPA desires to extend the term of the Agreement for an additional two-year period; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into Multi-Task Consulting Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, for continued use by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
ASSISTANT SECRETARY



**FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
FRONTIER ENERGY, INC.**

This First Amendment ("Amendment") to the Multi-Task Consulting Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Frontier Energy, Inc. ("Consultant") (collectively referred to as "the Parties") as of _____, 2024.

WHEREAS, the Parties entered into a Multi-Task Consulting Services Agreement dated effective March 8, 2021, (the "Agreement") for Consultant to provide electrification education services including electrification and electric vehicle (EV) workshops, online classes, electrification and energy efficiency audits, and induction cooking demonstrations; and

WHEREAS, the Agency now desires to amend the Agreement to extend the term of the Agreement for an additional two (2) years from the original expiration date of March 7, 2024, to a new date of March 7, 2026; and

WHEREAS, the Parties now desire to amend the Compensation Schedule and Hourly fees set forth in Exhibit B to the Agreement; and

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

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

NOW, THEREFORE, the Parties agree as follows:

1. **Section 1.1—Term of Agreement** is amended and restated to read in full as follows:

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

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
3. **Exhibit B – COMPENSATION SCHEDULE** is amended and restated to read in full as set forth in the attached Exhibit B.
4. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

SIGNATURES ON FOLLOWING PAGE

Date: _____

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

FRONTIER ENERGY, INC.

RANDY S. HOWARD, General Manager

JEREMY SPRINGER, Chief Financial Officer

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF SERVICES

A. EV Education

- **Workshops and Online Classes** for large and small groups with innovative and interactive ways to accelerate the adoption of EVs by low to moderate income customers with a priority on financials more than environmental motivations. Workshop length and content to be adjusted to the audience. Workshops to include, but are not limited to, information on used EVs, leasing vs. purchasing, available incentives, different models, and lifetime price analysis of an EV vs. a fossil-fuel vehicle. For example:
 - EV 101 educational classes for residents
 - EV 101 educational classes for commuters
- **Virtual and/or In-person Ride and Drives** for large and small groups with innovative and interactive ways to promote and educate low to moderate income customers about EVs, with a priority on financials more than environmental motivations. Ride and Drive length and content to be adjusted to the audience. Ride and drives to include, but are not limited to, information on used EVs, leasing vs. purchasing, different models, and lifetime price analysis of an EV vs. a fossil fuel vehicle. For example:
 - Ride and Drives for residents
 - Ride and Drives for commuters

B. Electrification Education

- **Workshops and Online Classes** for large and small groups with innovative and interactive ways to accelerate the switch from gas to electric equipment in the home and at businesses, with a priority on financials and environmental motivations. Workshop length and content to be adjusted to the audience. Workshops to include, but are not limited to, information on heat pump water heaters, air source heat pumps, electric dryers, induction cooktops, different models, and lifetime price analyses. For example:
 - Electrification 101 educational classes for residents
 - Electrification 101 educational classes for business owners
 - Electrification workshops and classes for contractors and installers
- **Virtual Electrification and Energy Efficiency Audits** for individuals interested in a virtual assessment of electrification and energy efficiency potential and opportunities.

C. Additional Services

- NCPA Education and Outreach Clearinghouse
- Virtual and In-person Electrification Audits of Commercial Food Service Operations
- Virtual or In-person Demonstrations for Residential and Commercial Induction Cooking

Frontier Energy's subcontractors include the following:

- AEA
- AC Home Performance
- Balance Point Home Performance
- Building Wright
- CalCERTS

- Debra Little
- Design Avenues LLC
- Ecos Research
- Gary Klein and Associates
- Guttman & Blaevoet
- Proctor Consulting

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,000,000. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Off-the-Shelf

Pricing per class includes preparation and delivery of previously developed classes (no customization needed) scheduled through customer relationship management (CRM) platform or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with member agency reimbursement guidelines. For an additional fee, Frontier Energy can also support with training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
Travel Costs (Time and Materials) ²	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$2,500-\$4,000	\$3,000+

EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
Travel Costs (Time and Materials) ²	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$2,500-\$4,000	\$3,000+

* Delivery Fee and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Updated or Customized

Prices based on the topic and duration. Per-class fees include minor customization of materials and delivery of class scheduled through CRM or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with member agency reimbursement guidelines. For an additional fee, Frontier Energy can support training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
3-4 Hours of Instruction Time	-	\$3,500
6-8 Hours of Instruction Time	-	\$4,000
Material Customization Fee*		
1-2 Hours of Instruction Time	\$1,000	\$1,000
3-4 Hours of Instruction Time	-	\$2,000
6-8 Hours of Instruction Time	-	\$3,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$3,500-5,000	\$4,000+

EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1.5 Hours of Instruction Time	\$2,500	
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$6,500
Material Customization Fee*		
1.5 Hours of Instruction Time	\$3,000	
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$5,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$5,500-\$7,000	\$6,000+

* Delivery Fee, Material Customization Fee, and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

New or Significantly Customized

New content or significant customization to previously developed classes are priced differently depending on topic and duration. Significant customization could include, but not be limited to: responding to code updates or changes in legislation and state and local policies; integrating significant new technology content per member agency request. Per class fees include material development with one cycle of substantive client review and delivery of class scheduled through CRM or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with agency reimbursement guidelines. For an additional fee, Frontier Energy can support training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
3-4 Hours of Instruction Time	-	\$4,000
6-8 Hours of Instruction Time	-	\$5,000
Material Development Fee*		
1-2 Hours of Instruction Time	\$5,000	\$5,000
3-4 Hours of Instruction Time	-	\$7,500
6-8 Hours of Instruction Time	-	\$10,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor location
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$7,500-\$9,000	\$8,000+

EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1.5 Hours of Instruction Time	\$2,500	-
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$6,500
Material Development Fee*		
1.5 Hours of Instruction Time	\$5,000	-
2 Hours of Instruction Time	-	\$5,000
6 Hours of Instruction Time	-	\$10,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor location
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$7,500-\$9,000	\$8,000+

* Delivery Fee, Material Customization Fee, and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Virtual and In-Person Events

Ride and Drives

The Frontier Team includes a wide range of technical and event planning staff to assist in the organization and execution of a ride and drive regardless of budget, size of or duration. Free checklists and best practices can be downloaded from the Storefront.

Virtual Ride and Drives	Online
Virtual event fee*	\$2,500
Driver honorarium	\$250 each
Total	\$2,750-\$3,000

* Virtual event fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Costs include recruiting one or more EV drivers that matches audience demographics, moderation by Frontier Energy staff and an honorarium for the EV driver(s). For an additional fee, Frontier Energy can support demonstration coordination and assist with registration and outreach, use and management of the virtual meeting platform, and attendee follow-up.

For in-person events, our proposed job categories and hourly rates are provided in the Category Rate Tables below. Costs for previous in-person ride and drive events that Frontier Energy executed for clients vary. These costs are representative only and change based on factors like venue rental and local availability of ride and drive vehicles. Costs do not include audience generation or marketing.

- Small event—one or two local vehicles for one-half day at a controlled location like an employer: Logistics, one support staff, liability insurance, permits, route planning, electronic waivers, excludes venue rental: \$15,135.
- Medium event—coordinate with local dealerships to bring up to five vehicles to a controlled location like a convention center for two days: logistics, three support staff, liability insurance, permits, route planning, electronic waivers, breathalyzer testing, excludes venue rental: \$43,252.
- Large event— coordinate with local dealerships to bring up to five vehicles to a stand-alone venue for one days: logistics, five support staff, rental equipment, liability insurance, permits, route planning, electronic waivers, breathalyzer testing, venue rental: \$72,657.
- EV Day(s) at the Auto Mall – coordinate with local auto mall to bring drivers to the dealerships for test drives: logistics, two support staff, appointment booking, coordination with dealerships: \$21,953.

Electrification Site Audits of Commercial Food Service Operations

Proposed costs per site includes marketing and outreach, reporting, site coordination, including site agreements, survey implementation in person or online, and participant follow-up. Travel costs are included for in-person site audits located within 50 miles of Frontier Energy’s headquarters.

Commercial Food Service Site Audits	Cost Per Site
Site Audit Fee	Online or In-Person
	\$4,000
Total	\$4,000

Category Hourly Rate Tables

Frontier Energy

Category	2020	2021	2022	2023	2024	2025
President	290	295	300	305	324	343
Vice President	285	290	295	300	319	338
Sr. Director	285	290	295	300	319	338
Director / Principal Consultant	265	270	275	281	298	316
Sr. Manager / Engineering Manager	235	240	245	250	265	281
Manager	209	213	218	222	235	249
Sr. Engineer / Sr. Program Mgr	189	193	198	202	214	227
Engineer / Program Mgr	159	162	165	168	178	189
Sr. Program Consultant / Sr. Analyst	145	148	150	153	162	172

Program Consultant / Analyst	126	128	130	133	141	149
Sr. Program Coordinator / Sr. Technician	106	108	110	112	119	126
Program Coordinator / Technician	91	93	95	97	103	109
Program Associate / Direct Install Technician	75	77	79	81	86	91
Administrative	75	75	75	75	80	80

Design AVEenues

Category	Calendar Year			
	2020	2021	2022	2023
Principal	295	295	300	305

Pricing for services that are not otherwise specified above will be quoted at the time services are requested. Scoping calls with the Frontier Energy Project Manager for services that are not identified as "off the shelf" shall be billed at the appropriate hourly rate, and incorporated into the resulting Purchase Order. Travel costs for in-person workshops not defined above will be billed separately as time and materials in compliance with member agency reimbursement guidelines.

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



**MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
FRONTIER ENERGY, INC.**

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Frontier Energy, Inc., a corporation with its office located at 12949 Alcosta Blvd., Suite 101, San Ramon, CA 94583 ("Consultant") (together sometimes referred to as the "Parties") as of March 8, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than three (3) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven day

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

mobile equipment to the extent coverage may be excluded from general liability insurance.

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

4.3 Professional Liability Insurance. Not Applicable.

4.4 All Policies Requirements.

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

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

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

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or SCPPA member.

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

4.5 Consultant's Obligation. Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this

Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

Section 6. STATUS OF CONSULTANT.

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

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the

payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

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

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

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

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
 - 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that

Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

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

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Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Chris Bradt
Manager
Frontier Energy, Inc.
12949 Alcosta Blvd., Suite 101
San Ramon, CA 94583

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails,

the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

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

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

Date 3/8/21



RANDY S. HOWARD
GENERAL MANAGER

FRONTIER ENERGY, INC.

Date 3/1/2021



JEREMY SPRINGER
CHIEF FINANCIAL OFFICER

Attest:



Assistant Secretary of the Commission

Approved as to Form:



Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

A. EV Education

- **Workshops and Online Classes** for large and small groups with innovative and interactive ways to accelerate the adoption of EVs by low to moderate income customers with a priority on financials more than environmental motivations. Workshop length and content to be adjusted to the audience. Workshops to include, but are not limited to, information on used EVs, leasing vs. purchasing, available incentives, different models, and lifetime price analysis of an EV vs. a fossil-fuel vehicle. For example:
 - EV 101 educational classes for residents
 - EV 101 educational classes for commuters
- **Virtual and/or In-person Ride and Drives** for large and small groups with innovative and interactive ways to promote and educate low to moderate income customers about EVs, with a priority on financials more than environmental motivations. Ride and Drive length and content to be adjusted to the audience. Ride and drives to include, but are not limited to, information on used EVs, leasing vs. purchasing, different models, and lifetime price analysis of an EV vs. a fossil fuel vehicle. For example:
 - Ride and Drives for residents
 - Ride and Drives for commuters
- **EV Expo's** that promote the adoption of EVs with a priority on converting fossil fuel vehicle drivers into EV drivers. The length and content of these EV Expo's will be adjusted to the audience. Expo's may include, but are not limited to, displays of EVs, test drives, and EV vendor booths. For example:
 - EV Expo's for residents
 - EV Expo's at workplaces

B. Electrification Education

- **Workshops and Online Classes** for large and small groups with innovative and interactive ways to accelerate the switch from gas to electric equipment in the home and at businesses, with a priority on financials and environmental motivations. Workshop length and content to be adjusted to the audience. Workshops to include, but are not limited to, information on heat pump water heaters, air source heat pumps, electric dryers, induction cooktops, different models, and lifetime price analyses. For example:
 - Electrification 101 educational classes for residents
 - Electrification 101 educational classes for business owners
 - Electrification workshops and classes for contractors and installers
- **Electrification Expo's** for large and small groups with innovative and interactive ways to accelerate the switch from gas to electric equipment in the home, with a priority on financials and environmental motivations. The length and content of these Electrification Expo's will be adjusted to the audience, Expo's may include,

but are not limited to, speakers, displays of appliances and equipment, and related vendor booths.

- Electrification Expo's for residents and business owners
- **Virtual Electrification and Energy Efficiency Audits** for individuals interested in a virtual assessment of electrification and energy efficiency potential and opportunities.

C. Additional Services

- NCPA Education and Outreach Clearinghouse
- EV Life, a self-service website (<https://evlife.co/>) that makes it easy for people to find and finance an electric car
- Virtual and In-person Electrification Audits of Commercial Food Service Operations
- Virtual or In-person Demonstrations for Residential and Commercial Induction Cooking

Frontier Energy's subcontractors include the following:

- AEA
- AC Home Performance
- Balance Point Home Performance
- Building Wright
- CalCERTS
- Debra Little
- Design Avenues LLC
- Ecos Research
- EV Life
- Gary Klein and Associates
- Guttman & Blaevoet
- Proctor Consulting

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,000,000. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Off-the-Shelf

Pricing per class includes preparation and delivery of previously developed classes (no customization needed) scheduled through customer relationship management (CRM) platform or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with member agency reimbursement guidelines. For an additional fee, Frontier Energy can also support with training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
Travel Costs (Time and Materials) ²	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$2,500-\$4,000	\$3,000+
EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
Travel Costs (Time and Materials) ²	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$2,500-\$4,000	\$3,000+

* Delivery Fee and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Updated or Customized

Prices based on the topic and duration. Per-class fees include minor customization of materials and delivery of class scheduled through CRM or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with member agency reimbursement guidelines. For an additional fee, Frontier Energy can support training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
3-4 Hours of Instruction Time	-	\$3,500
6-8 Hours of Instruction Time	-	\$4,000
Material Customization Fee*		
1-2 Hours of Instruction Time	\$1,000	\$1,000
3-4 Hours of Instruction Time	-	\$2,000
6-8 Hours of Instruction Time	-	\$3,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$3,500-5,000	\$4,000+

EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1.5 Hours of Instruction Time	\$2,500	
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$6,500
Material Customization Fee*		
1.5 Hours of Instruction Time	\$3,000	
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$5,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$5,500-\$7,000	\$6,000+

* Delivery Fee, Material Customization Fee, and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

New or Significantly Customized

New content or significant customization to previously developed classes are priced differently depending on topic and duration. Significant customization could include, but not be limited to: responding to code updates or changes in legislation and state and local policies; integrating significant new technology content per member agency request. Per class fees include material development with one cycle of substantive client review and delivery of class scheduled through CRM or Initial Scoping Calls. Travel costs for in-person workshops are billed separately as time and materials in compliance with agency reimbursement guidelines. For an additional fee, Frontier Energy can support training coordination and assist with registration and outreach, use and management of the virtual meeting platform, catering for in-person workshops, and attendee follow-up.

Electrification Topics	Online Class	In-Person Workshop
Delivery Fee*		
1-2 Hours of Instruction Time	\$2,500	\$3,000
3-4 Hours of Instruction Time	-	\$4,000
6-8 Hours of Instruction Time	-	\$5,000
Material Development Fee*		
1-2 Hours of Instruction Time	\$5,000	\$5,000
3-4 Hours of Instruction Time	-	\$7,500
6-8 Hours of Instruction Time	-	\$10,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor location
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$7,500-\$9,000	\$8,000+

EV Topics	Online Class	In-Person Workshop
Delivery Fee*		
1.5 Hours of Instruction Time	\$2,500	-
2 Hours of Instruction Time	-	\$3,000
6 Hours of Instruction Time	-	\$6,500
Material Development Fee*		
1.5 Hours of Instruction Time	\$5,000	-
2 Hours of Instruction Time	-	\$5,000
6 Hours of Instruction Time	-	\$10,000
Travel Costs (Time and Materials) ¹	-	Costs will vary by venue and instructor location
Training Coordination Support Fee* (Optional)	\$1,500	\$1,500
Printing Costs (Optional)	-	\$500
Total	\$7,500-\$9,000	\$8,000+

* Delivery Fee, Material Customization Fee, and Training Coordination Support Fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Expos

The Frontier Team includes a wide range of technical and event planning staff to assist in the organization and execution of any expo event regardless of budget, size of or duration. Free checklists, sample floorplans, and best practices can be downloaded from the Storefront. Proposed job categories and hourly rates are provided in our Category Rate Tables below.

Below are costs for previous expos that Frontier Energy executed for clients. These costs are representative only and change based on factors like venue rental and number of staff support.

- Half-day table-top expo: Logistics only, one support staff, excludes venue rental: \$12,535
- One-day pavilion with five hands-on exhibits and five staff and overnight travel costs, excludes venue rental: \$32,950

- Two-day pavilion with 20 exhibitors inside an established event with two support staff, excludes venue rental and catering: \$43,305
- One-day stand-alone expo with 60 exhibitors, 10 support staff, venue rental and insurance, excludes catering: \$109,263

Virtual and In-Person Events

Ride and Drives

The Frontier Team includes a wide range of technical and event planning staff to assist in the organization and execution of a ride and drive regardless of budget, size of or duration. Free checklists and best practices can be downloaded from the Storefront.

Virtual Ride and Drives	Online
Virtual event fee*	\$2,500
Driver honorarium	\$250 each
Total	\$2,750-\$3,000

* Virtual event fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Costs include recruiting one or more EV drivers that matches audience demographics, moderation by Frontier Energy staff and an honorarium for the EV driver(s). For an additional fee, Frontier Energy can support demonstration coordination and assist with registration and outreach, use and management of the virtual meeting platform, and attendee follow-up. For in-person events, our proposed job categories and hourly rates are provided in the Category Rate Tables below. Costs for previous in-person ride and drive events that Frontier Energy executed for clients vary. These costs are representative only and change based on factors like venue rental and local availability of ride and drive vehicles. Costs do not include audience generation or marketing.

- Small event—one or two local vehicles for one-half day at a controlled location like an employer: Logistics, one support staff, liability insurance, permits, route planning, electronic waivers, excludes venue rental: \$15,135.
- Medium event—coordinate with local dealerships to bring up to five vehicles to a controlled location like a convention center for two days: logistics, three support staff, liability insurance, permits, route planning, electronic waivers, breathalyzer testing, excludes venue rental: \$43,252.
- Large event—coordinate with local dealerships to bring up to five vehicles to a stand-alone venue for one days: logistics, five support staff, rental equipment, liability insurance, permits, route planning, electronic waivers, breathalyzer testing, venue rental: \$72,657.
- EV Day(s) at the Auto Mall – coordinate with local auto mall to bring drivers to the dealerships for test drives: logistics, two support staff, appointment booking, coordination with dealerships: \$21,953.

EV Life - Free

EVLife.co is a public website that agencies can link to from their own websites and social channels.

EV Life - Customized

For a one-time setup fee and a recurring monthly licensing fee (with annual contract), EV Life will create a redesigned EVLife.co website that follows NCPA branding and style guidelines. EV Life will also provide free online concierge services which includes free support finding an electric car. For an added cost, EV Life can also provide “White Glove” or “Silver Platter” services which include expert advice, analysis between leasing and financing, negotiation from multiple dealer offers, trade-in or lease return negotiations, and contactless home delivery. Hourly services are also available for web development, design, and product and project management support.

EV Life Services

One-time Setup Fee	\$7,000
Recurring Monthly Licensing Fee (With Annual Contract)	\$2,500
“Online Concierge” Service	\$0
One-time Upgrade Fee to “White Glove” Service (Optional)	\$499
One-time Upgrade Fee to “Silver Platter” Service (Optional)	\$999
Hourly services (Optional)	\$175
First 12-Month Total	\$37,000+

Electrification Site Audits of Commercial Food Service Operations

Proposed costs per site includes marketing and outreach, reporting, site coordination, including site agreements, survey implementation in person or online, and participant follow-up. Travel costs are included for in-person site audits.

Commercial Food Service Site Audits	Cost Per Site
Site Audit Fee*	Online or In-Person
	\$3,250
	Total
	\$3,250

* Site Audit fee presented for 2020 and 2021; subject to 2% annual escalation for 2022 and 2023.

Costs include presentation/demonstration by Frontier Energy staff and travel costs for in-person demonstrations. For an additional fee, Frontier Energy can support demonstration coordination and assist with registration and outreach, use and management of the virtual meeting platform, and attendee follow-up.

Category Hourly Rate Tables

Frontier Energy

Category	Calendar Year			
	2020	2021	2022	2023
President	290	295	300	305
Vice President	285	290	295	300
Sr. Director	285	290	295	300
Director / Principal Consultant	265	270	275	280
Sr. Manager / Engineering Manager	235	240	245	250
Manager	209	213	218	222
Sr. Engineer / Sr. Program Manager	189	193	198	202
Engineer / Program Manager	159	162	165	168
Sr. Program Consultant / Sr. Analyst	145	148	150	153
Program Consultant / Analyst	126	128	130	132
Sr. Program Coordinator / Sr. Technician	106	108	110	112
Program Coordinator / Technician	91	93	95	97
Program Associate	75	77	79	81
Administrative	75	75	75	75

Design AVEues

Category	Calendar Year			
	2020	2021	2022	2023
Principal	295	295	300	305

Pricing for services that are not otherwise specified above will be quoted at the time services are requested. Scoping calls with the Frontier Energy Project Manager for services that are not identified as "off the shelf" shall be billed at the appropriate hourly rate, and incorporated into the resulting Purchase Order.

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



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Kanner & Associates, LLC—One Year Multi-Task Consulting Services Agreement—with a right to renew up to additional two years—for Federal Legislative Consulting Services. Applicable to the following: Northern California Power Agency (NCPA)

AGENDA CATEGORY: Consent

FROM:	Jane Cirrincione <i>JCC</i>	METHOD OF SELECTION:
	Assistant General Manager	<i>Competitive Pricing Process</i>
Division:	Legislative & Regulatory Affairs	<i>If other, please describe:</i>
Department:	Legislative & Regulatory	

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 24-32 authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement and Option Agreement with Kanner and Associates, LLC consulting for federal legislative and regulatory consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$300,000 for a one-year agreement including a right to renew for up to two additional years, for use by NCPA.

BACKGROUND:

NCPA issued a Request for Proposal (RFP) LR 2303 on December 4, 2023, to solicit proposals from qualified consultants providing outside federal legislative and regulatory consulting services. The scope of services includes representation before Congress and the Administration, advocacy on behalf of policies that promote the interests of the electricity consumers served by our member utility systems, and support of NCPA member advocacy and conference events. Qualifications required a minimum of ten years of direct lobbying experience before the U.S. Congress and federal agencies; a deep understanding of public power-related policy issues and the federal power program, and a demonstrated proactive approach to advocacy.

NCPA created a review group for the RFP consisting of NCPA staff, and this review group evaluated and scored timely proposals submitted to the RFP. Only one vendor, Kanner and Associates, LLC, responded to the RFP by the deadline of January 12, 2024. Kanner and Associates, LLC, was selected based on the scoring review group's evaluation of the firm's costs and experience. The proposal meets and exceeds the required qualifications, and the firm has demonstrated an ability to effectively perform all of the duties in the RFP's scope of work. NCPA has utilized this vendor to provide federal legislative and regulatory representation in the past.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$300,000.00 for one year including the right to renew for up to two additional years. The fee for these federal legislative services will be paid as a \$25,000 monthly retainer, including approved travel expenses. There is no change to the cost of the retainer from the previous contract, and this retainer amount has remained the same since July 2011. NCPA expenditures for these services are limited to the amount authorized for federal legislative advocacy by the NCPA Commission in the agency's annual budget.

SELECTION PROCESS:

A vendor was selected as a result of an RFP process in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website December 4, 2023 through January 12, 2024. One response was received and evaluated based upon the following criteria: 1) Quality and completeness of proposal; 2) Knowledge, experience, and skills to provide the requested services; 3) Experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) Competitive rates for the requested services; 5) Demonstrated strong project management; and 6) Customer references. The selection process was completed by NCPA staff.

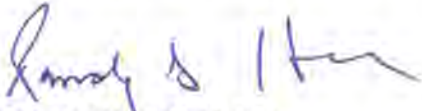
ENVIRONMENTAL ANALYSIS:

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 will be reviewed and discussed by the Legislative & Regulatory Affairs Committee on February 21, 2024.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 24-32
- Multi-Task Consulting Services Agreement with Kanner and Associates, LLC

RESOLUTION 24-31

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH KANNER AND
ASSOCIATES, LLC**

(reference Staff Report #139:24)

WHEREAS, federal legislative and regulatory consulting services are required by the Northern California Power Agency (NCPA) to assure strong representation of the agency and its Members as federal legislative and regulatory policies are developed; and

WHEREAS, a vendor to provide these services was selected as a result of a recent Request for Proposal process in accordance with NCPA's procurement policies and procedures; and

WHEREAS, Kanner and Associates, LLC, is an experienced and highly-qualified provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Consulting Services Agreement with Kanner and Associates, LLC, to provide such services as needed by NCPA; 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 Consulting Services Agreement and Option Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$300,000 for one year including an option to renew for up to two additional years, for use by NCPA.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
ASSISTANT SECRETARY



**MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
KANNER AND ASSOCIATES, LLC**

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Kanner and Associates, LLC, a sole proprietorship with its office located at 300 New Jersey Avenue, NW, Suite 900, Washington, DC, 20001 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2024 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end on the earlier of when Consultant completes the Services, or no later than one (1) year from the date this Agreement was signed by Agency unless Agency and Consultant execute an option to extend the Agreement for up to (2) additional years ("Option Agreement") for a total maximum term of three (3) years, unless the term of the Agreement is otherwise terminated or modified, as provided for herein. (See Exhibit C for the Option Agreement.)
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant will include Services directly to the Agency.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested

Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven-day period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED THREE HUNDRED THOUSAND** dollars (\$300,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

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

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

4.2.2 **Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

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

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

4.4 All Policies Requirements.

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

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

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

4.4.4 Additional Certificates and Endorsements. Not Applicable.

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners,

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

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as

part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.

9.4 Confidential Information and Disclosure.

- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:
- 9.4.3.1** Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.
 - 9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and
 - 9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.
- 9.4.4 Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the

Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or her designee, who shall act as the

Agency's representative. All correspondence shall be directed to or through the representative.

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

Samantha McDonald
President
Kanner & Associates, LLC
300 New Jersey Ave, NW
Suite 900
Washington, DC 20001

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

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

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

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

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

10.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement

by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

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

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

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

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

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

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

10.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties.

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

SIGNATURES ON FOLLOWING PAGE

NORTHERN CALIFORNIA POWER AGENCY

KANNER AND ASSOCIATES, LLC

Date _____

Date _____

RANDY S. HOWARD
General Manager

SAMANTHA MCDONALD
President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Consultant shall advise and assist Agency and through Agency its members in developing and executing effective federal legislative and regulatory strategies to protect and advance the interests of NCPA and its members relative to federal legislative and regulatory matters.

In this role, the Consultant will:

- Represent NCPA before the United States Congress, including NCPA's delegation members, key committees of jurisdiction, and legislative staff.
- Represent NCPA before the Administration, including but not limited to the Department of Energy, Department of Interior, US Environmental Protection Agency, and, at times, the Federal Energy Regulatory Commission.
- Work closely with and under direction of NCPA management.
- Track legislative and regulatory policy proposals that impact NCPA and its member systems.
- Initiate and execute strategies to advance policies of importance to NCPA and its member systems.
- Educate policymakers and staff regarding the implications of legislation or regulatory actions for NCPA and its member systems.
- Coordinate and facilitate meetings with legislative and regulatory policymakers and staff for NCPA staff and members.
- Provide regular reports to NCPA and its members regarding federal legislation, agency actions, and other proceedings that may impact NCPA and/or its member utility systems. This includes the preparation of articles for weekly member publication.
- Prepare issue papers and other briefing documents related to NCPA's priority issues. Develop testimony and legislative correspondence
- Travel to periodic NCPA Legislative and Regulatory Affairs Committee meetings and conferences to provide updates and briefings to NCPA and its members.
- Provide extensive support for annual federal policy conference held in Washington, D.C. Includes securing speakers and panelists on topical issues as well as arranging and attending meetings with Congress and the Administration for NCPA members and staff. Also requires administrative support and assistance with event logistics.
- Provide support for other NCPA conferences and advocacy events. Includes securing speakers on key policy topics, arranging congressional and agency visits for NCPA staff and members, participating as a panelist or moderator, and supporting event logistics where needed.
- Provide office and meeting space to NCPA staff and representatives during DC-based events, as needed.
- Work in close partnership with federal public power and community-owned utility trade associations, including the American Public Power Association, the National Rural Electric Cooperative Association, the National Hydropower Association, and the

Transmission Access Policy Study Group. Establish and maintain strong coalition relationships with key consumer, energy, and environmental stakeholder organizations and others with shared policy interests and concerns.

- Take primary responsibility for performing the Consultant services, and refrain from delegating its duties to another person without the consent of NCPA. The principal from the firm is primarily responsible for executing the Consultant services, and should refrain from delegating its duties to an associate or other person without the consent of NCPA.

EXHIBIT B

COMPENSATION SCHEDULE

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$300,000 annually. The annual limit of \$300,000 is based upon a monthly retainer fee of \$25,000, which includes costs for NCPA-authorized travel.

Consultant will not charge NCPA for any of the costs associated with up to three trips to California per year, subject to prior approval by NCPA.

All administrative support, including work related to scheduling meetings, assisting in the Federal Policy Conference, providing registration and event location support, and other logistics associated with the NCPA L&R effort, are provided without charge.

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



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval of Western Area Power Administration (WAPA) 2024 Renewable Energy Credit (REC) Program Letter of Agreement 24-SNR-03048

AGENDA CATEGORY: Consent

FROM:	Tony Zimmer <i>TZ</i>	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Power Management	<i>If other, please describe:</i>
Department:	Power Management	

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 checked="" type="checkbox"/>
City of Gridley	<input checked="" type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input checked="" type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>

If other, please specify

RECOMMENDATION:

Staff is recommending that the Commission of the Northern California Power Agency (NCPA) adopt and approve Resolution 24-28 authorizing the General Manager or his designee to execute the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048, on behalf of NCPA, including any non-substantive modifications to the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 approved by NCPA's General Counsel.

BACKGROUND:

NCPA Members are subject to a variety of environmental mandates that require the use of Renewable Energy Certificates (RECs) to demonstrate compliance with the state's legislative mandate and goal that a significant portion of retail sales be served by renewable energy resources.

The NCPA Members are preference power customers of WAPA, and purchase a percentage share of the Base Resource product, which consists of various products including the energy, capacity, and environmental attributes produced by the hydroelectric facilities that make up the Central Valley Project (CVP).

DISCUSSION:

Pursuant to the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048, WAPA has established a program to distribute RECs produced by CVP facilities to preference power customers. Certain NCPA Members who have assigned their Base Resource percentage to NCPA have requested NCPA to enter into the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 on their behalf¹, in order for NCPA to receive RECs from WAPA.

The WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 specifies the terms and conditions under which RECs are transferred from WAPA to preference power customers. The WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 shall become effective on April 1, 2024 and terminate on July 31, 2025; applies to RECs produced by CVP facilities in 2024; and, allows either party to terminate the agreement upon a 30-day prior written notice. RECs received pursuant to the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 are nontransferable, except NCPA may transfer RECs to Members it represents under the agreement. WAPA does not warrant or represent that the RECs provided from the CVP will satisfy any federal or state renewable energy mandates.

A copy of the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 is attached to this staff report for your reference.

FISCAL IMPACT:

Costs associated with entering into the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 are estimated to be less than \$10,000 for the term of the agreement, and will be allocated according to Base Resource percentages of the represented Members. NCPA's administrative costs for development and administration of the agreement will be allocated to

¹ Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Ukiah, and the Port of Oakland and Plumas-Sierra Rural Electric Cooperative.

Members in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 7, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: (2)

- Resolution 24-28
- WAPA 2024 REC Program Letter of Agreement 24-SNR-03048

RESOLUTION 24-28

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVAL OF WAPA 2024 REC PROGRAM LETTER OF AGREEMENT 23-SNR-03048

(reference Staff Report #135:24)

WHEREAS, the Northern California Power Agency (NCPA) Members are subject to a variety of environmental mandates that require the use of Renewable Energy Certificates (RECs) to demonstrate compliance with the state's legislative mandate and goal that a significant portion of retail sales be served by renewable energy resources; and

WHEREAS, NCPA Members are preference power customers of Western Area Power Administration (WAPA), and purchase a percentage share of the Base Resource product, which consists of various products including the energy, capacity, and environmental attributes produced by the hydroelectric facilities that make up the Central Valley Project (CVP); and

WHEREAS, pursuant to the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048, WAPA has established a program to distribute RECs produced by CVP facilities to preference power customers, and certain NCPA Members who have assigned their Base Resource percentage to NCPA have requested NCPA to enter into the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 on their behalf¹, in order for NCPA to receive RECs from WAPA; and

WHEREAS, the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 specifies the terms and conditions under which RECs are transferred from WAPA to preference power customers, including specifying that RECs received pursuant to the WAPA 2024 REC Program Letter of Agreement 23-SNR-03048 are nontransferable, except NCPA may transfer RECs to Members it represents under the agreement; and

WHEREAS, costs associated with entering into the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 are estimated to be less than \$10,000 for the term of the agreement, and will be allocated according to Base Resource percentages of the represented Members, and NCPA's administrative costs for development and administration of the agreement will be allocated to Members in accordance with approved cost allocation methodologies as described in the NCPA annual budget; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to execute the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048, on behalf of NCPA, including any non-substantive modifications to the WAPA 2024 REC Program Letter of Agreement 24-SNR-03048 approved by NCPA's General Counsel.

¹ Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Ukiah, and the Port of Oakland and Plumas-Sierra Rural Electric Cooperative.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: _____
ASSISTANT SECRETARY



Department of Energy
Western Area Power Administration
Sierra Nevada Region
114 Parkshore Drive
Folsom, CA 95630-4710

Sent via E-Mail

Letter of Agreement 24-SNR-03048

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

Dear Mr. Howard:

Northern California Power Agency (NCPA) is a customer of Western Area Power Administration's (WAPA) Sierra Nevada Region (SNR) and has executed Base Resource Contract 04-SNR-00782 with WAPA. Some of SNR's customers have requested that SNR make the renewable energy certificates (RECs) that may be associated with SNR's hydropower generation available to them to assist in meeting their renewable requirements. Although SNR is willing to initiate a 2024 REC program, SNR does not warrant or represent that the RECs it provides under this program will satisfy any Federal or State renewable portfolio standards.

This Letter of Agreement (LOA) provides the terms and conditions under which SNR will apportion RECs to participants in the 2024 REC Program in association with power generated in 2024.

1. Participation in SNR's REC Program:

- 1.1 In order to receive an apportionment of RECs from SNR's REC Program, NCPA must be a Western Renewable Energy Generation Information System (WREGIS) Account Holder. SNR will not create or apportion RECs for NCPA until its WREGIS Account Holder status has been verified.
- 1.2 A project use customer may participate in SNR's REC Program by providing written notice to SNR at least sixty (60) days prior to the first day of the first month that such customer desires to begin participation.
- 1.3 All RECs provided under this LOA shall be from the vintages January 2024 through December 2024.

1.4 For the purposes of participating in SNR's REC Program under this LOA, NCPA shall include the following members and the base resource percentages they have assigned to NCPA:

- 1.4.1 Alameda Municipal Power
- 1.4.2 Biggs, City of
- 1.4.3 Gridley, City of
- 1.4.4 Healdsburg, City of
- 1.4.5 Lodi, City of
- 1.4.6 Lompoc, City of
- 1.4.7 Oakland, Port of
- 1.4.8 Plumas-Sierra Rural Electric Cooperative
- 1.4.9 Ukiah, City of

2. Definitions:

- 2.1 "CVP RECs" shall mean the RECs that may be associated with the megawatthours from Central Valley Project (CVP) hydropower generation.
- 2.2 "Stampede RECs" shall mean the RECs that may be associated with the megawatthours from the Washoe Project hydropower generation.
- 2.3 "Unclaimed RECs" shall mean the RECs that may be associated with SNR's hydropower generation from Lewiston, Nimbus and Stampede that are not being claimed by other preference or project use customers.

3. Apportionment of RECs:

SNR will apportion the RECs in a three-step process. Calculation of apportionments will be completed as follows:

3.1 CVP RECs:

- 3.1.1 SNR will calculate the percentage contribution from each unit/project registered with WREGIS to the amount of Base Resource generated each month.
- 3.1.2 SNR will then calculate the amount of Base Resource NCPA received each month based on the sum of power scheduled to NCPA from its Base Resource percentage and its contribution to or allocation from the Hourly Exchange Program.

- 3.1.3 Finally, SNR will apply NCPA's actual month's Base Resource percentage as determined in Subsection 3.1.2 above to the CVP RECs associated with that month's Base Resource from each unit/project as determined in Paragraph 3.1.1 to determine NCPA's apportionment of CVP RECs for each month in calendar year 2024.

3.2 Unclaimed RECs:

- 3.2.1 After performing step 3.1.2, SNR will normalize the participants' Base Resource percentages for Unclaimed RECs by dividing each participant's Base Resource percentage by the total of all participants' Base Resource percentages.
- 3.2.2 SNR will then apply NCPA's normalized Base Resource percentage to the total Unclaimed RECs for each month in 2024 to determine NCPA's apportionment of Unclaimed RECs.
- 3.2.3 NCPA acknowledges that its normalized percentage, used for the apportionment of Unclaimed RECs, may change during the term of this LOA depending on the number of participants.

3.3 Stampede RECs:

Stampede RECs will be held in WREGIS until SNR can determine the annual amount of RECs due to Truckee Donner Public Utility District (TDPUD) and City of Fallon (Fallon) before allocating the Stampede RECs to others. Once SNR has determined the percentage of the Stampede RECs to be provided to TDPUD and Fallon due to their contributions to the Washoe Project, the remaining Stampede RECs will be apportioned to the participants pursuant to the procedures provided in Subsections 3.1 and 3.2 above.

- 3.4 SNR will transfer NCPA's CVP and Unclaimed RECs apportionments through WREGIS after the RECs have been created by WREGIS.
- 3.5 SNR will transfer Stampede RECs apportionments through WREGIS after the TDPUD and Fallon percentage has been determined and the Stampede RECs have been created by WREGIS.

4. Nontransferable:

NCPA hereby acknowledges and agrees that RECs associated with SNR power are neither transferable nor available for resale by NCPA.

5. Compensation to SNR:

- 5.1 SNR's costs to administer the REC Program will be paid by those participants receiving an apportionment of SNR's RECs through WREGIS. Each

participant's costs will be determined based on the participant's *pro rata* share of RECs. SNR's costs will include, but are not limited to, the following:

- 5.1.1 SNR's costs to join WREGIS as an account holder;
- 5.1.2 SNR's costs for WREGIS to create RECs;
- 5.1.3 SNR's costs for transferring RECs from its WREGIS account to participant's WREGIS account;
- 5.1.4 Any other costs SNR may incur for its participation in WREGIS to operate this program; and
- 5.1.5 Any other costs SNR may incur from a third-party due to providing services hereunder.

5.2 These costs will be provided as a line item on NCPA's monthly electric service bill.

6. General Power Contract Provisions:

The General Power Contract Provisions dated September 1, 2007, are attached hereto and are hereby made a part of this LOA the same as if they had been expressly set forth herein.

7. Term:

7.1 This LOA must be signed by NCPA on or before April 1, 2024, in order for NCPA to participate in SNR's 2024 REC Program.

7.2 This LOA shall become effective on April 1, 2024, and shall terminate on July 31, 2025; provided that either NCPA or SNR may terminate this LOA upon thirty (30) days advance written notice. All obligations created under this LOA while in effect shall remain until satisfied.

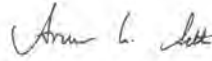
8. The Parties agree that this LOA may be executed by handwritten signature or digitally signed via DocuSign or other agreeable electronic signature application. An electronic or digital signature is the same as a handwritten signature and shall be considered valid and acceptable.

9. This LOA may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if all Parties had signed the same instrument. Any signature page of this LOA may be detached by any counterpart of this LOA without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this LOA identical in form hereto, by having attached to it one or more signature pages.

Letter of Agreement 24-SNR-03048

If you agree with the terms and conditions written above, please sign and date this LOA via Adobe Sign. Upon your signature, please return a fully executed version of this LOA to Mr. Josh Blake at jblake@wapa.gov. If you have any questions, please contact Mr. Josh Blake at jblake@wapa.gov.

Sincerely,



Digitally signed by ARUN
SETHI
Date: 2024.02.08 10:30:11
-08'00'

Arun K. Sethi
Vice President of Power Marketing
for Sierra Nevada Region

NORTHERN CALIFORNIA POWER AGENCY

By: _____

Name:

Title: _____

Address: _____

Date: _____



20

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Authorize Northern California Power Agency's General Manager to Execute Amended Confirmation Number 0236 for CLEAResult Consulting Inc. Services to the City of Santa Clara/Silicon Valley Power and Issue a Corresponding Change Order to the Existing Purchase Order Under the Support Services Program for Services through December 17, 2025

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MH</i> Chief Financial Officer/Assistant General Manager	METHOD OF SELECTION:	<i>Other</i>
Division:	Administrative Services	<i>Santa Clara Acknowledged Satisfaction of its Purchasing Policies</i>	
Department:	Accounting & Finance		

IMPACTED MEMBERS:			
All Members	<input type="checkbox"/>	City of Lodi	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input checked="" 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 Amended Resolution 21-120 authorizing the NCPA General Manager or his designee to execute Amended Confirmation Number 0236, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Change Order to the existing Purchase Order to CLEAResult Consulting Inc. (CLEAResult) for electric vehicle charging infrastructure assistance, electrification education, and electrification assessment services, extending the services through December 17, 2025.

BACKGROUND:

The City of Santa Clara/Silicon Valley Power (SVP) became a signatory to the NCPA Support Services Program Agreement (SSPA) on May 24, 2016, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors.

NCPA entered into a Multi-Task Consulting Services Agreement with CLEAResult Consulting Inc. (CLEAResult MTCSA) effective December 18, 2020, for electric vehicle (EV) education, electrification education, and additional energy efficiency related services through December 17, 2023. Subsequently, effective April 27, 2023, the CLEAResult MTCSA was amended to extend its term for an additional two years through December 17, 2025.

In August 2021, SVP submitted a Member Task Request under the SSPA for CLEAResult services to provide EV charging infrastructure technical assistance, electrification education, and electrification assessment services through December 2023 to coincide with the original term of the CLEAResult MTCSA. Per the CLEAResult proposal and SVP Task Request, the cost for the services is not-to-exceed \$417,723.00. The Santa Clara City Council authorized Confirmation Number 0236 on January 25, 2022, and included in its authorization this Amended Confirmation under its Report to Council 22-1310, specifically that the City Manager may increase the maximum compensation and extend the term of the Confirmation, subject to NCPA's extension of the term of the CLEAResult MTCSA.

If approved by the Commission, Amended Confirmation Number 0236 states that NCPA agrees to provide the requested services through the CLEAResult MTCSA, as amended, through December 17, 2025, in the amount of not-to-exceed \$417,723.00, which is unchanged. With the addition of NCPA's administrative fees increased as a result of the additional two year term, the total amount expended under the Confirmation will not exceed \$426,328.00.

FISCAL IMPACT:

There is no fiscal impact to NCPA. The services provided by CLEAResult to SVP will be billed to and paid by SVP pursuant to the terms of the Support Services Program Agreement. NCPA's administrative costs will be reimbursed by SVP.

SELECTION PROCESS:

SVP will utilize CLEAResult's services through NCPA's Support Services Program. SVP has confirmed through submission of its Task Request that it is responsible for satisfying SVP's Purchasing Policies.

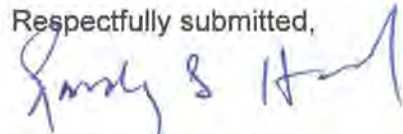
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 21, 2024, the Legislative and Regulatory Committee will review the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Amended Resolution 21-120
- Proposed Amended Confirmation Number 0236

AMENDED RESOLUTION 21-120

**AMENDED RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
AUTHORIZING THE GENERAL MANAGER TO EXECUTE AMENDED CONFIRMATION
NUMBER 0236 FOR CLEAResult CONSULTING INC. SERVICES TO CITY OF SANTA
CLARA/SILICON VALLEY POWER AND ISSUE A CHANGE ORDER TO THE EXISTING
PURCHASE ORDER UNDER THE SUPPORT SERVICES PROGRAM EXTENDING THE
SERVICES THROUGH DECEMBER 17, 2025**

(reference Staff Report #140:24)

WHEREAS, the City of Santa Clara/Silicon Valley Power (SVP) became a signatory to the NCPA Support Services Program Agreement (SSPA) on May 24, 2016, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors; and

WHEREAS, NCPA entered into a Multi-Task Consulting Services Agreement with CLEAResult Consulting Inc. (CLEAResult MTCSA) effective December 18, 2020, for electric vehicle (EV) education, electrification education, and additional energy efficiency related services through December 17, 2023. Subsequently, effective April 27, 2023, the CLEAResult MTCSA was amended to extend its term for an additional two years through December 17, 2025; and

WHEREAS, in August 2021, SVP submitted a Member Task Request under the SSPA for CLEAResult services to provide EV charging infrastructure technical assistance, electrification education, and electrification assessment services through December 2023 to coincide with the original term of the CLEAResult MTCSA. Per the CLEAResult proposal and SVP Task Request, the cost for the services is not-to-exceed \$417,723.00; and

WHEREAS, the Santa Clara City Council authorized Confirmation Number 0236 on January 25, 2022, and included in its authorization this Amended Confirmation under its Report to Council 22-1310, specifically that the City Manager may increase the maximum compensation and extend the term of the Confirmation, subject to NCPA's extension of the term of the CLEAResult MTCSA; and

WHEREAS, Amended Confirmation Number 0236 states that NCPA agrees to provide the requested services through the CLEAResult MTCSA, as amended, in the amount of not-to-exceed \$417,723.00. With the addition of NCPA's administrative fees increased as a result of the additional two-year term, the total amount expended under the Amended Confirmation will not exceed \$426,328.00; 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, under the terms of the NCPA Support Services Program Agreement, the Commission of the Northern California Power Agency authorizes the NCPA General Manager or his designee to execute Amended Confirmation Number 0236, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Change Order to the existing Purchase Order to CLEAResult Consulting Inc. for electric vehicle charging

infrastructure assistance, electrification education, and electrification assessment services through December 17, 2025.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

 JERRY SERVENTI
 CHAIR

ATTEST: _____
 CARRIE POLLO
 ASSISTANT SECRETARY

AMENDED CONFIRMATION NO. 0236 UNDER THE NCPA SUPPORT SERVICES PROGRAM AGREEMENT

1. As of March 1, 2022, the Northern California Power Agency (NCPA) and the City of Santa Clara (Santa Clara or Participating Member) executed Confirmation No. 0236 (Confirmation No. 236) pursuant to the Support Services Program Agreement dated as of February 25, 2016, and subject to the terms and conditions of that agreement. The City of Santa Clara became a signatory to the Support Services Program Agreement on May 24, 2016.

2. This confirmation is an amendment of Confirmation No. 236 (Amended Confirmation No. 236 or Amended Confirmation) which NCPA and Participating Member made pursuant to the Support Services Program Agreement and subject to the terms and conditions of that agreement, except as expressly provided in this Amended Confirmation. All capitalized terms have the meaning given to them in the Support Services Program Agreement.

3. The Participating Member for this Amended Confirmation is the CITY OF SANTA CLARA that requests services from CLEAResult Consulting Inc. ("Consultant" or "CLEAResult") as described in paragraph 4.

4. The Participating Member requests Support Services described in the attached Statement of Work (Attachment A). NCPA agrees to provide these Support Services to the Participating Member through its Multi-Task Consulting Services Agreement with CLEAResult Consulting Inc. dated December 18, 2020, as amended, which amendment among other things extended the term of the agreement through December 17, 2025.

4. The Participating Member executing this Amended Confirmation agrees to pay for the Support Services in the not-to-exceed amount of \$417,723.00; plus, the Administrative Cost of not-to-exceed \$8,605.00 (calculated at \$685.00 to develop the Confirmation and first month of administration plus \$165.00 per month for each additional month administrative costs are actually incurred through December 2025), in accordance with the provisions of the Support Services Program Agreement. The total amount expended under Confirmation No. 236, as hereby amended, will not exceed \$426,328.00.

5. A Security Account deposit is not required for this Amended Confirmation.

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6. The Santa Clara City Council authorized Confirmation No. 0236 on January 25, 2022, and this amendment under Report to Council 22-1310.

Date: _____

Date: _____

Participating Member:

CITY OF SANTA CLARA
By its Designated Representatives:

NORTHERN CALIFORNIA POWER AGENCY

Office of the City Manager

Randy S. Howard, General Manager

And

Office of the City Attorney

Assistant Secretary to Commission

Approved as to form:

Jane E. Luckhardt, NCPA General Counsel

REVISED AS OF 1/24/2024

STATEMENT OF WORK FOR EV CHARGING OUTREACH AND TECHNICAL ASSISTANCE FOR SILICON VALLEY POWER

1. **Statement of Work.** THIS STATEMENT OF WORK FOR ELECTRIC VEHICLE ("EV") CHARGING OUTREACH AND TECHNICAL ASSISTANCE SERVICES TO SILICON VALLEY POWER (this "SOW") is pursuant to the terms and conditions of that certain Multi-Task Consulting Services Agreement between the Northern California Power Agency ("NCPA") and CLEAResult Consulting Inc. ("CLEAResult"), dated December 18, 2020 (the "Agreement"), as amended. Capitalized terms not defined in this SOW are as defined in the Agreement.
2. **General Scope.** As required in the Agreement, this SOW defines the Services. The Parties intend for CLEAResult to perform electrification education and technical assistance services for Silicon Valley Power, a member of NCPA ("SVP"). The Parties acknowledge and agree that there are no installation services included under this SOW and that no work is allowed under this SOW that would qualify as a public works project under the California Public Contracts Code.
3. **Term.** The term of this SOW is from the date of signature by CLEAResult on a purchase order issued by NCPA ("Purchase Order") ("the Effective Date") through December 17, 2025.
4. **Budget.** The budget for this SOW is not-to-exceed ("NTE") \$417,723.00. The tables below provide the estimated budget per task. As requested or approved by SVP in writing (email is sufficient), CLEAResult may shift budget between tasks to meet the needs of SVP and SVP's customers.

Table 1. EV Charging Infrastructure Technical Assistance (Extension)

Task No.	Task Name	Budget
1.1	Strategy & Program Management	\$50,000
1.2	Marketing, Outreach & Education	\$80,000
1.3	EV Site Assessments	\$170,378
1.4	Vendor & Trade Ally Management	\$17,438
1.5	Installation Support	\$57,657
Total		\$375,473

Table 2. Electrification Education – Electrification Assessments (Extension)

Task No.	Task Name	Budget
2.1	Program Management	\$14,850
2.2	Up to 100 Home Electrification Assessments	\$27,400
Total		\$42,250

- A. **Billing Rates.** This SOW is based upon a combination of fixed-price and time and materials charges and CLEAResult will bill for completed fixed-price activities, authorized hourly services and expenses monthly. Hourly billing increments will be by the quarter hour. For example, only Services of 15 minutes of time or fewer will be billed as 15 minutes, 16 to 30 minutes will be billed as 30 minutes, etc. Annually on each anniversary of the Purchase Order date, the rates will increase by 3%. The following customer definitions are applicable to Table 3 below only
 - i. Small multifamily customer – A multifamily property where 1 electrical meter (e.g. the "house" meter) is evaluated for EV charging installation.
 - ii. Medium multifamily customer – A multifamily property where 2-3 electrical meters are evaluated for EV charging installation
 - iii. Large multifamily customer:
 - a. A multifamily property where 4 or more electrical meters are evaluated for EV charging,

- or
- b. Any multifamily property with more than 50 dwelling units
- iv. Small business customer – Any non-multifamily, business service address with maximum annual electric demand \leq 200 kW
- v. Large business customer – Any non-multifamily, business service address with maximum annual electric demand $>$ 200 kW

SEE NEXT PAGE

Table 3. EV Charging Infrastructure Technical Assistance (Extension) – Client Fee

Activity	12/18/20 – 12/17/21	12/18/21 – 12/17/22	12/18/22 – 12/17/23	12/18/23 – 12/17/24	12/18/24 – 12/17/25
1.3 EV Site Assessment - Small multifamily customer	\$2,100	\$2,163	\$2,228	\$2,295	\$2,364
1.3 EV Site Assessment - Medium multifamily customer	\$2,750	\$2,833	\$2,917	\$3,005	\$3,095
1.3 EV Site Assessment - Large multifamily customer (a)	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
1.3 EV Site Assessment - Large multifamily customer (b)	\$3,750	\$3,863	\$3,978	\$4,098	\$4,221
1.3 EV Site Assessment - Small business customer	\$2,300	\$2,369	\$2,440	\$2,513	\$2,589
1.3 EV Site Assessment - Large business customer	\$3,750	\$3,863	\$3,978	\$4,098	\$4,221

Table 4. EV Charging Infrastructure Technical Assistance (Extension) – Customer Copay

Activity	12/18/20 – 12/17/21	12/18/21 – 12/17/22	12/18/22 – 12/17/23	12/18/23 – 12/17/24	12/18/24 – 12/17/25
1.3 EV Site Assessment - Small multifamily customer	\$0	\$0	\$0	\$0	\$0
1.3 EV Site Assessment - Medium multifamily customer	\$0	\$0	\$0	\$0	\$0
1.3 EV Site Assessment - Large multifamily customer (a)	\$0	\$0	\$0	\$0	\$0
1.3 EV Site Assessment - Large multifamily customer (b)	\$250	\$250	\$250	\$250	\$250
1.3 EV Site Assessment - Small business customer	\$0	\$0	\$0	\$0	\$0
1.3 EV Site Assessment - Large business customer	\$250	\$250	\$250	\$250	\$250

Table 5. Electrification Education – Electrification Assessments (Extension) – Client Fee

Activity	12/18/20 – 12/17/21	12/18/21 – 12/17/22	12/18/22 – 12/17/23	12/18/23 – 12/17/24	12/18/24 – 12/17/25
2.2. Home Electrification Survey - In-Person*	\$350	\$361	\$371	\$382	\$394
2.2. Home Electrification Survey - Virtual	\$250	\$258	\$265	\$273	\$281

* CLEAResult will follow all applicable federal, state, and local health guidelines regarding in-person events.

Table 6. Electrification Education – Electrification Assessments (Extension) – Customer Copay

Activity	12/18/20 – 12/17/21	12/18/21 – 12/17/22	12/18/22 – 12/17/23	12/18/23 – 12/17/24	12/18/24 – 12/17/25
2.2. Home Electrification Survey - In-Person*	\$50	\$50	\$50	\$50	\$50
2.2. Home Electrification Survey - Virtual	\$50	\$50	\$50	\$50	\$50

* CLEAResult will follow all applicable federal, state, and local health guidelines regarding in-person events.

Table 7. Time & Materials Hourly Rates

Activity	12/18/20 – 12/17/21	12/18/21 – 12/17/22	12/18/22 – 12/17/23	12/18/23 – 12/17/24	12/18/24 – 12/17/25
Director	\$201	\$207	\$213	\$220	\$226
Sr. Manager	\$165	\$170	\$175	\$180	\$186
Manager	\$131	\$135	\$139	\$143	\$147
Program Analyst	\$100	\$103	\$106	\$109	\$113
Account Manager	\$118	\$122	\$125	\$129	\$133
Sr. Energy Advisor	\$96	\$99	\$102	\$105	\$108
Energy Advisor	\$76	\$78	\$81	\$83	\$86
Sr. Engineer	\$177	\$182	\$188	\$193	\$199
Engineer	\$136	\$140	\$144	\$149	\$153
Sr. Designer	\$116	\$119	\$123	\$127	\$131
Incentive Processor	\$57	\$59	\$60	\$62	\$64
Contact Center Representative	\$45	\$46	\$48	\$49	\$51
Estimated Direct Expenses					
Marketing, Email, Digital, Printing (billed at cost)			\$5,000.00		

CLEARResult will provide NCPA with itemized invoices for services each period by Task No., and in accordance with the terms of the Agreement.

B. Payment. NCPA will make payment in accordance with the terms of the Agreement.

5. SVP Obligations.

- a. Review and approval of program documents and marketing collateral
- b. Customer account information for program marketing and outreach
- c. Electricity consumption data for customers participating in the program
- d. Upon request, consultation with principal estimator on EV projects with likely distribution upgrade needs

6. Tasks. CLEARResult shall perform the following:

a. Task 1: EV charging Infrastructure Technical Assistance

Task	Description	Due Date
1.1 Strategy & Program Management	<ul style="list-style-type: none"> a. Host kickoff meeting with SVP to review workplan b. Prepare program strategy document detailing target audience, goals, and marketing and delivery approach ("Strategy Plan") c. Prepare program documents, including as necessary application, participation and data sharing agreement, and report template d. Prepare initial marketing collateral in accordance with SVP's brand guidelines ("Marketing Collateral"). All collateral developed for the program belongs to Silicon Valley Power. e. Provide content calendar, approved outreach language, graphics and all design files to SVP f. Launch program, deploying customer-facing application and marketing g. Provide monthly progress reports to SVP h. Meet monthly, or less frequently if SVP prefers, to review progress and resolve any issues 	Ongoing
1.2 Marketing, Outreach & Education	<ul style="list-style-type: none"> a. Execute program strategy according to Strategy Plan b. Maintain and enhance Marketing Collateral c. Host customer webinars for prospective participants in the program to educate customers about the benefits of installing EV charging and the customer services provided by the program. d. Conduct direct phone, email, and in-person outreach to educate and enroll eligible SVP customers 	Ongoing
1.3 EV Site Assessments	<p>For each site assessment:</p> <ul style="list-style-type: none"> a. Conduct pre-assessment meeting with eligible SVP customer to learn about their property, any objectives they have for an EV charging project, and schedule the site assessment b. Prepare for assessment by gathering and reviewing remotely accessible data, which may include aerial photos, customer electricity consumption data, utility distribution infrastructure capacity, and digitized single line drawings c. Conduct an onsite or virtual site assessment, as determined by customer preference, and collect information about the location, dimensions, and capacity of parking and electrical infrastructure d. Analyze data collected and prepare one or more EV charging solutions 	Ongoing, with customer solutions delivered within 30 days of site assessment

	<p>for the customer that describe the scope for EV charging and supporting infrastructure, including available incentives</p> <p>e. Consult with SVP engineering team for input on projects that appear to require a transformer upgrade</p> <p>f. Provide report to SVP and make required revisions as requested by SVP before delivering to the customer.</p> <p>g. Provide report to customer and host an online meeting with the customer to review the report and determine next steps for them to select a solution and move forward with installation</p>	
1.4 Vendor & Trade Ally Management	<p>a. Solicit applications from local electrical contractors, screen the applications and develop a qualified installer ("Trade Ally") list</p> <p>b. Monitor customer satisfaction with Trade Allies and address any performance issues by Trade Ally training or disciplinary action, which may include removal from the Trade Ally list</p> <p>c. Either utilize an existing electric vehicle supply equipment (EVSE) qualified product list (QPL) or develop a new qualified list through a request for qualifications that is specific to SVP's needs.</p> <p>d. Monitor the EVSE and update annually</p>	Ongoing
1.5 Installation Support	<p>a. Provide customer list of Trade Allies (defined below) to perform installation</p> <p>b. Assist customers with the process of requesting and reviewing bids from Trade Allies or customers own identified contractors</p> <p>c. Review design documents when requested by customer to confirm alignment with scope and identify potential issues and make cost-saving recommendations</p> <p>d. Engage with the customer and selected installation contractor as needed throughout installation to address questions and troubleshoot installation or permitting issues</p> <p>e. Upon completion, verify proper charger installation and commissioning of the chargers and evaluate customer satisfaction with the project</p>	Ongoing

b. Task 2: Electrification Education – Electrification Assessments

Task	Description	Due Date
2.1 Program Management	<p>a. Prepare program documents, including as necessary application, participation and data sharing agreement, and report template</p> <p>b. Provide monthly progress reports</p> <p>c. Meet with SVP as needed to review progress and resolve any issues</p> <p>d. Respond to customer pre- or post-assessment questions (up to 30 minutes per customer, then SVP email approval required to continue)</p>	Ongoing
2.2 Home Electrification Assessments	<p>For each site assessment:</p> <p>a. Collect and review customer utility usage data</p> <p>b. Discuss and document the customer objectives, such as emission reductions, cost savings, indoor air quality or others</p> <p>c. Conduct an onsite* or virtual electrification assessment, as determined by customer preference, to collect information about</p>	Ongoing, with customer reports delivered within 14 days of site assessment

	<p>the customer heating, cooling, hot water, and cooking appliances</p> <ul style="list-style-type: none">d. Evaluate customer data to identify electrification measures, estimate costs, and identify any available incentivese. Deliver home electrification assessment report to customer that identifies electrification opportunities	
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* CLEAResult will follow all applicable federal, state, and local health guidelines regarding in-person events.



21

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval of Northern California Power Agency's Casualty Insurance Program
Renewal for March 2024 to March 2025

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Approve Resolution 24-18 authorizing the General Manager or his designee to negotiate and bind the Casualty Insurance program for the term starting March 1, 2024, and ending March 1, 2025, at a not-to-exceed premium of \$2,500,000 for the Northern California Power Agency and Lodi Energy Center.

BACKGROUND:

Alliant Insurance Services has aggressively marketed the primary liability program to ensure best-in-class pricing, terms, and conditions. Staff diligently answered questions and provided supporting data to keep premium increases to a minimum.

In November 2023, AEGIS shifted its position on wildfire surcharges and rating for the remainder of 2023 and all subsequent 2024 renewals. For 2024, AEGIS anticipated rate increases from 8-10%, as announced at the annual policyholder conference, but then increased anticipated rate increase guidance upwards to 10-13% as the renewal period approached. In addition, AEGIS is shifting from a wildfire "surcharge", which would proactively fund for a loss and not be subject to annual book trend increases, to including wildfire coverage within the overall premium and imposing a rate lift on the combined premium. Due to increased loss frequency and severity driven by wildfires, AEGIS is increasing wildfire rates across the membership by at least 25% and up to 40% for those in wildfire-prone states. There are continued material cost impacts in securing wildfire liability capacity, particularly in California.

Due to the hardening market, inflationary pressures, and increased loss frequency and severity, the remaining lines of the Excess Tower, not including Workers' Compensation Insurance, will see premium increases between 17% and 31%, resulting in a premium of approximately \$2,200,000. Staff, however, recommends establishing a not-to-exceed of \$2,265,000 to provide sufficient headroom for the General Manager to bind coverage should any unexpected changes occur.

Excess Tower	2023	2024	Increase (%)
	Actuals	Estimates	
Business Automobile (Incl. Mobile Equipment)	59,959	70,000	17%
Workers' Compensation	240,336	250,000	4%
\$35M - AEGIS	648,626	1,500,000	31%
AEGIS Wildfire Surcharge	500,000		
\$25M x \$35M - EIM	199,875	250,000	25%
\$15M x \$60M - STARR	100,000	130,000	30%
NCPA TOTAL	\$ 1,748,796	\$ 2,200,000	

Since LEC has no transmission lines and is not in one of the CPUC's wildfire threat zones, Liability insurance is more cost-effective on a separate policy. Alliant estimates an increase of 16% to the program, resulting in a premium of approximately \$215,000. Staff, however, recommends establishing a not-to-exceed of \$235,000 to provide sufficient headroom for the General Manager to bind coverage should any unexpected changes occur.

Excess Liability	2023	2024	Increase (%)
	Actuals	Estimates	
\$35M - AEGIS	184,550	215,000	16%
LEC TOTAL:	\$ 184,550	\$ 215,000	

FISCAL IMPACT:

The total cost to renew the Casualty Insurance program is estimated not-to-exceed \$2,500,000. This amount is already included in the Risk Management budget; no budget augmentation is required.

ENVIRONMENTAL ANALYSIS:

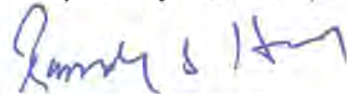
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is, therefore, not a "project" for purposes of Section 21065, the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

On February 7, 2024, the Facilities Committee reviewed and approved the recommendation above for Commission approval.

On February 12, 2024 the Lodi Energy Center Project Participants Committee reviewed and approved the above recommendation.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 24-18

RESOLUTION 24-18

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE CASUALTY INSURANCE PROGRAM RENEWAL
FOR MARCH 2024 TO MARCH 2025**

(reference Staff Report #123:24)

WHEREAS, the Agency utilizes the insurance brokerage services of Alliant Insurance Services, Inc. to market and place the Agency's insurance programs. Each insurance policy and the related insurance market conditions are reviewed and marketed as required to qualified insurers experienced in underwriting the applicable insurance risk; and

WHEREAS, the Agency's Casualty Liability Program is comprised of Excess Liability Insurance, including wildfire coverage, Business Automobile Insurance for the Agency's fleet, and Worker's Compensation Insurance; and

WHEREAS, the underwriters have provided premium indications for the Casualty Insurance programs; and

WHEREAS, to negotiate coverage of the policies, this action grants the authority to the General Manager to bind coverages with a not-to-exceed premiums totaling 2,500,000 for the March 2024 to March 2025 policy year; and

WHEREAS, the Facilities Committee reviewed and recommended on February 7, 2024, and the LEC PPC reviewed and approved on February 12, 2024; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED that the Commission of the Northern California Power Agency approves granting the authority to the General Manager to bind coverages at the proposed not-to-exceed premium of \$2,500,000 for the March 2024 to March 2025 policy year.

PASSED, ADOPTED, and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: CARRIE POLLO
INTERIM ASSISTANT SECRETARY



22

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Nexant Cost Allocation Model Update for Fiscal Year 2025

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>MH</i>	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Administrative Services	
Department:	Power Settlements	

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 checked="" type="checkbox"/>	City of Palo Alto	<input checked="" 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 checked="" 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 type="checkbox"/>
<i>If other, please specify</i>					

RECOMMENDATION:

Approve Resolution No. 24-20 adopting the annual updates to the Nexant Model to allocate budgeted costs to members for Fiscal Year 2025.

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"). The Power Management and Administrative Services Agreement governs any changes or modifications to the model.

Pursuant to the Power Management and Administrative Services Agreement, costs attributed to Power Management and Administrative Services for the Fiscal Year 2025 Annual Budget are allocated to members in accordance with the Nexant Model. This model has been in place at NCPA for the past fifteen budget cycles and is updated each year as part of the annual budget process. The Nexant Model methodology was developed to allocate budgeted costs based on, among other things, defined allocation parameter percentages and determinants that are intended to correspond to the amount of time and effort required by NCPA staff to perform scheduling coordination services to Members. Determinants prescribed by the Nexant studies for use in the Nexant Model include operating data such as plant generating capacity measured in megawatts, Members' metered electricity demand measured in megawatt hours, resource energy schedules associated with daily, hourly and real time market activities, and members' respective bilateral contract deal counts and hourly counts. The set of determinants used as allocators for Fiscal Year 2025 incorporates data from the previous year, which in this case uses calendar year 2023 data, with respect to scheduling and resource operating data.

Staff recommends that updates to the model using calendar year 2023 operating data be adopted without any further modification to the Nexant Model. Staff has reviewed and determined that the allocated results from the model positively correlate to operational events during the past calendar year and correspond with the amount of time and effort required by staff to perform scheduling coordination services to Members.

FISCAL IMPACT:

The annually updated Nexant determinants will result in a change to all members' allocated shares of Power Management costs in varying amounts. Table 1 of Appendix A provides indicative changes in allocated Nexant Power Management costs to members based on current Fiscal Year 2024 budget after applying updated Calendar Year 2023 determinants to the model.

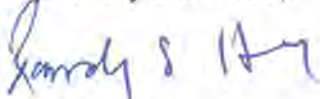
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

Staff provided an informational presentation to Facilities Committee meeting participants at the January 3, 2024 meeting to discuss preliminary Nexant Model results and the underlying causal factors attributable to the changes. On February 7, 2024, the Facilities Committee reviewed the final version of the Nexant Model and unanimously endorsed recommendation for Commission approval.

Respectfully submitted,

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

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 24-20
- Table – Appendix A

Appendix A

Table 1: The table below represents indicative, allocated Nexant Power Management Costs to members and participants for FY 2025 based on the final version of updated calendar year 2023 data and using current Fiscal Year 2024 budgeted costs for comparison purposes, as presented at the February 7, 2024 Facilities Committee meeting. Note: a positive / (negative) value in the last column represents an indicative increase / decrease to a member's cost, respectively.

Member Name	FY 2024 Total Power Mgmt	FY 2025 Total Power Mgmt	Increase (Decrease)
Alameda	\$1,093,894	\$1,164,143	\$70,250
BART	\$914,595	\$945,261	\$30,665
Biggs	\$82,459	\$82,496	\$37
Gridley	\$156,576	\$132,833	(\$23,743)
Healdsburg	\$264,692	\$247,971	(\$16,720)
Lodi	\$1,425,800	\$1,361,059	(\$64,741)
Lompoc	\$397,264	\$470,804	\$73,540
Palo Alto	\$1,954,517	\$2,080,789	\$126,272
Plumas Sierra	\$370,408	\$353,683	(\$16,725)
Port of Oakland	\$521,467	\$379,015	(\$142,451)
Roseville	\$709,043	\$695,550	(\$13,493)
Santa Clara	\$4,398,104	\$4,390,527	(\$7,578)
Turlock Irrigation District	\$192,481	\$158,405	(\$34,076)
Ukiah	\$377,774	\$389,712	\$11,938
	\$12,859,074	\$12,852,249	(\$6,825)
Direct to Programs - LEC	\$1,442,235	\$1,449,060	\$6,825
FY 2024 Power Mgmt Budget	\$14,301,309	\$14,301,309	\$0

RESOLUTION 24-20

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
ADOPTING UPDATED NEXANT COST ALLOCATION MODEL INPUT DETERMINANTS FOR
FISCAL YEAR 2025**

(reference Staff Report #127:24)

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 2023 data for input into the Nexant Cost Allocation Model for Fiscal Year 2025 as described in Staff Report #127:24 and recommends that the updated Nexant Model be adopted without any further modification in order to allocate certain budgeted costs to members for Fiscal Year 2025; 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 updated Nexant Cost Allocation Model input determinants as described in Staff Report #127:24 as inputs into the Nexant Power Management Cost Allocation Model in order to allocate budgeted costs to members for Fiscal Year 2025.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
INTERIM ASSISTANT SECRETARY



23

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Lake Alpine Handrails and Walkway Replacement Project; Applicable to the following: Northern California Power Agency (NCPA) Hydroelectric Project

AGENDA CATEGORY: Discussion/Action

FROM: Michael DeBortoli <i>MD</i> Assistant General Manager	METHOD OF SELECTION: <i>Competitive Pricing Process</i>
Division: Generation Services	<i>If other, please describe:</i>
Department: Hydroelectric	

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

RECOMMENDATION:

Approve Resolution 24-26 authorizing the Lake Alpine Handrail and Walkway 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 \$1,690,000, and authorizing \$235,000 from the approved FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A FEMA claim has been submitted and if any collections are received, funds will be refunded during the final settlements for the fiscal year they were received.

BACKGROUND:

NCPA operates the Upper Utica Hydroelectric Project (FERC Project No. 11563) on behalf of the project owners. One of the project features is Lake Alpine Dam located at Lake Alpine, approximately two miles Northeast of Bear Valley in Alpine County. The Lake Alpine Dam has an integral handrail and walkway system which was severely damaged in the winter of 2022-2023 due to heavy snow loads. The irreparable handrails require removal and replacement to restore safe access to the dam. The Federal Energy Regulatory Commission (FERC) and California Division of Safety of Dams (DSOD) have determined that the removal and replacement work is routine maintenance and therefore no permits are required. Site work is planned for June through August 2024.

FISCAL IMPACT:

The total cost of the Lake Alpine Handrail and Walkway Replacement Project is estimated to be \$1,690,000 which includes maintenance work, engineering and inspection services during the project, and contingency funds. This Project will be funded using \$235,000 of the available FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A breakdown of project costs is included in the table below.

Funding	Amount
Maintenance P.O.	\$1,322,810
Engineering Services During Work (12%)	\$159,000
Contingency (14%)	\$208,190
Total	\$1,690,000

FEMA has indicated that this project is a candidate for reimbursement. NCPA staff provided the FEMA inspection team with an inspection tour of the site on September 18, 2023, and continues to work closely with FEMA providing responses to all of their requests for information. If any FEMA collections are received, they will be refunded during the final settlements for the fiscal year they were received.

SELECTION PROCESS:

The Project bid package invitation was distributed to NCPA general engineering contractor vendors September 6, 2023. All three (3) companies expressed an interest in the project and were provided with plans and specifications. All three (3) contractors KW Emerson, Syblon Reid, Ford Construction attended the mandatory pre-bid meeting and job walk on September 13, 2023. Two (2) addendums were issued for the Project concerning schedule and a design modification as well as answers to bidders' questions. Bids were received on December 13, 2023.

Contractor	Bid Amount
Syblon Reid	\$1,322,810
K.W. Emerson	\$1,399,396
Ford Construction	Declined to bid (cited crew constraints)

Syblon Reid was found to be the low, responsible, responsive bidder. The bid spread was 6% demonstrating a good understanding of the Project and 6-12% below the engineer's estimate of \$1,475,548. Syblon Reid has performed work on other projects at the Hydroelectric facility in the past, and NCPA has been pleased with their performance. NCPA intends to award this work to Syblon Reid, pending approval of the project by the NCPA Commission.

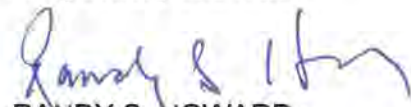
ENVIRONMENTAL ANALYSIS:

These activities are categorically exempt under Class 1 from the provisions of the California Environmental Quality Act pursuant to Sections 15301 (b), (d) and (m) of the CEQA Guidelines. There is no reasonable possibility that replacement of the damaged handrails and walkway will result in a significant impact on the environment, therefore, no environmental review is necessary. 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 was reviewed by the Facilities Committee on February 7, 2024, and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (1):

- Resolution 24-26

RESOLUTION 24-26

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE LAKE ALPINE HANDRAIL AND WALKWAY REPLACEMENT PROJECT**

(reference Staff Report #132:24)

WHEREAS, the Lake Alpine Dam handrail and walkway system collapsed from significant snow loading in the winter of 2023, requiring immediate replacement to restore safe personnel access to the dam; and

WHEREAS, design, Federal Energy Regulatory Commission (FERC) and California Division of Safety of Dams (DSOD) approval processes are complete; and

WHEREAS, NCPA distributed a notice requesting bids to qualified NCPA general engineering contractors on September 6, 2023 and received responsive bids December 13, 2023 for the Lake Alpine Handrail and Walkway Replacement Project; and

WHEREAS, the Facilities Committee recommended approval of the Lake Alpine Handrail and Walkway Replacement Project on February 7, 2024; and

WHEREAS, these activities are categorically exempt under Class 1 from the provisions of the California Environmental Quality Act pursuant to Sections 15301 (b), (d) and (m) of the CEQA Guidelines. There is no reasonable possibility that replacement of the damaged handrails and walkway will result in a significant impact on the environment, therefore, no environmental review is necessary. 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 Lake Alpine Handrail and Walkway Replacement 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 not-to-exceed amount of \$1,690,000, and authorizing \$235,000 from the approved FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A FEMA claim has been submitted and if any collections are received, funds will be refunded during the final settlements for the fiscal year they were received.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST:

CARRIE POLLO
ASSISTANT SECRETARY



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: FERC 2409 Part 12 Independent Consultant Inspection (IC) Project – Applicable to the following: Northern California Power Agency (NCPA) Hydroelectric Project

AGENDA CATEGORY: Discussion/Action

FROM:	Michael DeBortoli Assistant General Manager	<i>MD</i>	METHOD OF SELECTION:	Competitive Pricing Process
Division:	Generation Services		<i>If other, please describe:</i>	
Department:	Hydroelectric			

IMPACTED MEMBERS:

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

RECOMMENDATION:

Approve Resolution 24-27 authorizing the FERC 2409 Part 12 Independent Consultant (IC) Inspection 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 \$709,500, and authorizing \$70,950 from the approved FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget.

BACKGROUND:

NCPA operates the North Fork Stanislaus Hydroelectric Project (FERC Project No. 2409) on behalf of the project owners. New Spicer Meadow Dam and McKays Point Diversion Dam are the two dams in Project 2409 that require Part 12 reviews. Every five years, FERC Projects are required to retain the services of a qualified, FERC-approved independent dam safety engineering consultant(s) (IC) to conduct Part 12 inspections. On November 11, 2023, FERC issued a letter requiring McKays Point Periodic Part 12 Inspection (PI) due by April 2025 and the New Spicer Meadows Comprehensive Assessment (CA) due by June 2025. The New Spicer CA will be the first performed by NCPA, whereas the McKays 5-year PI is considered more routine. NCPA staff has already commenced the collection and sorting through of 1980's construction files, which will be utilized for the deep study effort associated with the new CA.

FISCAL IMPACT:

The total cost of the FERC 2409 Part 12 Independent Consultant (IC) Inspection Project is estimated to be \$709,500, which includes research, dam safety engineering, inspections, workshops, risk analyses, and reporting. In order to meet the FERC deadlines of April and June 2025, this Project will be funded using \$70,950 of available resources in the FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget. FERC issued new regulations to NCPA on November 11, 2023, and provided clarifying review schedule timelines during a mandatory pre-bid FERC-Licensee conference call on January 11, 2024 which necessitates the issuance of a FERC Part 12 IC inspection contract in early March 2024 in order to maintain FERC regulatory compliance. A breakdown of project costs is included in the table below.

Funding	Amount
Part 12 (IC) Contract Estimate	\$645,000
Contingency (10%)	\$64,500
Total	\$709,500

SELECTION PROCESS:

The Project request for proposal invitation was distributed to NCPA hydro engineering vendors January 11, 2024: Condor Earth Technologies, Black and Veatch, Gannett Fleming, GEI Consultants, HDR, Mead and Hunt. Proposals are due February 5, 2024. Proposals and team qualifications will be reviewed by NCPA for: likelihood of receiving FERC approval of the IC team, ability to meet FERC deliverable timelines, and value to NCPA. Upon GM authorization of the contract, NCPA will submit the IC teams' qualifications and the Part 12 Inspection Plan to

FERC for their review and approval. NCPA intends to award this work consistent with NCPA procurement policies and procedures, pending approval of the project by the NCPA Commission.

The project schedule is summarized below.

Figure 1: FERC Part 12 IC Project Schedule

Item	Date / Deadline
Initial Coordination Call (NCPA and FERC)	January 11, 2024
Request for Proposal Issued	January 11, 2024
NCPA receipt of all requests for clarification or questions via email	January 22, 2024
Proposal Deadline (including team resumes and Inspection Plans ready for FERC review and approval)	February 5, 2024
NCPA issues NOIA to selected proposer	February 6, 2024
NCPA requests FERC approval of proposed IC	February 6, 2024
NCPA to submit Part 12D Inspection Plan to FERC (Per Chapter 16. All proposals are to include an Inspection Plan that is ready for FERC submission)	February 6, 2024
Anticipated FERC approval of Independent Consultant	March 6, 2024
Anticipated NCPA Award of Contract	March 6, 2024
Second Coordination Call (NCPA and FERC)	April 1, 2024
IC File Review	April – June 2024
Draft Pre-Inspection Preparation Report (PI-PIPR) submitted to NCPA (for both McKays and Spicer) draft to NCPA	June 1, 2024
Final Pre-Inspection Preparation Report (PI-PIPR) submitted to NCPA/FERC (for both McKays and Spicer)	June 15, 2024
Conduct McKays Part 12D inspections (subject to NCPA and FERC availability) and IC review of previous PFMA reports	August 5 - 6, 2024
Submit draft Part 12D Reports McKays to NCPA	February 3, 2025
Submit final Part 12D Reports for McKays to NCPA	March 12 2025
NCPA to submit final McKays Reports and Deliverables to FERC	March 27, 2025
<i>McKays Point Periodic Inspection deadline</i>	<i>April 1, 2025</i>
NCPA to submit Plan and Schedule to FERC for McKays	<i>May 15, 2025</i>
Conduct Spicer Part 12D inspections PFMA Workshops (subject to NCPA and FERC availability), Level 2 Risk Analysis and IC-directed group review/evaluation of PFMA reports	August 8–29, 2024
Submit draft Part 12D, L2RA, PFMA Reports Spicer to NCPA	April 8, 2025
Submit final Part 12D, L2RA, PFMA Reports for Spicer to NCPA	May 13, 2025
Submit final Spicer Part 12D, L2RA, PFMA Reports and Deliverables to FERC	May 27, 2025

Item	Date / Deadline
<i>New Spicer Meadows CA deadline</i>	<i>June 1, 2025</i>
CA Report Review Meeting	July 1, 2025
NCPA to submit Plan and Schedule to FERC for Spicer	August 26, 2025
Prepare follow-up documentation such as and STID updates	TBD

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation was reviewed by the Facilities Committee on February 7, 2024 and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (1):

- Resolution 24-27

RESOLUTION 24-27

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE FERC 2409 PART 12 INDEPENDENT CONSULTANT INSPECTION (IC)
PROJECT**

(reference Staff Report #133:24)

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains the North Fork Stanislaus Hydroelectric Project (FERC Project No. 2409) on behalf of the project owners; and

WHEREAS, the FERC 2409 Part 12 Independent Constulant Inspection (IC) Project applies to New Spicer Meadow Dam and McKays Point Diversion Dam; and

WHEREAS, every five years, FERC Projects are required to retain the engineering services of a qualified, FERC-approved, independent consultant(s), to conduct Part 12 inspections; 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 FERC 2409 Part 12 Independent Consultant (IC) Inspection 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 \$709,500, and authorizing \$70,950 from the approved FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget NCPA Hydroelectric Project.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2024 by the following vote on roll call:

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

JERRY SERVENTI
CHAIR

ATTEST: CARRIE POLLO
ASSISTANT SECRETARY



25

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Fourth Amendment to Resolution 21-109 NCPA Geothermal Plant 2, Unit 4 Overhaul Project; Applicable to the following: NCPA Geothermal Facility

AGENDA CATEGORY: Discussion/Action

FROM:	Michael DeBortoli <i>MD</i> Assistant General Manager	METHOD OF SELECTION: <i>Competitive Pricing Process</i>
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Geothermal	

IMPACTED MEMBERS:		
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 Lompoc <input checked="" type="checkbox"/>
City of Biggs	<input checked="" type="checkbox"/>	City of Palo Alto <input 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"/>
		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>	Turlock

RECOMMENDATION:

Approval of the Fourth Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project increasing the total not-to-exceed amount of this project from \$7,400,000 to \$7,591,623 for settlement of the final invoice to close out the project.

BACKGROUND:

On December 2, 2021, the NCPA Commission approved the Geothermal Plant 2 Unit 4 Overhaul Project (Resolution 21-109) for an amount not to exceed \$3,500,000. NCPA hired Reliable Turbine Services, LLC (RTS) to complete the work for the project. Subsequent Amendments to the original Resolution were approved by the Commission in November 2022, April 2023, and October 2023, increasing the project budget to \$7,400,000 and modifying the Scope of Work due to additional damage discovered by RTS.

During the course of the project, NCPA staff is responsible for tracking and monitoring project expenses against the authorized budget for the project. As each change order occurred, it was reviewed against the tracking sheet and is only authorized after the change had been thoroughly negotiated. If NCPA determines a proposed change order may result in additional findings which could impact the overall project budget, NCPA will seek additional authorization from the Commission. For this project, NCPA understood that the approved project budget would be close, but all change orders received would be within the authorized spending amount

In addition to monitoring project expenses, NCPA staff participated in daily meetings with the contractor, during which any additional findings or problems were discussed, as well as the budgetary impacts of any issues that arose. In the final closing stages of this project, the vendor did not indicate that an additional change order would be needed.

Throughout this project, numerous issues arose, resulting in extra delays and financial impacts. Among the items that NCPA was tracking and estimating were the extended oil flush duration and delay impacts due to the crane breaking. RTS did not indicate a change order was needed for these items, and NCPA estimated these costs would be within budget, as there was still a small amount remaining. Most of this outstanding work was billed on a Time and Materials basis, the final costs of which were not yet calculated. RTS continued to proceed with work, and exceeded the authorized purchase order amount without authorization from NCPA.

When RTS calculated the final costs, the billing exceeded authorization by 2.6%, or \$191,623. NCPA conducted a detailed review of these costs with RTS and is satisfied that the charges are all valid. RTS worked at risk over the authorized budget amount. After the fact, it was a benefit to the NCPA Geo project members. A stop work would have had one of two detrimental impacts: 1) a demobilization and then a subsequent remobilization, or 2) payment of standby charges. In addition, at this time, the Geo margin was running approximately \$130k per day, and this would have been lost for each day of delay added.

The work is now complete and the unit was returned to service on December 19, 2023. NCPA staff is now requesting to increase the project not to exceed amount from \$7,400,000 to \$7,591,623 to account for the 2.6% of valid charges for the work performed in excess of the authorized amount.

FISCAL IMPACT:

Throughout this project, a number of change orders to the agreement with RTS were executed, resulting in an updated total project cost of \$7,312,440.43. The proposed Fourth Amendment to Resolution 21-109 would increase the not to exceed amount by \$191,623, for an updated total project authorization of \$7,591,623.

This additional work will be funded from the cancelled Intertie Switch Project, which was budgeted at \$1,750,000. Of that, \$990,725 was previously authorized for additional turbine related work related to this project. There remain sufficient funds from this project to cover the remaining costs of the work.

SELECTION PROCESS:

In 2022, NCPA solicited competitive bids from multiple vendors to perform various scopes required for this project. NCPA bid these specific scopes of work consistent with NCPA procurement policies and procedures. The work is now complete and approval of this Amendment will allow NCPA to pay the final invoice for the vendor and close out the project.

ENVIRONMENTAL ANALYSIS:

These activities are categorically exempt under Class 1, 2, 3, 4, and 11 from the provisions of the California Environmental Quality Act pursuant to Sections 15301 (b), 15302 (c), 15303, 15304 and 15311 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 Sonoma County. No environmental review is necessary.

COMMITTEE REVIEW:

On February 7, 2024 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachment:

- Fourth Amended Resolution 21-109

AMENDED RESOLUTION 21-109

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE FOURTH AMENDMENT TO THE NCPA GEOTHERMAL PLANT 2 UNIT 4
OVERHAUL PROJECT**

(reference Staff Report #134:24)

WHEREAS, on December 2, 2021, the NCPA Commission approved the Geothermal Plant 2 Unit 4 Overhaul Project (Resolution 21-109) for an amount not to exceed \$3,500,000. NCPA hired Reliable Turbine Services, LLC (RTS) to complete the work for the project; and

WHEREAS, subsequent Amendments to the original Resolution were approved by the Commission in November 2022, April 2023, and October 2023 to increase the project budget to \$7,400,000 and modify the Scope of Work due to additional damage discovered by RTS; and

WHEREAS, during the course of this project, NCPA staff was responsible for tracking and monitoring project expenses against the authorized budget for this project; and

WHEREAS, throughout this project, numerous issues arose resulting in extra delays and financial impacts. Among the items that NCPA was tracking and estimating were the extended oil flush duration and delay impacts due to the crane breaking. RTS did not indicate a change order was needed for these items, leading NCPA to believe these estimated costs would be within budget. RTS continued to proceed with work, and exceeded the authorized purchase order amount without authorization from NCPA; and

WHEREAS, when RTS calculated the final costs, the billing exceeded authorization by 2.6%, or \$191,623. NCPA conducted a detailed review of these costs with RTS and is satisfied that the changes are valid; and

WHEREAS, the work is now complete and the unit was returned to service on December 19, 2023. NCPA staff is now requesting to increase the project not to exceed amount from \$7,400,000 to \$7,591,623 to account for the 2.6% of valid charges for the work performed in excess of the authorized amount; and

WHEREAS, these activities are categorically exempt under Class 1, 2, 3, 4, and 11 from the provisions of the California Environmental Quality Act pursuant to Sections 15301 (b), 15302 (c), 15303, 15304 and 15311 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 Sonoma County. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes approval of the Fourth Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project, increasing the total not-to-exceed amount of this project from \$7,400,000 to \$7,591,623 for settlement of the final invoice to close out the project.

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PASSED, ADOPTED and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: _____
CARRIE POLLO
ASSISTANT SECRETARY



26

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Appointment to the NCPA Finance Committee

AGENDA CATEGORY: Discussion/Action

FROM: Jerry Serventi Chair	METHOD OF SELECTION: N/A
Division: Commission	
Department: Commission	

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:

The Commission Chair is recommending the Northern California Power Agency (NCPA) Commission adopt Resolution 24-19 appointing Teri Alderson, acting Assistant General Manager of Administration for Alameda Municipal Power, as a member of the Finance Committee.

BACKGROUND:

The NCPA Amended and Restated Rules of Procedures (aka By-Laws) provide for a standing Committee known as the Finance Committee. The purpose of the Finance Committee is to assist the Commission, the Executive Committee, the Chair, the Chief Financial Officer, and the General Manager in fulfilling its responsibilities to:

- Report upon all financial, accounting, and/or auditing matters;
- Review management's plans to administer NCPA's financial risk;
- Review NCPA's capital management, planning activities, investment, and debt management policies;
- Review NCPA's financial performance, including the performance of the investment and debt portfolios, and other significant financial activities;
- Review NCPA's pension strategy and performance; and
- Review NCPA's health care costs, post-employment (OPEB) benefits, and funding.

Per the Finance Committee Charter, an open seat shall be appointed by the Commission Chair and then ratified by the Commission. Current members of the Finance Committee are as follows:

Mikey Hothi, Lodi, Chair
Katie Edgar, City of Healdsburg
DeAnna Hilbrants, Santa Clara/SVP
Eric Campbell, Roseville
Vacant

Robert "Bob" Orbeta retired from Alameda Municipal Power (AMP) thereby creating a vacant position on the Finance Committee. Nominations were received and discussed by the Finance Committee. It was recommended that Teri Alderson be appointed to the Finance Committee. Teri currently serves as the acting AGM of Administration for Alameda Municipal Power (AMP) and originally joined AMP Finance & Utility Billing Manager in 2022. Before joining AMP, she was the Customer Service Manager responsible for Billing, Remittance, and CIS for the East Bay Municipal Utility District (EBMUD) in Oakland, CA. In these roles, Teri provided leadership in the Customer Service and Finance Departments including oversight of all financial functions. She received her degree in Public Administration from the University of San Francisco and has over 30 years of public agency experience.

FISCAL IMPACT:

There is no fiscal impact in appointing Teri Alderson as a member of the Finance Committee.

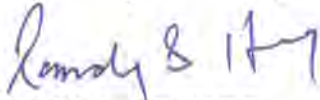
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On February 13, 2024 the Finance Committee unanimously recommended Teri Alderson, acting AGM of Administration for Alameda Municipal Power be appointed as a Member of the Finance Committee.

Respectfully submitted,



RANDY S. HOWARD
General Manager

RESOLUTION 24-19

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPOINTING TERI ALDERSON AS A MEMBER OF THE FINANCE COMMITTEE**

(reference Staff Report #124:24)

WHEREAS, the Northern California Power Agency (NCPA) Commission established the Amended and Restated Rules of Procedures (aka NCPA By-Laws) provide for a standing Committee known as the Finance Committee; and

WHEREAS, the purpose of the Finance Committee is to assist the Commission, the Executive Committee, the Chair, the Chief Financial Officer, and the General Manager in fulfilling its responsibilities to report upon all financial, accounting, and/or auditing matters; and

WHEREAS, Robert Orbeta (AMP) retired creating a vacancy on the Finance Committee; and

WHEREAS, a nomination was received and discussed by the Finance Committee and it is recommended that Teri Alderson, acting AGM of Administration for Alameda Municipal Power, be appointed as a member of the NCPA Finance Committee; and

WHEREAS, an open seat shall be appointed by the Commission Chair and then ratified by the Commission; 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 Chair is recommending the Northern California Power Agency Commission adopt the resolution appointing Teri Alderson, Alameda Municipal Power, as a member of the Finance Committee.

PASSED, ADOPTED and APPROVED this ___ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: CARRIE POLLO
INTERIM ASSISTANT SECRETARY



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval to Explore the Merits and Risks of an Energy Prepayment Transaction

AGENDA CATEGORY: Discussion/Action

FROM:	Monty Hanks <i>MH</i> Assistant General Manager/CFO	METHOD OF SELECTION:	N/A
Division:	Commission		
Department:	Commission		

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 type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input checked="" type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input checked="" type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input checked="" type="checkbox"/>
City of Gridley	<input checked="" 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 checked="" type="checkbox"/>	Other	<input type="checkbox"/>

If other, please specify

RECOMMENDATION:

Approve Resolution 24-22 authorizing the General Manager to direct staff to explore the merits and risks of a prepayment bond transaction regarding the Geysers Power Purchase Agreement. Staff will return to the Commission with a recommendation to continue moving forward or to discontinue this effort.

BACKGROUND:

The spread between tax-exempt and taxable bond yields offers the opportunity for tax-exempt entities like NCPA Members to structure prepay transactions to lower the cost of electric supplies to member retail customers. An energy prepayment is a long-term financial transaction available for municipal utilities that enables a meaningful power procurement cost savings opportunity. Over the past two decades, 100+ municipal gas prepayment bonds have been issued with a value totaling over \$70 billion. More recently, prepaid electricity transactions have dominated the market with 10 energy prepayment transactions totaling almost \$10 billion completed in the last few years with several Northern California Community Choice Aggregators (CCAs) leading this effort.

The utility (or utilities) participating in a prepaid energy transaction enjoy a 5-10% discount on their power purchase agreement (PPA) prices for the duration of the PPA agreements, with longer duration prepaid PPAs enjoying larger discounts due to the time value of money and bond yield differentials. In addition, energy prepayment transactions are not viewed as debt of the public power utility participants because the utility's only obligation is to pay for energy received. There is no claim on a municipal utility by the energy prepayment bondholders who purchase non-recourse municipal tax-exempt bonds; bondholder recourse is only with the Counterparty that received the prepayment, an entity that is typically a highly rated major commercial bank. These prepay structured transactions to arbitrage the yield differential between tax-exempt bonds and taxable bonds by the commercial bank – such transactions have been reviewed by the Internal Revenue Service (see Legality below).

The recent 12-year Geysers PPA entered into by NCPA, on behalf of Participating members, offers a unique opportunity for participating members to benefit from a prepaid structured transaction. The benefit is preliminarily estimated at ~\$6/MWh discount, equivalent to ~\$60+ million in retail ratepayer savings over the 12-year term of the PPA.

Geysers PPA Agreement

In December 2022 with Resolution 22-124, the Commission approved the Purchase Agreements between Geysers Power Company and the Northern California Power Agency (NCPA), and the Third Phase Agreement for Purchase Agreements. This action authorized NCPA to purchase, on behalf of the Participants, renewable energy products and resource adequacy capacity from Geysers Power Company beginning January 1, 2025, and continuing through December 31, 2036. The first two years' contract quantity is 50MW delivered on a 7x24 basis. In the remaining ten years, the contract quantity increases to 100MW delivered on a 7x24 basis. The value (or cost) of the PPA is more than \$750 million. The Participants and their respective participation percentages include:

Table 3
Final Project Participation Percentages

Member	Project Participation Percentages	Project	Project
		Participation MW (2025 - 2026)	Participation MW (2027 - 2037)
City of Alameda	5.0%	2.50	5.00
City of Biggs	0.4%	0.20	0.40
City of Gridley	0.6%	0.30	0.60
City of Lodi	10.0%	5.00	10.00
City of Lompoc	1.7%	0.85	1.70
City of Palo Alto	10.0%	5.00	10.00
Port of Oakland	2.3%	1.15	2.30
City of Santa Clara	70.0%	35.00	70.00
Total:	100.0%	50.00	100.00

The “take and pay” agreements enable and obligate the Participants to take delivery of and pay for such electric capacity and energy and to pay NCPA for all costs it incurs for undertaking the foregoing activities as shown below.

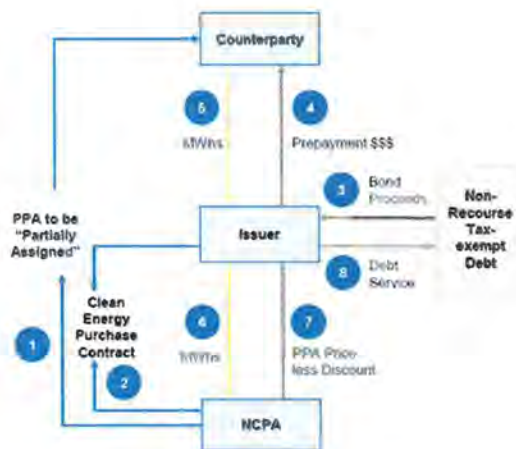
Prepaid Energy Transaction

As mentioned earlier, the goal of an energy prepayment transaction is to reduce the cost of power purchases on quantities delivered under the prepay structure with minimal risk to the participants. The prepay structure enables publicly owned utilities to reduce their energy costs by financing the acquisition of long-term energy supplies with tax-exempt bonds. For decades, municipal utilities have used the prepayment structure as an industry standard practice to reduce costs for the purchase of natural gas.

How Does a Prepay Work?

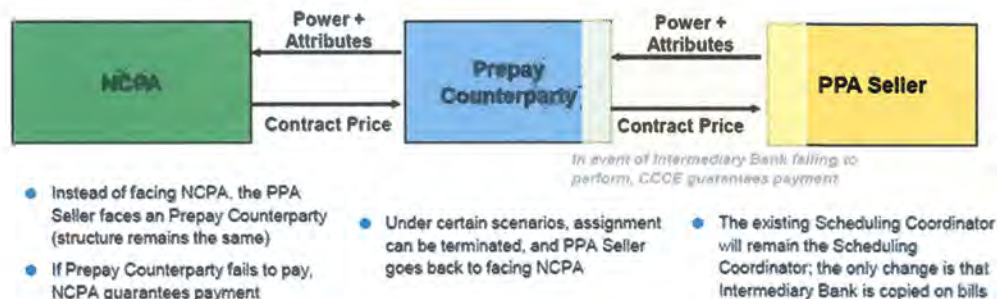
Typically, a municipal energy prepayment bond involves tax-exempt bonds issued by a conduit entity. The proceeds from the bonds are channeled through the conduit entity (municipal bond issuer - TBD), which buys the energy and immediately resells it to the utility or utilities. The conduit entity is set up as a non-profit and is, therefore, able to issue tax-exempt bonds. A pictogram of a typical is shown below:

- 1) NCPA partially assigns PPA to Counterparty
- 2) NCPA and Issuer execute a Clean Energy Purchase Contract
- 3) The issuer issues non-recourse tax-exempt bonds
- 4) The Issuer makes a prepayment to the Counterparty for a 30-year power supply
- 5) The Counterparty delivers power to Issuer via a Master Power Supply Agreement
- 6) Issuer delivers power to NCPA
- 7) NCPA makes payments to the Issuer net of savings
- 8) Issuer makes debt payments with payments from NCPA



To summarize, a tax-exempt public electricity supplier (e.g. PPA Participants), a taxable financial counterparty, and a municipal bond issuer (NCPA conduit) enter into a long-term supply agreement called a Clean Energy Purchase Contract to pre-purchase wholesale zero-emission

clean electricity from sources like solar, wind, geothermal, and hydropower. The municipal bond issuer issues tax-exempt bonds to raise the funds for the transaction, flowing the funds to the financial counterparty. The financial counterparty utilizes the bond funds and provides a discount to the PPA Participants on the power purchases based on the difference between the taxable and tax-exempt rates.



Legality

Prepayment transactions are legal and codified in US Tax Law. Initially, the IRS issued rules allowing tax-exempt natural gas prepayments and Congress enacted legislation specifically allowing the transactions under the [National Energy Policy Act of 2005; Section 1327](#).

As mentioned earlier, this prepayment structure has been utilized since the 1990s with over \$100 billion of transactions completed to date. These have largely historically been utilized for natural gas procurement. The table below details prepayments that have been completed by public utilities in California including a few members of NCPA.

Date	Amt. (\$000)	Issuer	Description	Beneficiary
06/2006	230,845	Vernon Nat. Gas Fin Auth	Nat Gas	City of Vernon Elec
01/2007	209,350	Roseville Natural Gas Fin Auth	Nat. Gas	City of Roseville Elec
05/2007	757,055	Northern Ca Gas Auth No. 1	Nat. Gas	SMUD
09/2007	887,360	Long Beach Bond Fin Auth	Nat. Gas	City of Long Beach
10/2007	504,445	So. Ca. Pub. Power Auth	Nat. Gas	Multiple MOUs
10/2007	251,695	Long Beach Bond Fin. Auth	Nat. Gas	City of Long Beach
08/2009	901,620	M-S-R Energy Authority	Nat. Gas	MID/Redding/SVP
10/2009	514,160	So Ca Pub Power Auth (Windy Flats)	Elec (Wind)	LADWP, Mult. MOUs
04/2010	778,665	Cal. Statewide Comm Dev Auth	Nat. Gas	SMUD
2010/11	394,700	So Ca Pub Power Auth (Milford 1 & 2)	Elec (Wind)	LADWP, Mult. MOUs
12/2018	539,615	Northern Ca Energy Auth	Gas/Elec	SMUD
Total	\$5,969,510			

The prepayment structure is now being applied towards renewable energy (electricity). Thus far, 6 other CCAs have either executed or are in the process of completing a similar structure. CCAs have completed a total of 10 transactions to date for a par amount of over \$8 billion.

Date	Amt. (\$000)	Issuer	Description	Beneficiary
09/2021	1,234,720	California Community Choice Fin Auth	Elec (Green)	SVCE, EBCE
11/2021	602,655	California Community Choice Fin Auth	Elec (Green)	MCE
06/2022	931,120	California Community Choice Fin Auth	Elec (Green)	EBCE
12/2022	459,640	California Community Choice Fin Auth	Elec (Green)	Pioneer
01/2023	841,550	California Community Choice Fin Auth	Elec (Green)	SVCE
02/2023	998,780	California Community Choice Fin Auth	Elec (Green)	CPA
06/2023	958,290	California Community Choice Fin Auth	Elec (Green)	CPA
08/2023	997,895	California Community Choice Fin Auth	Elec (Green)	EBCE
10/2023	647,750	California Community Choice Fin Auth	Elec (Green)	CCCE
12/2023	1,038,285	California Community Choice Fin Auth	Elec (Green)	MCE
Total	\$8,710,685			

Comparison of Prepayment Structures (Natural Gas vs. Electricity)

A prepaid electricity transaction retains many of the features common to tax-exempt natural gas prepayment transactions. Some, but not all, of these similarities include:

- A financing conduit of NCPA issues the Bonds, the interest on which is exempt from federal and State of California income taxes, to prepay for up to thirty years of commodity deliveries [Note: the proposal presented to NCPA is for a twelve-year deal];
- The proceeds of the Bonds are used to finance the prepayment; and
- If a project participant (or participants) qualified electricity requirements decline such that the participant(s) can no longer use the prepaid electricity, it has the right to request the supplier remarket the prepaid electricity.

A prepaid energy transaction also contains certain differences to tax-exempt natural gas prepayment transactions. Some, but not all, of these differences include:

- The Participant(s) assigns certain rights and obligations under the assigned PPA(s) and in many circumstances, must use reasonable efforts to assign additional PPAs in the future;
- Assigned electricity will be delivered by the Electricity Supplier to NCPA under the Mast Power Supply Agreement. NCPA will then deliver such assigned electricity to the project participants under the Clean Energy Purchase Contract; and
- To the extent the assigned PPA(s) provide an aggregate amount of electricity greater than the amount prepaid, such electricity will be delivered to the project participant and associated payments are not part of the prepaid transaction.

Risks

The proposed deal structure, utilizing a financing conduit of NCPA to issue non-recourse municipal bonds, significantly minimizes the risks to the NCPA Members who are Geysers PPA Participants. Non-recourse means the bonds are not secured or guaranteed by the referenced entity (NCPA or the Project Participants). Potential remaining risks, including volumetric, counterparty/financial, and regulatory are low and managed through the deal structure.

Volumetric risk is the risk that the PPA Seller fails to provide the required energy volumes to sustain the transaction. This risk is sufficiently managed in three ways. First, NCPA is proactively scheduling only a portion of the contract volumes of the assigned PPA into the prepay to hedge against potential under-generation. Next, the deal structure allows the Participants to substitute or add additional PPAs to the prepay transaction to sustain the required

volumes of delivered energy. Finally, the Master Supply Agreement will provide a mechanism to backstop under-generating developers in the event of an outage or other unplanned event. Even if the Prepay Counterparty fails, the recourse to the bondholder is to the Prepay Counterparty and not to NCPA, its members, or the PPA participants.

Counterparty/financial risk exists should the Prepay Counterparty experience distress and fail to service its obligations. NCPA and the Participants expect to select a Prepay Counterparty through a rigorous RFP process to hire a seasoned investment bank with demonstrated experience in the commodity business and prepay transactions.

Regulatory risk, though low, may materialize should the IRS change its guidance for the treatment of energy prepay transactions. Since the IRS issued rules informing the structure of these transactions 30 years ago, over 100 such bond issuances have successfully delivered savings to their communities. If regulations do change, NCPA would assess the continuing viability of the structure and, if necessary, withdraw. Under those circumstances, NCPA would continue under the original terms of its PPA with only the downside of unmaterialized savings.

Unlike CCAs which get approval from the California Public Utility Commission (CPUC), municipal utilities must receive approval from the California Energy Commission (CEC) to preserve the renewable attributes of a PPA to meet the clean energy goals. While the CPUC has already approved prepay energy transactions for the CCAs, the CEC has yet to officially adopt similar approvals. However, it is expected the CEC would take the same position as the CPUC largely due to a recent CEC letter provided to Anaheim Electric regarding a similar type of transaction.

Lastly, it is important to note that the energy prepayment is non-recourse to NCPA and the PPA Participants. Should a termination event occur, the Prepay Counterparty is obligated to make a termination payment which will be used to repay the bondholders. This is the only source of repayment funds available to investors in the event of a termination event. The revenues of the Participants are not pledged to repay the bond investors and rating agencies do not count prepay transactions as debt or fixed costs of NCPA or the NCPA Members who are Geysers PPA participants.

In summary, each of these risks has been identified and mechanisms have been formulated to shield NCPA and the PPA Participants from being adversely impacted. A case in point, during the 2008 financial crisis, Lehman Brothers was the counterparty of several prepayment transactions. Upon Lehman's bankruptcy, the bondholders settled directly with Lehman as opposed to the Issuer of the bonds. The issuer of the transaction(s) was not liable to the bondholder but rather lost the benefit of the discount or savings when reverting to the original terms of the PPA agreement.

Proposal Submitted to NCPA

Most prepay transactions are very complex when structured for 20 to 30 years. They generally require Put Bonds and Commodity Swap providers to achieve savings of +/- 10% and require replacing the original PPA with a similar-sized PPA (or PPAs) upon expiration to match the maturity length of the outstanding bonds.

However, a preliminary prepaid energy structure currently being reviewed creates a unique opportunity. The transaction is sufficiently long enough to generate a large prepayment and more importantly, matures/terminates with the expiration of the Geysers PPA. There is no need to procure a new PPA or PPA(s) to "fill the bucket" unlike a 20 or 30-year transaction. In

addition, the short transaction allows for it to be sold as an amortizing structure rather than a put bond structure eliminating premiums to investors. The transaction amortizes across tenors characterized by low muni/taxable ratios, producing greater spread differentials, and the cost of issuance (COI) is amortized over the term of the transaction rather than over the put bond tenors. This removes significant third-party expenses, the potential need for commodity swap counterparties, and future market uncertainty.

NCPA Member Interest

For the past several years, a few NCPA members have urged NCPA to investigate the prepay structure on their behalf. In September 2019, NCPA held a workshop educating various members on the Clean Energy Savings Initiative (CESI) but the lower bond yields and lack of suitable PPAs to prepay had hampered NCPA staff from exploring this option in earnest.

PPA Participant Meetings

At the direction of the Finance Committee, NCPA has held individual meetings with the significant share participants (SVP, Palo Alto, and Lodi) representing 90% of the Geysers PPA. Those members expressed interest in NCPA to continue exploring the prepayment opportunity.

Next Steps

If approved, NCPA and member staff plan to undertake the following steps over the next three months:

1. Explore the merits of the prepay structure for the Geysers PPA, risks, and mitigation measures;
2. Explore Bond Issuer options by discussing with bond counsel if a financing conduit may need to be created similar to how the CCAs formed the California Community Choice Financing Authority as the Issuer;
3. Project Participant communication with their governing bodies; and
4. Report to the NCPA Commission and recommendation of the next step(s), if any

Future Steps

If staff recommends proceeding with a prepayment transaction and the NCPA Commission approves (April/May), it is anticipated to take 4-6 months for staff to prepare. NCPA will need to secure professional assistance to complete the work necessary to develop, draft, and finalize the Prepaid Energy transaction documents. Professional assistance includes bond counsel, tax counsel, issuers counsel, disclosure counsel, financial advisor, and any other consultant needed to support the completion of the prepayment transaction. The professional assistance generally works contingent upon a bond sale however, a rating agency or agencies will need to formalize a review of the proposed transaction. Their fee could be as high as \$400k but any expenses incurred will be funded/reimbursed from the bond sale.

The prepaid energy transaction "package" would require each PPA Participant's City Council and/or Board to approve the transaction before approval by NCPA's Commission and before any bond sale.

FISCAL IMPACT:

Rates as of October 2023 showed an estimated savings (or discount) of ~\$6/MWh from the contract price, equivalent to ~\$60 million in retail ratepayer savings over the 12-year term of the

PPA. This is net of all cost of issuance expenses. Please note that a higher interest rate environment helps provide higher savings.

ENVIRONMENTAL ANALYSIS:

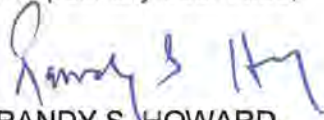
This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

At the November 14th meeting, staff presented the Geysers prepaid energy proposal to the Finance Committee. The Committee recommended that NCPA staff schedule individual and/or group meetings with the Geysers PPA participants to continue evaluating this unique opportunity.

At the February 13th meeting, staff presented an overview of a prepayment transaction to the Finance Committee. The Committee recommended the Commission approve the action to explore the merits and risks of prepaying the Geysers PPA.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 24-22

RESOLUTION 24-22

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
AUTHORIZING THE GENERAL MANAGER TO DIRECT STAFF TO EXPLORE THE MERITS AND RISKS OF
A PREPAYMENT BOND TRANSACTION REGARDING THE GEYSERS POWER PURCHASE AGREEMENT

(reference Staff Report #125:24)

WHEREAS, the spread between tax-exempt and taxable bond yields offers the opportunity for tax-exempt entities to structure prepay transactions to lower the cost of electric supplies to member retail customers by an average of 5-10%; and

WHEREAS, in December 2022 with Resolution 22-124, the Commission approved the Purchase Agreements between Geysers Power Company and the Northern California Power Agency; and

WHEREAS, prepayment transactions are legal and codified in US Tax Law with Congress enacting legislation specifically allowing the transactions under the National Energy Policy Act of 2005; Section 1327; and

WHEREAS, while significant risks are reduced issuing non-recourse bonds, other risks may exist that need to be evaluated and analyzed to mitigate them; 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 authorize the General Manager to direct staff to explore the merits and risks of a prepayment bond transaction regarding the Geysers Power Purchase Agreement and return to the Commission with a recommendation to continue moving forward or to discontinue this effort.

PASSED, ADOPTED and APPROVED this ___ day of _____, 2024 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: _____
CARRIE POLLO
INTERIM ASSISTANT SECRETARY



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval of Revisions to NCPA's Energy Risk Management Regulations

AGENDA CATEGORY: Discussion/Action

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 24-21 adopting the revised Energy Risk Management Regulations.

BACKGROUND:

In 2023, NCPA staff committed to thoroughly reviewing and updating all existing policies and regulations so that the documents that govern how the Agency performs its day-to-day activities can properly allow staff to respond to changing business conditions. The Risk Management Committee (RMC) met to discuss the Energy Risk Management Regulations (ERM) and identified several key areas where the ERM could be revised and updated. Working closely with Power Management, staff could take the concepts and ideas discussed at the RMC into a comprehensive update to the ERM.

General Changes and New Definitions

As the ERM was reviewed by staff, many edits were made to improve readability. This was achieved through grammatical changes and language simplification/clarifications. In addition, the glossary was missing definitions for key terms in the original document and for areas where new language was drafted. The changes to the document language and adding definitions to the glossary make a long and complex document easier to read and understand.

Product Transactions Limits

The RMC identified that Power management authority to enter into transactions when favorable market conditions were present was not ideal. Through these discussions, and with the AGM of Power Management's suggestions, the following changes were made to Appendix 4, Product Transaction limits:

- AGM of Power Management can enter into transactions for terms for up to the next 60 months. This change removes the 24-month cumulative restriction in the previous version.
- Manager of Portfolio and Pool Administration can enter into transactions for up to 24 cumulative months within the next 60 consecutive months. This change represents a doubling of the cumulative months for this position.
- Scheduler/Planner can enter into a balance of month contract beginning 20 days before the conclusion of the current month. Initially, this position could not enter into balance of month transactions beginning 10 days to the conclusion of the current month.

These changes give Power Management staff more agility to hedge a Member's portfolio as market conditions change.

Recommended Coverage

When the RMC reviewed Appendix 9, Recommended Coverage, various portfolio hedging concepts were discussed. While Physical Coverage has historically been used to determine coverage recommendations, introducing Financial Coverage as an additional coverage recommendation was discussed. Using the recommendation from the RMC and guidance from Power Management, a new Recommended Coverage Ratios matrix was developed. The new matrix considers the Participating Members' Financial Coverage and Physical Coverage for a given time period and historical pricing volatility for a given month in that time period. Pricing volatility is expressed as a measure of the Standard Deviation of daily prices for any given month. The new recommendations also consider High Load, Light Load, and Super Peak (HE 17-22) hours. Financial coverage recommendations during the Super Peak hours increase relative to the expected volatility for the month being considered, as these hours typically have the highest average cost per megawatt hour.

FISCAL IMPACT:

There is no fiscal impact to approving the revisions to NCPA's Energy Risk Management Regulations.

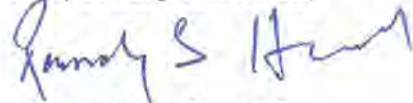
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On October 23, 2023, the Risk Oversight Committee (ROC), a working committee, reviewed the proposed changes and provided feedback to staff. On January 29, 2024, the ROC reviewed the final revisions, and the ROC advised staff to seek Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 24-21
- NCPA's Energy Risk Management Regulations Version 5.0

RESOLUTION 24-21

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING THE REVISIONS TO NCPA'S ENERGY RISK MANAGEMENT REGULATIONS

(reference Staff Report #128:24)

WHEREAS, the Agency committed to thoroughly reviewing and updating all existing policies and regulations that govern how the Agency performs its day-to-day activities, enable staff to respond to changing business conditions; and

WHEREAS, the Risk Management Committee (RMC) reviewed the Energy Risk Management Regulations (ERM), identifying areas where the ERM could be revised and updated; and

WHEREAS, staff worked closely with Power Management, took the concepts discussed at the RMC into a comprehensive update to the ERM; and

WHEREAS, edits to the ERM were made to improve readability by making grammatical changes and language simplification/clarifications and amending the glossary to include new definitions for key terms in the document; and

WHEREAS, modifications to the Product Transaction Limits were introduced to allow Power Management to be more agile in their ability to respond to market conditions and to hedge a Member's portfolio open position risk; and

WHEREAS, a new Recommended Coverage Ratios matrix was developed that includes a member's Physical and Financial coverage. Coverage recommendations are made by considering historical monthly pricing volatility and delivery hours of energy; and

WHEREAS, on January 29, 2024, the Risk Oversight Committee (ROC), a working committee, reviewed the final revisions and advised staff to seek Commission approval; and

NOW, THEREFORE, BE IT RESOLVED that the Commission of the Northern California Power Agency approve the revisions to NCPA's Energy Risk Management Regulations.

PASSED, ADOPTED, and APPROVED this ____ day of _____, 2024, 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	_____	_____	_____

JERRY SERVENTI
CHAIR

ATTEST: CARRIE POLLO
INTERIM ASSISTANT SECRETARY



ENERGY RISK MANAGEMENT REGULATIONS

Version 5.0

Effective:

Table of Contents

Objective of the Energy Risk Management Regulations	1
1. Scope of Regulations and Procedures	2
2. Definitions of Risk	2
3. Risk Management Strategies	6
4. Roles and Responsibility for Energy Risk Management	7
5. Authorities, Limits and Prohibitions	14
6. Systems, Tools and Training	16
7. Compliance Exceptions and Reporting	16
8. Risk Management Methodologies	17
9. Risk Limit Structure	18
10. Risk Control Structure	20
11. Conflict of Interest	25
12. Policy Review	26
Part II: Counterparty Risk Management	27
13. Organizational Philosophy Toward Counterparty Risk	27
14. Counterparty Risk Definitions	27
15. Underwriting Standards	28
16. Credit Risk Measurement	29
17. Credit Enhancements	29
18. Quality Assessment	31
19. Approval Authorities	33
20. Wholesale Credit / Counterparty Management	34
21. Segregation of Duties	37
APPENDIX 1	1
APPENDIX 2	1
APPENDIX 3	1
APPENDIX 4	1
APPENDIX 5	1
APPENDIX 6	1
APPENDIX 7	1
APPENDIX 8	1
APPENDIX 9	1
APPENDIX 10	1
APPENDIX 11	1

Objective of the Energy Risk Management Regulations

Northern California Power Agency (NCPA) provides power management and administrative services to certain members who have contracted with NCPA for such services (Participating Members). NCPA's goals regarding the provision of such services include, but are not limited to: (i) optimizing the value of NCPA's generation assets, (ii) providing its Participating Members with the lowest cost supply portfolio, and (iii) maintaining reliable electric service to its Participating Members' customers. Inherent in these goals is the need to manage risks related to transacting in various Energy markets, and providing other wholesale Energy and transmission services on behalf of the Participating Members (e.g., resource optimization).

The purpose of these Energy Risk Management Regulations (Regulations) is to utilize the philosophies and objectives specified in the Energy Risk Management Policy, and document and describe the roles, strategies, controls and authorities that will govern NCPA's comprehensive energy risk management program.

Part I: Energy Risk Management

1. Scope of Regulations and Procedures

1.1. Overview

The NCPA Commission has adopted an Energy Risk Management Policy (ERMP) which addresses risks faced by NCPA arising from NCPA's transactional activities on behalf of Participating Members in Energy and related commodity markets. The ERMP provides for oversight by the Risk Oversight Committee (ROC) and mandates adoption of these Regulations by the ROC to address specific risk management issues. Controls, strategies and processes for managing risks outlined in the ERMP are documented in these Regulations.

1.2. Applicability, Amendments and Updates

These Regulations are made effective upon their adoption by the ROC, and shall be amended and/or restated from time to time, when deemed necessary, by the ROC.

2. Definitions of Risk

The term "risks," as used herein, refers specifically to those categories of risk which relate to NCPA's participation in wholesale Energy markets for the purchase and sale of Approved Products, as further described in these Regulations. These risks include, but are not limited to, volumetric, price, counterparty, regulatory and political, and operational risks.

2.1. Volumetric Risk

Volumetric risk is the risk that fluctuations in supply or demand will adversely affect net revenues. Thus, if actual load demands are higher than anticipated, and market prices have increased beyond expectations, the costs to serve such load will be greater than expected. Alternately, if load demands are less than expected, then surplus supply may be sold back into the market. If market prices have declined since the Energy was originally purchased, the ability to serve load at least cost may be impacted. If supply availability is uncertain, such as when hydroelectric generation capacity is impacted by unexpected rainfall patterns, an unanticipated shortfall in generation may necessitate the purchase of alternative supply through the wholesale market when prices may be rising, which may also result in increased costs. Volumetric risk also covers the possibility of the unplanned loss of generation resources, transmission curtailments, and extreme weather events that can result in insufficient resources to meet load demands.

Volumetric risk is managed by maintaining financial reserves, diversifying the resource portfolio and developing a regular update of load and resource forecasts.

2.2. Price Risk

Price risk is the risk associated with changes in the market prices of Energy and Energy related products. Price risk is the possibility that the absolute price of a given Energy related product will fluctuate in an unfavorable manner, thereby exposing NCPA to potential cost increases or loss in value to its Participating Members. Price risk is mitigated by diversification of the resource portfolio by fuel source, start dates, duration, pricing terms, types of products, geographic location, and by dynamically managing portfolios and assets.

Example of Price Risk

For example, assume NCPA needs to buy 10,000 MWh of electric power for the last quarter of the coming year (October through December). On January 15th, the market price for that power was \$28.90/MWh, for a total cost of \$289,000. On March 15th, the market value was \$39.00/MWh, or \$390,000. If the budget was set as of the January 15th market price, but the product was not purchased until March 15th, then the cost would be \$101,000 more than budgeted.

Price risk can be viewed as the possibility of a change in the MTM value of a transaction. To illustrate this definition, assume as above that the 10,000 MWh for October – December was purchased on March 15 for \$390,000. If the price for that product drops to \$25/MWh or \$250,000 on September 15th, the MTM of the transaction is negative \$140,000 as of September 15th.

2.3. Counterparty Credit Risk

Counterparty credit risk means risks which NCPA incurs as the result of transacting Approved Products with other entities. It must be understood that in the context of wholesale electric utility operations, both buyers and sellers may be exposed to counterparty credit risks. These risks are of the following general types:

- Transacting counterparties may fail to render payment for Energy related products delivered, or otherwise default under the terms of the transaction;
- Transacting counterparties may fail to deliver Energy related products;
- Transacting counterparties may fail to take delivery of Energy related products sold to them, necessitating a quick resale elsewhere (potentially at a loss) of the Energy related products;
- Counterparties may refuse to extend credit to NCPA;
- A counterparty or its guarantor may seek bankruptcy protection; and
- A counterparty's credit rating may drop below investment grade which may impact collateral thresholds triggering a collateral call.

Counterparty credit risk can be mitigated through counterparty diversification, credit risk premium, covenants, credit derivatives (credit default swaps) and insurance.

2.4. Regulatory and Political Risk

Regulatory and political risks are the risks that regulatory agencies, courts and legislatures may take actions or adopt measures which:

- Result in fines, assessments or other unrecoverable costs;
- Make a transaction unlawful or adversely change the economic benefit;
- Adversely affect market prices or liquidity, leading to trading losses and stranded asset costs;
- Impair the capability or willingness of NCPA's trading counterparties and wholesale suppliers to perform;
- Prevent NCPA from performing to its own contractual obligations;
- Interfere with operation of NCPA's generation or related assets; or
- Negatively impact NCPA's ability to finance capital projects.

Regulatory and political risks are difficult to measure and manage. NCPA has an aggressive Legislative and Regulatory program which monitors and influences the outcome of legislative and regulatory actions for the benefit of NCPA and its members.

2.5. Operational Risk

Operational risk consists of the potential failure to act effectively to plan, execute and control business activities. Operational risk includes the potential for:

- An organizational structure that is ineffective in addressing risk (i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, no internal controls, incomplete and untimely reporting, failure to separate incompatible functions, etc.);
- Absence, shortage or loss of key personnel;
- Lack or failure of facilities, equipment, systems and tools such as computers, software, communications links and data services;
- Inability to finance capital projects or meet financial obligations incurred in the course of wholesale operations;
- Exposure to litigation or sanctions as a result of violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting and analyzing contracts effectively, etc.; and
- Errors or omissions in the conduct of business, including failure to execute transactions, violation of guidelines and directives, etc.

Operational risk can be mitigated by adequate oversight and the existence of and adherence to contracts, policies, regulations, and procedures. Operational risk is reduced by streamlined, using simple processes managed by skilled and competent staff with appropriate supporting physical and technological resources and appropriate oversight.

2.6. Market Risk

Market risk is manifested by the interdependencies of a market where the failure of a single entity or cluster of entities that may or may not be counterparties can cause a cascading failure which could affect an entire market.

2.7. Legal Risk

Legal risk arises when a counterparty or a Participating Member is not capable of entering into, or has procedurally failed to obtain appropriate approvals to enter into, a contract.

Legal risk is mitigated externally by ensuring counterparty representatives are authorized by the counterparty. For example, legal risk associated with a Participating Member's authority to direct NCPA to enter into a commodity transaction on its behalf may be managed internally using contractual requirements that require the Participating Member to provide written authorization prior to NCPA entering into a transaction on its behalf. A review of the authorized counterparty representatives will be performed annually.

2.8. Concentration Risk

Concentration risk denotes the overall spread of exposures over the number or variety of counterparties. Concentration risk is calculated using the percentage of outstanding exposures each counterparty represents. Concentration risks may result from an uneven distribution of exposures to an individual counterparty, or an uneven distribution of exposures to particular sectors or regions.

Concentration Risk is mitigated pursuant to Section 18.3 of Part II of these Regulations which requires staff to document the business reasons for awarding Energy contracts to counterparties to whom NCPA has high concentrations of credit exposure.

2.9. Liquidity Risk

Liquidity risk is financial risk due to uncertain liquidity. Liquidity risk may include the risk of insufficient net cash flows on a short term basis, lack of access to credit facilities, the inability to liquidate an asset or position on short notice, and the risk of maintaining explicit liquidity reserves.

NCPA mitigates counterparty liquidity risk with regular, up-to-date credit evaluations; mitigates internal liquidity risks with adequate deposits from Participating Members; and mitigates asset liquidity risk by utilizing contractual instruments.

2.10. Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a custodial asset holder, an entity would not be able to recover the value of its deposits, investments or collateral securities that are in the possession of the custodian.

Custodial credit risk is mitigated by keeping deposits at FDIC insured institutions below insurance thresholds and actively monitoring the creditworthiness of the custodian.

2.11. Business Risk

Business risks are the risks inherent in NCPA's operations and environment that may impair its financial sustainability. These risks include the risks listed in this Section 2, in addition to the risks of creating and maintaining production and administrative facilities.

Business risks are mitigated by adequate planning and budgeting, training of staff, frequent reporting of activities, and maintaining appropriate insurance coverage.

2.12. Cross Member Risk

Cross member risk is inherent in all projects and programs that take place in a joint powers agency. NCPA will strive to mitigate cross member risk through contractual requirements that attempt to contain liability to the Participating Members that are a party to each respective transaction. Cross member risks are mitigated by adhering to the deposit calculation requirements of the respective programs and frequent review of each participating member's credit profile.

3. Risk Management Strategies

An important aspect of implementing an overall energy risk management policy is the development of related strategies to mitigate all of the related risks associated with Energy product trading activities. The key strategies used by NCPA are outlined below.

3.1. Balanced Portfolio

NCPA and its Participating Members shall strive to maintain an integrated and balanced portfolio of resources to cover its Participating Members' load serving obligations, and maintain the value of Participating Members' assets, and manage resources within Participating Members' financial requirements.

3.2. Minimum Coverage Recommendations

3.2.1. Minimum Coverage Recommendations for Energy

There are no minimum coverage recommendations for Energy enforced by or required by these Regulations. Energy and fuel coverage levels are determined by each Participating Member independently, and must be reported to NCPA. In the absence of specific criteria established by the Participating Member, NCPA will report net open positions in accordance with the recommended guidelines in Appendix 9.

3.2.2. Minimum Coverage Recommendations for Capacity

There are no minimum coverage recommendations for capacity enforced by or required by these Regulations. Notwithstanding the foregoing, several of NCPA's Participating Members have established minimum Resource Adequacy requirements in accordance with policies adopted by their Local Regulatory Authority. A planning reserve margin established by the Participating Members, for whom NCPA procures portfolio management services, can be set by each respective Local Regulatory Authority. Currently each Participating Member has set their respective planning reserve margin at 115% of expected monthly coincident peak load.

3.3. Diversification of Portfolio

NCPA shall encourage its Participating Members to develop an integrated resource portfolio that includes a minimum level of diversification in fuel type, contract duration, geographic location, counterparties, pricing terms, cash reserves and types of products. Participating members will collaborate with Power Management with the goal of energy portfolio diversification.

3.4. Purchases to Cover Load Serving Obligations (No Speculation)

NCPA's primary objective for energy product procurement activities is to cover the load serving obligations of its Participating Members. In the course of performing these activities, NCPA shall not engage in activities that expose NCPA or its Participating Members to speculative trading risks, and shall only utilize approved products and transaction parameters as approved by the ROC, and defined in these Regulations.

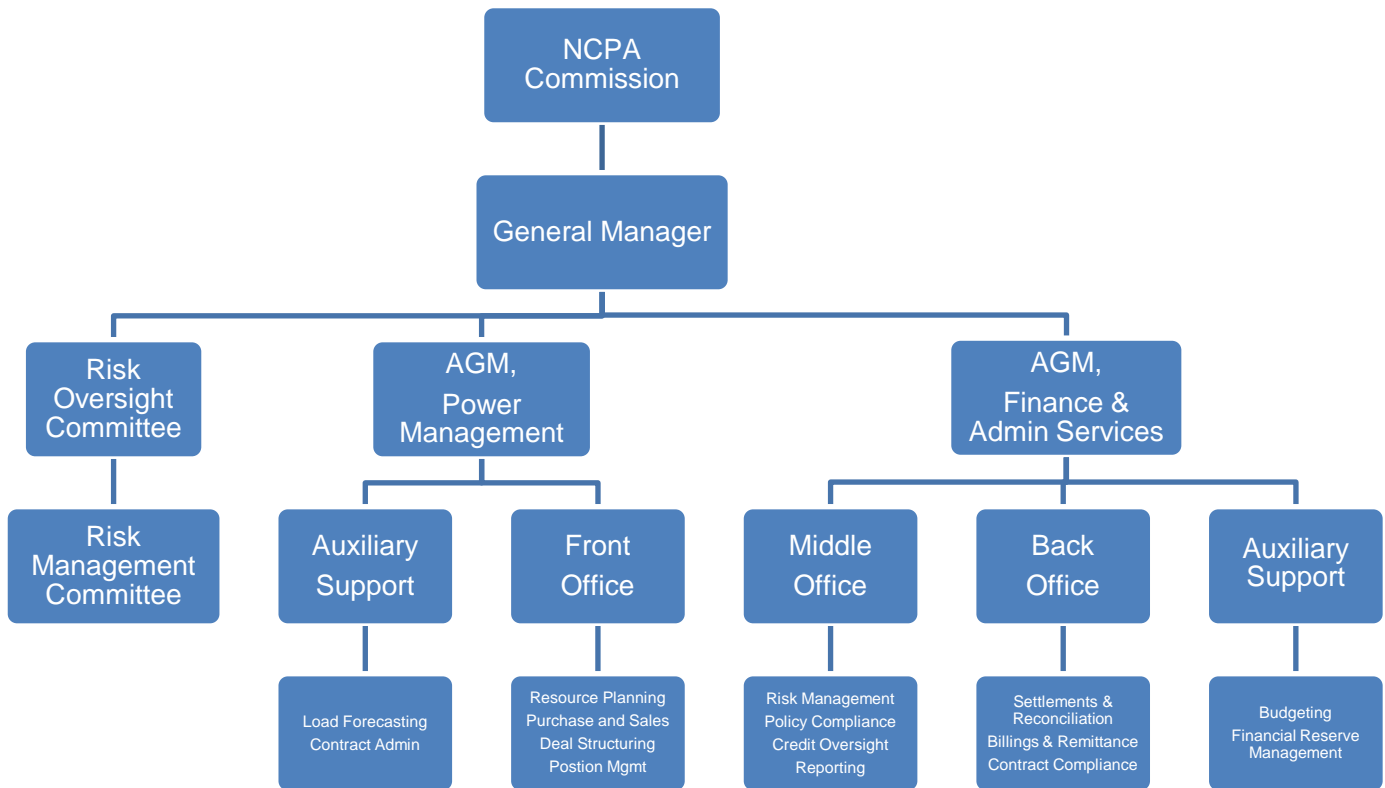
3.5. Authority to Transact Approved Products

The type of Energy related products NCPA may transact will have a direct impact on the amount of risk NCPA and the Participating Members assume as a result of such activities. The types of Energy related products that NCPA is authorized to transact (herein after referred to as "Approved Products") are specifically identified in Appendix 6 of these Regulations.

4. Roles and Responsibility for Energy Risk Management

Figure 1 below provides an overview of NCPA's organizational structure for energy risk management:

**Figure 1
Energy Risk Management Organizational Structure**



4.1. Commission

The Commission has the ultimate responsibility for oversight of NCPA’s operations, and is responsible for establishing an agency-wide framework for risk management and for ensuring that risk management results are achieved as planned. The Commission has approved and established organizational policies for risk management, and has delegated to the General Manager the responsibility for implementing the ERMP. The Commission is responsible for ensuring appropriate results are achieved in accordance with the ERMP. The Commission shall direct staff to perform a biennial review of the ERMP and modify the policies, as needed.

4.2. General Manager

The General Manager has day-to-day responsibility for executing and ensuring compliance with the ERMP, and for communicating risk management issues to the Commission. The General Manager shall ensure clear lines of authority and responsibility for assessing, measuring, and managing the risks of the Agency and the Participating Members, and for monitoring the functionality of all components of the risk management system. The General Manager may delegate specific duties for carrying out the policy and insuring compliance by all affected NCPA employees, third parties and/or counterparties.

4.3. Risk Oversight Committee

The ROC is responsible for overseeing NCPA's compliance with the ERMP. The ROC serves as the highest level of organizational risk management reporting to the General Manager. The members of the ROC consist of the General Manager, Assistant General Manager of Finance and Administrative Services, Assistant General Manager of Power Management, and four (4) member representatives. NCPA's General Counsel shall serve as legal advisor to the ROC. The Energy Risk Manager (ERM) shall be an advisor to the ROC and act as the ROC secretary. The ROC may seek the advice of other advisors at its discretion. A quorum of the ROC consists of not less than three ROC members, or their designees, including at least one member representative. A quorum of the ROC shall be required for the ROC to conduct business.

The four (4) member representatives shall be appointed to the ROC by the General Manager. These member representatives shall reflect the diversity of NCPA's membership (e.g., both larger and smaller member representation). NCPA's members may also nominate potential ROC members. The General Manager shall select member representatives based on these recommendations. Member representatives shall be appointed for a term of two (2) years. Each January, one (1) large and one (1) small Participating Member representative will rotate off of the ROC, and two (2) new Participating Member representatives shall be appointed to the ROC. Current Participating Member representatives may be reappointed to the ROC at the General Manager's discretion after serving their terms.

Each ROC member shall have the right to cast one (1) vote per issue, and may appoint a voting alternate with the approval of the General Manager. Participating Members that are not represented on the ROC may attend ROC meetings and participate in ROC discussions; provided, however, non-ROC Participating Members will have no voting rights.

The ROC will meet at least quarterly, or as needed, to carry out the responsibilities described in these Regulations. Individual Participating Members may request the ROC to convene at any time, in a timely fashion, if ROC approval is required for any transaction affecting that Participating Member. Minutes of each meeting will be maintained by NCPA staff.

The ROC shall provide a report to the Commission annually, regarding the business activities of the ROC, or at such other interval as directed by the Commission.

The ROC is responsible for ensuring that NCPA's risk management practices are conducted in accordance with the ERMP and these Regulations. The ROC shall adopt and keep current these Regulations, which shall define in detail the internal controls, strategies and processes for managing risks covered under the ERMP.

ROC responsibilities and delegated authorities are:

- Establishing overall risk tolerances related to Approved Product transactions and counterparty credit risk;
- Reviewing and approving Exception Reports to the ERMP and these Regulations;

- Setting, changing and approving the design of all internal control processes related to energy risk management and Approved Product transactions;
- Assessing the adequacy and functioning of the system of controls over volumetric, price and counterparty credit risks;
- Reviewing all statistical modeling parameters, risk tolerances, risk factors and/or risk weights associated with all Approved Product transaction strategies;
- Reviewing and recommending changes to ERMP policies, the types of Approved Product transactions and controls (e.g., limits, risk/performance methodology, etc.), including the addition of new products and instruments as described in these Regulations;
- Recommending appropriate cash reserve levels as defined by policies and/or specific agreements to support NCPA's Approved Product transaction activities;
- Reviewing the ERMP, and recommending any amendments to the Commission;
- Reviewing and assessing the adequacy of the risk reports generated by the risk management function;
- Ensuring that the results of risk management activities are reported to the Commission, and all risk management reports are provided to the Commission in accordance with Appendix 7 of these Regulations, or as necessary;
- Reviewing and recommending appropriate transaction authority levels and delegation of authority to NCPA personnel, related to Approved Product transactions; and
- Reviewing, recommending and approving changes to these Regulations, as needed.

Specific responsibilities of the ROC members and advisors are described in Appendix 2 of these Regulations.

4.4. Risk Management Committee

The Risk Management Committee (RMC) is an advisory committee to the ROC, and is responsible for the performance of the functions listed in this Section 4.4. The RMC shall consist of the following individual members: Manager, Portfolio and Pool Administration; Treasurer/Controller; Manager, Coordinated System Operations; Supervisor, Industry Restructuring and Interconnection Affairs; ERM; and Manager, Power Settlements. The ERM shall act as the chair and secretary of the RMC.

The RMC shall meet not less than biannually or as otherwise called to order by the ROC or ERM. The RMC shall keep minutes of all meetings and business Activities. A quorum for the RMC that is required to do business shall consist of a majority of constituted members and include at least one (1) member from the Power Management division and one (1) member from the Administrative Services division.

RMC responsibilities and delegated authorities include, but are not limited to:

- Assess usefulness of risk management reports and recommend changes, as needed;
- Review and approve exception reports prior to distribution to the ROC;

- Review new product requests prior to seeking the ROC's approval;
- Stay abreast of all market risk activities;
- Identify risk management and internal control weaknesses and recommend corrective action;
- Develop written procedures, which define and document NCPA's specific risk management processes and internal controls; and
- Recommend amendments to the ERMP and these Regulations, as appropriate.

4.5. Front Office

The Front Office staff is responsible for the provision of power management services, which include, but are not limited to, planning and portfolio management, Approved Product transacting, contract origination, schedule coordination and real-time dispatch operations. Pursuant to contract-based service agreements with Participating Members, the Front Office provides recommendations for load and resource balances, and portfolio optimization to Participating Members. These activities are conducted in order to meet the physical, financial and contractual requirements of the Participating Members. As part of these functions, the Front Office is responsible for transacting Approved Products on behalf of the Participating Members, in accordance with certain transactional limits, as further defined in these Regulations. All Approved Products that the Front Office is authorized to transact are identified in Appendix 6 of these Regulations. The Front Office is responsible for ensuring that the procedures and processes needed to transact business within the requirements and guidelines of the ERMP and these Regulations are fully implemented, and shall perform all duties related to actual transacting in the wholesale Energy markets. The Front Office is the primary interface with potential wholesale transacting counterparties. The Assistant General Manager of the Power Management division is responsible for managing the Front Office. Front Office activities are conducted by the Power Management division of NCPA.

The Front Office is primarily responsible for:

- Day-to-day purchases and sales of Approved Products for Participating Members;
- Developing transaction strategies that are consistent with NCPA's ERMP and each Participating Member's individual risk tolerances;
- Ensuring infrastructure (hardware/software) is in place to support accurate and timely measurement and reporting of risk;
- Ensuring that procedures and systems can effectively and efficiently support the Front Office activities;
- Ensuring training is completed by Power Management staff, as required by CAISO, to comply with minimum participation requirements for participation in CAISO markets;
- Conducting needs analysis for meeting load forecasts, optimizing the value of resources, and satisfying regulatory and/or compliance requirements;
- Recommending transactions for authorization and approval;
- Proposing modifications to commercial provisions of Commission approved contracts to the General Manager for consideration and approval;

- Purchasing and/or selling Approved Products and services based on meeting the load forecast, optimizing the value of member assets, and satisfying regulatory and/or compliance requirements;
- Conducting sales transactions for surplus resources;
- Nominating and managing CRRs in the annual and monthly allocation processes;
- Preparing and submitting bids in the CRR annual and monthly auction processes;
- Reporting CRR activities to the ROC;
- Transacting Approved Products to satisfy applicable regulatory and compliance requirements (e.g., renewable Energy requirements, emission compliance obligations, etc.);
- Development and maintenance of Renewable Energy Products tracking and allocation;
- Competitively shopping and negotiating transactions in accordance with the ERMP;
- Generating trade confirmations (as needed);
- Ensure transactions are recorded timely and accurately, and that valuation and risk measurement are performed according to approved methodologies;
- Working with the Middle Office to develop and implement risk measurement methodologies and quantitative applications, where appropriate;
- Identifying new products and markets that may add value to NCPA and its Participating Members;
- Prepare reports as outlined in Appendix 7 of these Regulation;
- Initiate requests for new counterparty reviews; and
- Prepare and maintain written front office procedures.

4.6. Middle Office

The duties of the Middle Office staff are conducted by the Risk Management group, which is organizationally within the Administrative Services division. Its primary purpose is to manage risk oversight and controls. The Middle Office provides independent oversight of the risks assumed by the Front Office in the course of transacting Approved Products and services. The Middle Office must be independent from the Front Office and Back Office functions. The Assistant General Manager of Finance and Administrative Services is responsible for managing the Middle Office.

The Middle Office is responsible for oversight, reporting and training; including:

- Managing and overseeing risk, including reviewing controls and reviewing valuation and risk management methodologies;
- Developing and implementing counterparty credit risk policies, procedures and limits as approved by the ROC;
- Reviewing and approving changes and provisions to enabling agreements in coordination with Legal (including all credit terms);
- Monitoring NCPA's current and potential risk exposures and ensuring compliance with the ERMP and these Regulations;
- Ensuring Middle Office training is completed by Risk Management staff;

- Verifying that Approved Product transactions are authorized and executed based on the requirements of the ERMP and these Regulations, and are properly recorded in the deal capture systems;
- Monitoring the effectiveness of the internal control structure, including the segregation of duties and independence of oversight;
- Maintaining a list of individuals who are authorized to approve and execute Approved Product transactions;
- Ensuring timely and accurate collection of market data for risk measurement and reporting;
- Conducting necessary stress test on portfolio exposure and CVaR models;
- Preparing, reviewing and distributing all risk management reports;
- Processing and verifying market data provided by the Front Office;
- Maintaining independent market forward price data;
- Evaluating performance of Approved Product procurement and hedging transactions relative to market indices and approved budget;
- Notifying the RMC and the ROC of credit limit exceptions;
- Working with the Front Office to develop and implement risk measurement methodologies and quantitative applications;
- Serving as secretary of the ROC and RMC, developing ROC and RMC agendas, taking and compiling meeting minutes, and distributing meeting materials;
- Maintaining archives of risk management program documents;
- Monitoring and ensuring compliance with the Commercial Compliance Policy;
- Coordinating risk management education and training;
- Various credit management duties as outlined in these Regulations; and
- Prepare and maintain written Middle Office procedures.

4.7. Back Office

The Back Office staff is primarily responsible for settlement of invoices, verifying transactions, bookkeeping and accounting, and ensuring Approved Product transactional activities are consistent with contract authorities and requirements. The Back Office is responsible for providing assurance of accurate transaction records and settlements. AGM Finance & Administration is responsible for managing the Back Office. Back Office functions are conducted by personnel in the Administrative Services division.

The Back Office is responsible for the following duties:

- Crosschecking counterparties confirmation documents for individual trade transactions to NCPA's own records of those transactions, and investigating and resolving exceptions;
- Ensuring settlements are made timely and in accordance with contract terms;
- Verifying and reporting compliance with procedures as reflected in the transaction tracking documentation;
- Ensuring that operations and systems can effectively and efficiently support the processing of approved transactions;

- Performing and supporting transaction allocations, invoicing and settlements;
- Development and maintenance of GHG Compliance Instrument tracking and allocation;
- Monitoring accounts receivable and payable;
- Verification of transaction data entry; and
- Preparing and maintaining written Back Office procedures.
- Disputing any charges from the ISO.

4.8. Auxiliary Functions

Other functions in support of and relevant to risk management are conducted by Power Management and Administrative Services divisional staff who are not directly including within the Front Office, Middle Office and Back Office functions. These include some contract administration functions, load forecasting and managing financial transactions and reserves.

Long term planning and forecasting of Energy supply requirements (long term supply plans) are developed by Power Management analytical support personnel who are not part of the Front Office transacting function (except in the day-ahead and real-time where forecasters work with personnel who are transacting to balance load and resources).

The Finance and Accounting staff are responsible for preparation of the budget, and amounts billed to Participating Member for their related Approved Product transactions. Finance and Accounting staff also establish necessary financial reserve levels related to counterparty credit requirements, Power Management Programs, and the various generation projects owned by NCPA, and for NCPA in general.

5. Authorities, Limits and Prohibitions

5.1. Individual Trading Authority and Transaction Limits

All executed transactions shall conform to the policies set forth in the ERMP and these Regulations. It shall be the responsibility of the ROC, with approval of the General Manager, to establish appropriate individual trading authority limits for the various staff involved in the Front Office function. All Middle Office and Back Office staff are strictly prohibited from executing any Approved Product transactions. The Middle Office shall confirm that the Front Office has informed NCPA's counterparties of changes in Front Office staff authorized to trade within seven (7) business days. Unless or except as recommended by the ROC from time to time, and approved by the General Manager, trading authority limits for individual transactions shall be as outlined in Appendix 4 of these Regulations.

5.2. Permitted Transactions and Approved Products

The ROC is responsible for authorizing and approving all Approved Products that may be transacted by NCPA. Transacting Energy related products that are not authorized as Approved Products by the ROC is strictly prohibited, unless the ROC grants an exception in advance.

All transactions shall conform to the following general principles:

Energy Risk Management Regulations

- Be for an Approved Product;
- Be duly authorized and within risk limits, and shall not cause either aggregate or individual counterparty credit limits to be exceeded;
- Be executed with a counterparty with an approved credit limit;
- Shall utilize contract terms intended to minimize the risk of loss if a counterparty fails to deliver, take delivery or pay for transactions provided;
- Be executed and documented following standardized procedures; and
- Be in compliance with applicable laws, regulations and court orders.
- Be entered into NCPA Deal Capture application within one business day.

Approved Products that have been authorized by the ROC are listed in Appendix 6 of these Regulations. Appendix 6 also contains certain limitations for each authorized Approved Product.

5.3. Unauthorized Transactions

Any member of staff who enters into an unauthorized transaction may be subject to disciplinary action up to and including termination of employment.

The following provides the minimum procedures for managing unauthorized transactions:

- If a transaction is unauthorized, the ERM shall determine the course of action. If the transaction involves market risk, the ERM may elect to either enter into a risk neutralizing transaction, or attempt to unwind the transaction with the original counterparty. However, the first alternative (offsetting transaction) only offsets market price; operational and credit risk may still exist. Unwinding the transaction would likely remove all risk from the trade.
- Once the corrective steps have been taken, the ERM shall review the transaction to ensure all risks have been offset and report the results in the Exception Report.

5.4. Process for Adding New Approved Products

All requests to add a new Approved Product to Appendix 6 must be analyzed by the members of the RMC, and NCPA's General Counsel to determine what risks such product may create for NCPA, and what business needs exist that provide the basis for adding the new product to the Approved Products list. All requests to add a new Approved Product to these Regulations must be presented to the ROC for consideration, and if approved by the ROC shall be added to Appendix 6 as an Approved Product. Any product not listed as an Approved Product in Appendix 6 of these Regulations is considered to be a new product.

A report to the ROC recommending approval of a new Approved Product shall address the issues described in the New Product Approval Checklist contained in Appendix 5 of these Regulations. The New Product Approval Checklist is a guideline for activities that should be performed in evaluating and mitigating the market and credit risks associated with use and deployment of new products.

Front Office staff have primary responsibility for developing the report to identify the business needs for the new Approved Product being requested, and an assessment of risks that NCPA may be exposed to by transacting the new Approved Product. Once the report has been reviewed by the RMC, Front Office staff are responsible for presenting the report to the ROC for consideration and approval. Primary responsibility may be delegated by Front Office staff to those individuals having special knowledge or expertise of the activity or new product type.

6. Systems, Tools and Training

NCPA employees who are authorized to perform energy risk management functions on behalf of NCPA shall be provided by the Agency with the necessary systems and tools to support all risk management processes, including:

- Access in real time to market activity, prices and other data;
- Systematically evaluating the financial condition, credit standing and ability to perform of other entities with whom NCPA does business;
- Analyze the trends of supply, demand, market prices and costs of service;
- Record transactions accurately, timely and completely;
- Measure key indicators and risk parameters; and
- Generate complete and accurate management and financial reports.

Provision of funding shall be requested and made in the budgets submitted for each division that performs market risk management functions on behalf of NCPA, for the acquisition and maintenance of computer systems, software, communications equipment, data services and other analytical, measurement and reporting tools. Provision of funding shall also be requested and made in the budgets submitted for each NCPA division, which performs market risk management functions on behalf of NCPA for managers and staff to attend seminars and courses in risk management as required to comply with the ERMP and these Regulations.

7. Compliance Exceptions and Reporting

7.1. Compliance Exceptions

Compliance exceptions are actions which violate the provisions and/or requirements as set forth in the ERMP and these Regulations, and/or the procedures developed and approved by the ROC.

The following types of occurrences shall not be considered compliance exceptions:

- Losses incurred on wholesale transactions which were undertaken in compliance with the ERMP and these Regulations;

- Adverse changes in credit standing, financial condition or ability to perform of a wholesale trading counterparty which occur subsequent to the execution of a transaction or contract;
- Adverse changes in capital asset valuations, MTM exposures, or CVaR resulting from fluctuations in prices subsequent to the execution of a transaction or contract; and
- Actions compelled by order of regulatory authorities or by legislation, which are otherwise in violation of the ERMP, these Regulations, and/or related Procedures.

7.2. Exception Reporting

In the event a compliance exception occurs, the ERM is responsible for notifying the RMC and ROC within 48 hours after it is identified and ensure that the Front Office prepare a report (Exception Report) for the ROC at its next meeting. The Report shall identify the issue or violation, and discuss the alternative remedial actions, document the action taken in response, and describe the steps that will be taken to prevent a reoccurrence of the event. A summary of all exceptions shall be reported at least annually to the Commission by the ERM.

8. Risk Management Methodologies

8.1. Measurement of Risks

NCPA measures risk by estimating how high or low future supply costs and revenues could be by analyzing a particular portfolio position and specific confidence level of market price movements. These estimates apprise management as to the risks inherent in a particular position and are used to make decisions to accept that risk or to reduce the risk by changing the position or the portfolio management strategy going forward.

Volumetric variability is estimated as part of the load and resource forecasting process. Normal, High and Low scenarios are provided as part of the annual budget process. An updated load and resource forecasted balance is provided each month. Volumetric uncertainty shall be incorporated in the quantitative risk measures that NCPA tracks and reports on a regular basis. The financial consequences of volumetric risk depend upon both how actual loads and supplies compare to forecasts, and on market price variations.

Market price risk is measured by calculating forward price volatility (either using recent historical data for forward prices or market prices for options), and applying that volatility to the future to see how costs and revenues could change if there were an adverse market price movement.

Counterparty credit risk measures are captured in reporting of counterparty exposure and transaction limits.

Appendix 8 of these Regulations provides a more detailed description of NCPA's risk measurement methodology. Risk management reports that are presented to management and the ROC are described in Appendix 7 of these Regulations.

9. Risk Limit Structure

NCPA sets risk limits in order to mitigate risk exposure within the broad objectives of optimizing the value of NCPA's and Participating Members' assets, and serving Participating Member loads at cost effective and stable prices. Transaction limits authorized in Appendix 4 shall comply with the requirements described in this Section 9.

Portfolio risk limits are expressed based on volume, duration, dollar value, and CVaR. Risk limits include: (1) qualification criteria for counterparties, including creditworthiness and required contractual provisions, (2) counterparty credit limits, and (3) preferred contractual terms. Counterparty credit risk limits are intended to monitor and contain potential losses due to counterparty default. This Section 9 also includes a brief discussion of risk monitoring and reporting requirements.

Risk limits may be employed to indicate either:

- An exception, which requires an Exception Report to the ROC;
- A warning, which indicates that a risk measure is outside of an acceptable tolerance band, and should be reported to the ROC promptly; or
- A standard, such as minimum qualifications or contract provisions.

Risk limits are subject to regular review and adjustment by the ROC as market conditions change. Risk limit metric methodologies and limits are further explained in Part II of these Regulations.

9.1. Basic Principles for Setting Risk Limits

The following set of basic principles shall guide the general approach to setting risk limits (including but not limited to credit exposure limits, contract duration, volume, and transaction limits):

- Enable staff to conduct required business effectively
 - Volume and dollar limits adequate to reliably meet physical and financial requirements at prevailing prices
- Reflect the risk-reward tradeoffs consistent with NCPA's risk tolerance
 - Duration, volume, dollar and exposure limits appropriate for associated risks
- Favor strong counterparty attributes
 - Creditworthiness and financial strength
 - Favorable contractual terms
 - Demonstrated performance
- Promote fair and competitive transacting process
 - Should not narrow field to a single supplier or unduly favor any supplier
- Promote diversification
 - Diversifying with multiple counterparties, when feasible, to limit credit and supply exposures

- Facilitate operational flexibility
 - Allow for load uncertainty, resource uncertainty, and other contingencies
- Facilitate conformance to the ERMP and Regulations
 - Clear, measurable, consistent and enforceable
- Balance burden of monitoring and enforcing limits with value
 - Not so complex and cumbersome that it takes too many resources to manage

9.2. Portfolio Risk Limit Guidelines

Portfolio limits facilitate: (1) adhering to policies and procedures, (2) quantifying risk tolerance levels for risk monitoring, reporting and control, and (3) reducing operational risks.

Portfolio limits must take into account:

- Load and resource balance variability – monthly and seasonal variation;
- Load and resource balance uncertainty – confidence intervals around expected values;
- Minimum feasible wholesale transaction size – Approved Products are traded in large discrete package sizes; and
- Operational flexibility and constraints – customer responsiveness, system reliability.

Risk limits shall be reviewed and updated by the Middle Office and Front Office in conjunction with development of the long-term power supply forecast, as part of the annual budget process, or more frequently as deemed necessary.

9.3. Net Position Guidelines

Purpose: Net position guidelines specify the physical load and resource balance tolerance levels within which NCPA staff shall recommend transactions to comply with these Regulations, and to ensure that Approved Products are transacted to meet resource balance requirements.

Applicability: Net position guidelines apply to Approved Product transactions that are one month in duration or longer. These transactions include all must-take, fixed-priced contracts, index-priced contracts¹, fixed-priced Call Options, planned allocations from generating resources, and the long-term contracts (e.g., Western Base Resource, fuel/pipeline management contracts).

For all other transactions:

1. Option transactions shall be excluded from the Net Position guidelines until exercised, but shall be included in transaction reporting to the ROC. Options to transact Approved Products that have been exercised, or any other transaction

¹ A transaction priced based on an index rate that is directly offset with a matching transaction priced at the same index rate (e.g., a sales transaction that is directly offset with a like purchase transaction) shall be excluded from the calculation of a Participating Member's net position.

that commits NCPA to take delivery or commit resources, shall be included in the Net Position guidelines.

2. Put options that have not been exercised are not included in the Net Position guidelines as they reflect a potential short position and would understate the Net Position. Put option transactions shall be included in transaction reporting to the ROC.
3. Within-the-month Approved Product transactions are operational in nature, and require flexibility to balance hourly, daily, and weekly, and balance-of-month load variations. Net Position Limits guidelines do not apply to within-the-month transactions, but they are included in transaction reporting and total deliveries reported to the ROC.
4. Resource Adequacy capacity, GHG Compliance Instruments, transmission, transportation, ancillary services, basis, and storage requirements are set by reliability based technical standards, regulatory requirements, or maximum potential usage in order to reliably meet real-time and peak demand. Net Position guidelines do not apply to these Approved Products, but staff shall inform the ROC of the criteria used for estimating NCPA's and the Participating Members' needs.
5. Transactions of surplus or excess Approved Products made available through existing physical assets or contracts (e.g. due to hydro conditions) shall not constitute Speculation, but shall be reported to the ROC.

The net changes in physical position due to buy-sell transactions executed to offset positions with a counterparty, effect transportation or transmission transactions, or other approved purpose shall be included in the Net Position guidelines.

10. Risk Control Structure

10.1. Control Principles

NCPA will strive to conduct its energy risk management activities in accordance with best practices of the wholesale electric industry, but implementing such practices must be justified and balanced as to their costs and benefits. Processes and control systems must be in place that allow NCPA to identify, measure, monitor, control and track its risk exposures. These processes and control systems shall be consistent with the following risk management control principles:

- Appropriate segregation of duties and internal controls;
- Appropriate systems to ensure accurate, timely, and effective management reporting;
- Necessary resources in place to achieve management objectives;
- Attract and retain skilled and trained personnel;

- Cross-train and provide cross-coverage;
- Employees conducting Energy transactions who are free of conflicts of interest;
- Authority and approval delegation that is commensurate with accountability and capability;
- Performance measurement and reporting incorporate risk and return measures;
- Ongoing monitoring of control effectiveness; and
- Periodic Commercial Compliance training

10.2. Functional Responsibilities

NCPA has integrated but segregated responsibilities to control risks in a manner consistent with the above control principles by means of clearly defined roles and responsibilities for the Front Office, Middle Office, and Back Office. Oversight functions are performed at an operational level by these offices, and managed at an executive level by the Commission, General Manager, ROC and RMC. These functional responsibilities are described in detail in Section 4 of these Regulations.

10.3. Transaction Capture Process

All transactions² of Approved Products must be formally and officially documented by NCPA. Transaction capture procedures shall address all of the following elements:

- Authorization/Approval (e.g., participant authorization form as used in the market purchase program agreement);
- Competitive bidding;
- Commitment to the transaction;
- Recording the transaction;
- Confirming the validity of the transaction with the counterparty;
- Inputting the transaction into the deal capture system within one business day;
- Actual product delivery; and
- Billing and settlement.

10.3.1. Authorization/Approval

The appropriate authorizations and approvals must be obtained by Front Office staff prior to transacting Approved Products. Such authorizations may be in the form of predefined contractual authorizations, specific authorizations made by Participating Members through the submission of a contract based participant authorization form, or as defined in the ERMP or these Regulations. Front Office staff shall obtain approval from duly authorized personnel (supervisor or higher) with specified *time and volume* limits as specified in Appendices 3, 4 and 5 before consummating any transactions for Approved Products.

² Transaction for a term of balance-of-month or shorter are not subject to certain elements of the transaction capture process, as further described in the respective transaction procedures.

10.3.2. Competitive Bidding

For Approved Product transactions scheduled for delivery further than one (1) week in advance, quotes for forward commitments, with the exception of exchange traded transactions, must be obtained competitively from available and approved counterparties, consistent with the size and type of transaction and counterparty. Alternatives are to be evaluated on an equivalent basis (similar quality, volume, duration and options), adjusted for such factors as transmission, losses, etc. Front Office staff must obtain quotes from at least two (2) qualified suppliers, with the exception of member-to-member transactions, if two (2) approved counterparties are available. Alternatives are to be evaluated on an equivalent basis (similar quality, volume, duration and options), adjusted for such factors as transmission, losses, etc.

Transactions occurring for delivery of product within one week or less, or exchange traded (e.g. NYMEX, ISO, ICE, etc.) transactions, do not require formal written documentation that two (2) quotes were obtained beyond what is entered in the deal capture system.

10.3.3. Commitment to the Transaction

A commitment is a legally binding contract between NCPA and a counterparty. The Front Office must be the point of commitment for all Approved Product transactions. Final price commitments may only be made by authorized NCPA transacting personnel. Commitments shall be made verbally or electronically in the case of an electronic exchange. Transacting personnel shall only transact with counterparties who are listed on the Approved Counterparties List.

10.3.4. Recording the Transaction

All transactions must be recorded.³ Verbal commitments must be executed on a recorded telephone line when available, and shall be stored and maintained in accordance with NCPA's records retention policy. Electronic commitments must have an electronic audit trail. All transactions must be evidenced by a deal control system entry prepared in a timely manner. All transaction information shall be time and date stamped at the time of commitment.

10.3.5. Confirmation

A confirmation is a written document evidencing a verbal or electronic commitment made by NCPA transaction personnel. All confirmations must agree with the transacting person's commitments, as evidenced by phone records, deal capture system entries or other supporting documentation. All confirmations must be reviewed and confirmed by Back Office personnel for accuracy. The Front Office shall generate a written confirmation, when required, in any case where the counterparty does not provide or require a written confirmation. Any transaction that is not confirmed by the counterparty will be subjected to review and

³ Real-time verbal and electronic commitment dates and times are recorded in the dispatch log. GHG Compliance Instruments are recorded in the CITTTS system maintained by the California Air Resources Board.

identification by the Front and Back Offices. All written transaction confirmations shall be stored by NCPA (e.g., in the SharePoint system) consistent with NCPA's records retention policies. Written confirmations are not required for any transaction with a duration of less than seven (7) calendar days.

Pursuant to the rules and requirements adopted under the Dodd-Frank Act, any Bookout transaction made by NCPA shall be documented in the deal capture system, and marked as a Bookout transaction. As a general business practice, any Bookout transaction entered into prior to the real-time scheduling timeframe shall, by default, be made due to economic considerations, provided, however, if a Bookout transaction is made prior to the real-time scheduling timeframe for any reason other than economic considerations, the reason for the Bookout transaction shall be documented in the deal capture system. As a general business practice, any Bookout transaction entered into during the real-time scheduling timeframe, by default, shall be made due to operational curtailments, provided, however, if a Bookout transaction is made during the real-time scheduling timeframe for any reason other than an operational curtailment, the reason for the Bookout transaction shall be documented in the deal capture system.

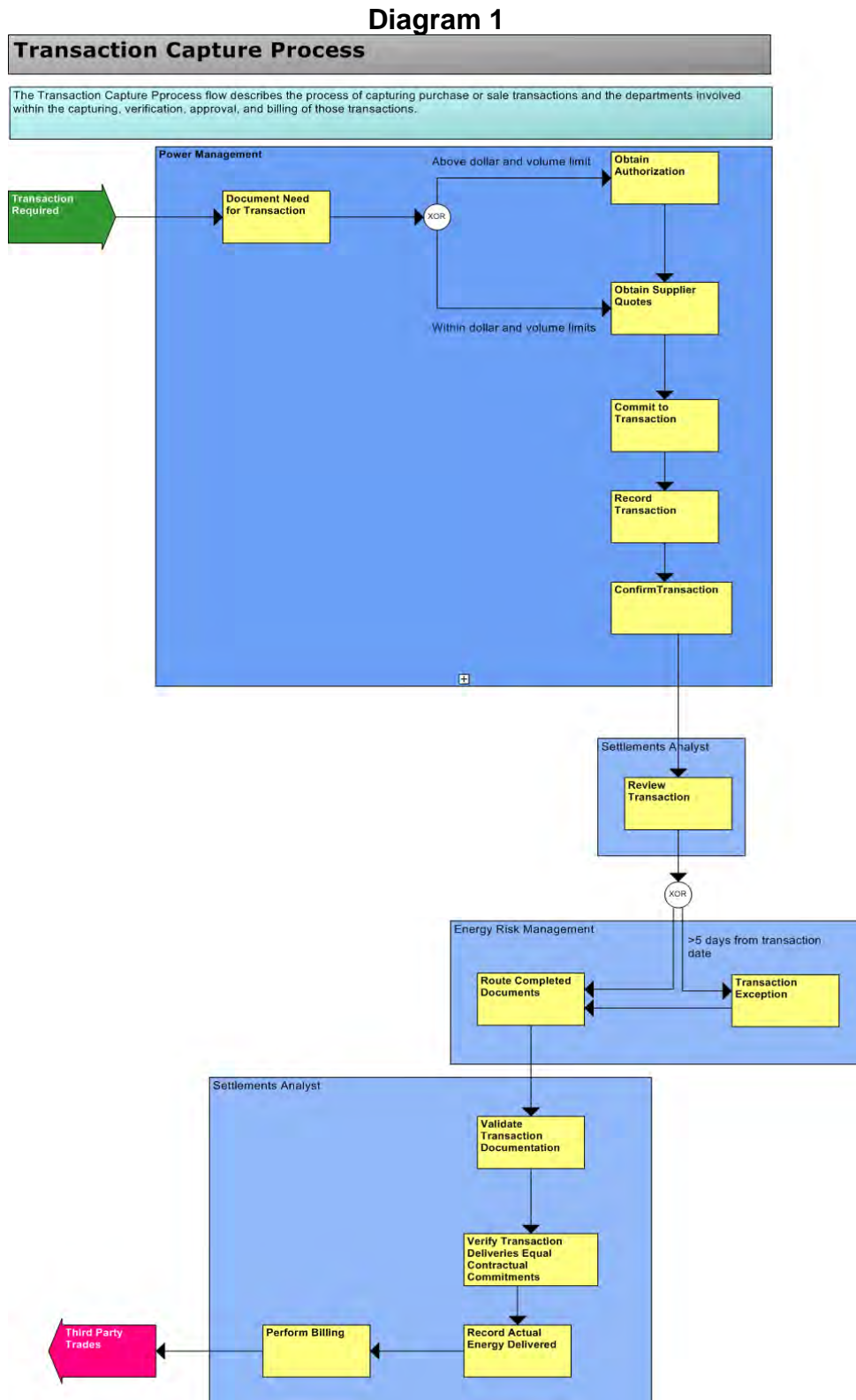
10.3.6. System Input

All transactions must be entered into the deal capture system, and the transaction information shall be maintained in accordance with NCPA's record retention policy. All transactions shall be entered into the deal capture system by Front Office personnel. Deal capture system input shall be performed no later than one business day after the deal was confirmed. Once a transaction is entered into the deal capture system, Back Office staff shall review the deal entry to confirm that the information entered into the deal capture system is consistent with the transaction confirmation, if required. If the data entry is found to be correct by Back Office staff, the deal shall be approved for accuracy. If the data entry is found to be inconsistent with the deal confirmation, the Back Office staff shall notify the Front Office staff to make the necessary corrections to the data entry stored in the deal capture system.

10.3.7. Billing and Settlement

Back Office staff ensures that bills are issued to counterparties with outstanding accounts receivable, and reviews bills for transactions to verify that the bills match the terms of the contract and the amount of product actually delivered (this process is generally referred to as the "checkout process").

Diagram 1 below is a representation of the transaction capture process:



Energy Risk Management Regulations

10.4. Management Reporting Framework

The key to energy risk management is monitoring of risks. Accurate and timely information must be provided to all parties involved in any aspect of energy risk management, to allow them to perform their functions appropriately. Reports can be categorized into three main areas:

1. Risk Monitoring – illustrate risks that are faced ahead;
2. Oversight – show compliance with policies, authorities or risk limits; and
3. Performance – compares budget to actual regarding total dollar, megawatt hours, and average price per MWh.

A complete list of management reports for each level of oversight is provided in Appendix 7 of these Regulations. These reports shall be prepared on a frequency as indicated in Appendix 7. New reports, or changes to existing report formats, may be recommended by the RMC and/or ROC, and shall be approved by the ROC.

10.5. Internal Controls

Internal controls shall be based on proven principles that meet the stringent requirements of generally accepted auditing standards (GAAS), financial institutions and credit rating agencies. The required controls shall include all customary and usual business practices designed to prevent errors and improprieties, ensure accurate and timely reporting of results of operations, provide information pertinent to management and facilitate attainment of business objectives.

The required controls shall include the following:

- Segregation of duties between initiation, confirmation, monitoring and settlement transactions;
- Delegation of authority that is commensurate with responsibility and capability;
- Complete and precise capture of transaction and other data, with standardization of electronic and hard copy documentation;
- Meaningful summarization and accurate reporting of transactions and other activity at regular intervals;
- Regular independent compliance review to ensure that the ERMP and these Regulations are adhered to; and
- Active participation of senior management in the risk management process.

11. Conflict of Interest

All NCPA employees who are engaged in Approved Product transactions, counterparty credit evaluation, or oversight of the foregoing and are employed in any job classification listed in Appendix “A” of the NCPA Conflict of Interest Code are required to complete annual conflict of interest filings on FPPC Form 700, and disclose investments as required by that Code. They are required by that Code to abstain from participating in or attempting to influence any

decisions that foreseeably would have a material financial effect on any such investment.

In addition to the foregoing disclosure requirement, NCPA employees engaged in Approved Product transactions, counterparty credit evaluation, or oversight of the foregoing are barred from direct investment in any company with whom NCPA has consummated any Approved Product transaction within the last two (2) years. Further, such employees must divest existing direct investments in Approved Product counterparties prior to engaging in any negotiating, evaluating, transacting or oversight functions. The ban on investment and requirement for divestment applies regardless of whether or not the investment would be of sufficient size (\$2,000) to require disclosure on FPPC Form 700. As used in this section, a “direct” investment means an investment which, if of sufficient size, is of a nature that would constitute an “investment” pursuant to the California Political Reform Act.

An employee’s annual Form 700 report will be on file with the Executive Assistant of the General Manager for periodic by their supervisor and/or manager for the purpose of identifying potential financial conflicts of interest. Updated copies of Form 700 shall be given to the supervisor/manager by the NCPA Conflict of Interest Filing Officer designated in the NCPA Conflict of Interest Code. The General Counsel will assist in reviewing these forms and providing legal advice in connection with such reviews on request.⁴

12. Policy Review

Prudence is required in implementing any and all policies and procedures. Market and industry conditions, technology and risk tolerances tend to change over time. Therefore, the ERMP and these Regulations should be reviewed at least biennially or as necessary, in order to make adjustments in response to changes in business objectives and/or industry conditions. All recommended amendments to the ERMP are to be reviewed by the ROC and presented to the Commission for final review and approval. Changes to these Regulations shall be reviewed and approved by the ROC.

⁴ Non-staff ROC members shall not be subject to the requirements of Section 11 since their oversight functions are generally not transactional and company specific. Non-staff ROC members may be subject to conflict of interest compliance requirements at each of their own organizations.

Part II: Counterparty Risk Management

13. Organizational Philosophy Toward Counterparty Risk

13.1. Objective and General Risk Policy

NCPA's power management activities are directed toward the goal of providing Energy, capacity, transmission and related services to its Participating Members at the lowest possible cost consistent with an acceptable level of risk. NCPA fulfills its supply obligations by using generating assets it or its Participating Members own or control, or by contracting with counterparties for the purchase or sale of such assets on a long-term or short-term basis. Effective wholesale counterparty management and credit analysis is essential to mitigate the counterparty risks associated with Approved Product transactions in the Energy wholesale markets. The objective of the wholesale counterparty risk policy is to preserve NCPA's capital, liquidity and supply reliability by limiting counterparty credit risk and diversifying with multiple counterparties when feasible.

13.2. Expectations of the NCPA Commission

Analytical procedures for granting open lines of credit and managing counterparty exposures are required. However, NCPA recognizes that the models used in managing credit risk are not predictive; they are explanatory. Credit risk management models cannot predict individual credit events or collective credit events. The Administrative Services division is expected to manage counterparty risks to acceptable levels defined in section 18.2, guidelines established by the ROC and approved by the Commission. The Commission and the Participating Members recognize that NCPA is generally a net buyer of Energy. Exposure to wholesale counterparty credit risk will normally be greater in periods of rising market prices due to higher replacement costs in a rising market. On the other hand, in high hydrological conditions, where excess generation may be available for sale on the wholesale market, NCPA is exposed to greater counterparty credit risk if counterparties fail to take delivery, or if they fail to pay for power delivered. Retail customer activity is not part of NCPA's current business; therefore, it is not included in these policy requirements.

14. Counterparty Risk Definitions

14.1. Counterparty Risk

Counterparty risk is defined as the exposure to economic loss resulting from default by another party to a contract. Such risk exists in all financial and commodity markets and can be distinguished from other financial risks such as market risk, operational risk and regulatory risk.

Counterparty risk affects both contracts requiring physical settlement and those specifying monetary settlement. Contractual payments can result from purchases or sales. Under a sale, the counterparty owes cash and a receivable is created. The holder of the receivable is at risk of financial loss if the receivable is ultimately uncollectible. Under a purchase, the counterparty is obligated to deliver a product. However, the counterparty may also be required to reimburse the purchasing party for financial loss in the event of delivery failure. Therefore, the purchasing party is at risk of financial loss if the counterparty is unwilling or unable to reimburse for financial losses.

The ERMP states that for all fixed price Approved Product transactions, the counterparty must possess a public credit rating of at least a BBB- (or equivalent investment grade rating) by a nationally recognized statistical rating organization (NRSRO). NCPA staff may consider counterparties with a rating below investment grade or counterparties with no NRSRO rating on a case-by-case basis with the approval of the Commission if the value of the transactions exceeds \$250,000. If ratings differ between NRSRO's, the lowest available rating will be used for underwriting purposes.

14.2. Credit Risk

For the purchaser of an Energy related product, credit risk is defined as the difference between the contracted price and current market price of a contracted product. If the current market price is greater than the contracted price, a positive MTM exists, thus exposing the purchaser to credit risk in the event of supplier default.

If the current market price is less than the contracted price, a negative MTM exists. The purchaser has credit exposure with a negative MTM if the deal is subject to termination or MTM damages. There is no credit exposure with negative MTM if the deal is subject to one-way liquidating damages and the purchaser is not the defaulting party.

If the seller has a positive MTM position in a transaction, the seller is exposed to profit risk in the event the counterparty defaults, where the seller would lose its opportunity to above market revenue. In contrast, if the seller has a negative MTM position in a transaction, the seller is exposed to liquidity risk and may be subject to margin calls if the MTM exceeds established credit limits.

15. Underwriting Standards

All transacting counterparties shall be reviewed for creditworthiness. This review shall include:

- A search of public debt and implied unsecured credit ratings as published by a NRSRO such as Standard & Poor's, Moody's Investor Services, Kroll, and Fitch; or
- Review of at least the two (2) most recent years audited financial statements receiving an unqualified opinion from a certified public accounting firm; or
- Other information, as available, from news services, trade publications, financial websites, etc.

For transacting counterparties without NRSRO ratings, NCPA credit staff shall determine an implied rating according to NCPA's internally-developed methodology and rating scale. Transacting for all counterparties shall require an implied "investment grade" rating of BBB- or its equivalent, at a minimum. NCPA credit staff may consider counterparties with a rating below BBB- or its equivalent on a case-by-case basis. All sub-investment grade rated counterparties that exceed the limits in section 19.3 require ROC and or Commission approval before transacting and may require credit assurances or other considerations.

16. Credit Risk Measurement

Credit risk exposure should be measured as: (1) current exposure, and (2) potential exposure. Current credit risk exposure to a single counterparty is defined as the sum of: (1) the dollar value of all amounts invoiced and unpaid, and (2) the dollar amount of all uninvoiced deliveries. Potential credit exposure is the MTM value of all forward contracts from today forward, as reported by the business unit.

Total credit risk exposure is the sum of the variables shown in the formula below, less all offsetting amounts that are supported by legally binding netting agreements or available collateral. NCPA's credit exposure measurement is defined by the following formula:

$$\text{Credit Exposure} = \text{Current and Prior Month Sales (Net Sales}^5) + \text{MTM} - \text{Credit Enhancements}$$

In addition, potential credit risk exposure is captured by the CVaR statistic. The CVaR statistic represents the maximum dollar loss at a 95% confidence level within a certain time, due to volatility in market prices if the counterparty defaults. CVaR is a dollar estimate of the risk that potential changes in market price would result in increased credit exposure for all forward contracts. CVaR shall be presented as supplementary information for credit benchmarking. NCPA's CVaR calculation methodologies are documented in Appendix 8 of these Regulations.

17. Credit Enhancements

Customers or counterparties that do not meet the minimum requirements for an extension of an open line of credit, as set forth in Section 15 and 18 of these Regulations, must post at least one (1) of the following types of security prior to the execution of transactions:

17.1. Guarantees and Surety Bonds

Counterparties may provide a guarantee from a third party, or parties, which meets the creditworthiness requirements set forth in Section 15 of these Regulations. If a counterparty provides a guarantee, the amount of any open line of credit will be determined through an analysis of the financial strength of the guarantor. The guarantor will be considered secondarily

⁵ Provided there is a netting agreement with the counterparty. Otherwise, it will be the receivable portion only.

liable for the obligations of the counterparty. In the event a surety bond is provided, NCPA will consider the surety bond as primarily liable for the obligations of the counterparty. All guarantees must be approved as to content and form by NCPA's General Counsel and filed in the Accounting Department.

Preferred terms for guarantees include, but are not limited to:

- A statement that the guarantee is one of payment and not of collection;
- A statement that the guarantor agrees to pay the guaranteed obligations on the date due;
- A statement that the guarantor's obligations under the guarantee rank pari passu with its senior unsecured debt obligations;
- A statement restricting the guarantor's right to terminate the guarantee, and any termination must still guarantee existing exposures as they may exist;
- A statement that the guaranteed obligations are unconditional, irrespective of value, genuineness, validity, waiver, release, alteration, amendment, and enforceability of the guaranteed obligations, and a statement that the guarantor waives the right of set-off, counterclaim, etc;
- A statement that the guarantee reinstates if any guaranteed payment made by the primary obligor is recaptured as a result of the primary obligor's bankruptcy or insolvency;
- A statement that the guarantor waives its right to subrogation until the guaranteed obligations are paid in full;
- A statement that the guarantee is binding on successors of the guarantor and a statement that NCPA is a beneficiary of the guarantee;
- A statement that the guarantee will be interpreted under either New York or California law; and
- A statement that the guarantor has subjected itself to jurisdiction and service of process in the jurisdiction in which the guarantee is to be performed (i.e., State of California).

Exceptions to the above concepts and/or acceptance of guarantees from entities domiciled outside the U.S. or Canada require ROC approval.

17.2. Letter of Credit

Counterparties may provide an irrevocable Letter of Credit in an amount sufficient to cover the amount in excess of the credit limit approved by NCPA at the date the transactions are entered into (e.g., MTM in excess of credit limit). Letters of Credit must have a term of at least 45 days past the term of the transactions. Letters of Credit must be issued by a domestic bank (or domestic branch of a foreign bank) that has a senior debt rating of at least "A" or its equivalent from a NRSRO. Approved Banks should be monitored for any potential Letter of Credit concentration between NCPA and various counterparties. All Letters of Credit must be approved as to content and form by NCPA's General Counsel and filed with the Accounting Department.

17.3. Prepayments

Counterparties may provide a prepayment or cash margin deposit in an amount that is sufficient to cover the related transactions. Discounts for prepayment, consistent with industry standards, may be applied to the sum owed as authorized by the Assistant General Manager of Finance and Administrative Services.

18. Quality Assessment

18.1. Counterparty and Credit Analysis

The ERM is responsible for ensuring a standardized credit screening process for all counterparties. All counterparties must be reviewed for financial creditworthiness according to these guidelines.

The ERM will submit a credit review report to the appropriate approval authority, depending on the level of credit requested, for consideration and action. For agency-rated counterparties, the ERM may elect a rating similar to one derived by a NRSRO, and waive initial review requirements, if the counterparty is recognized and established in the industry. As a result, a more stringent review process should be followed for those entities that do not possess a NRSRO rating and/or have marginal financial capacity.

All counterparty credit lines and credit reviews will be submitted to the appropriate authority level as authorized in Section 19 of these Regulations. ROC actions can result in the approval or rejection of a proposed counterparty, or in an amendment to credit limits approved under delegated approval authorities. Approved counterparties will be grouped into three tiers. A counterparty's tier status will be based on the credit evaluation matrix found in Table 1. More frequent monitoring may be required if a counterparty is subject to the possibility of a credit event (e.g., if their credit rating falls one full letter grade or greater, or if their credit rating falls below investment grade), or if industry factors dictate.

**Table 1
Credit Evaluation Matrix**

	Tier 1	Tier 2	Tier 3
Criteria	Bilateral master agreement or transactions of one (1) month or longer within past two (2) years	No greater than prompt month transactions within past two (2) years	No transactions in past two (2) years
Type of Trading	All	Prompt month or less	Day-ahead (Prescheduling time frame)/Real-time
Credit Evaluation Requirement	At least annually	At least biennially, or as needed	None
External credit and EDF ratings checked	For RFPs and at least annually	Annually	Annually
Credit Limit	See Section 19	\$500,000	\$100,000
Event Monitoring	On-going	On-going	On-going

18.2. Credit Limits

Once a counterparty has been determined to be creditworthy, a credit limit will be proposed. An open line of credit may be extended up to the lesser of 5% of the counterparty's adjusted tangible net worth⁶ or NCPA's maximum counterparty credit limits. In the case of municipal or public organizations, an open line of credit may be extended up to 10% of average free cash flow⁷ for the prior two (2) years not to exceed NCPA's maximum counterparty credit limits.

⁶ Tangible Net Worth (TNW) = shareholder equity – goodwill – intangible assets – receivables from officers – investments in other trading companies – off-balance sheet liabilities, etc.

⁷ Free Cash Flow = net income + non-cash charges such as depreciation + or - changes in accounts receivable, inventory, prepaid expenses, accounts payable, and accrued liabilities – cash dividends (general fund transfer) + net borrowing – capital expenditure.

NRSRO/NCPA Internal Rating

Maximum Counterparty Credit Limits

AA- and above	\$ 35 million
A+ to A-	\$ 25 million
BBB+	\$ 15 million
BBB	\$ 10 million
BBB-	\$ 5 million
BB+ and below	\$100,000 per Section 19.3

For example, if a municipal counterparty qualifies for a credit limit of \$10,000,000 based on the cash flow test (e.g., 10% of avg. free cash flow for past two (2) years), but only qualifies for an NCPA rating of BBB-, then the maximum policy limit allowed would be \$5,000,000.

Although a counterparty may qualify for a certain maximum credit limit, anticipated transaction volumes and other business factors may prompt the selection of a lower limit that is considered more appropriate. As a result, the credit limit methodology provides limit ceilings while allowing flexibility in response to normal business activities.

18.3. Concentration Limits

In addition to maintaining credit limits, NCPA staff shall strive to diversify transactions among counterparties. NCPA staff shall document the business reasons (e.g. differences in bid price, lack of other qualified suppliers, etc.) for awarding contracts to counterparties.

19. Approval Authorities

19.1. Credit Authorization

Approval authorities are based on the level of business experienced by NCPA on a historical and current basis within limits allowed under the Regulations. Authority to establish credit limits is segregated as follows:

Energy Risk Manager:	Up to \$ 10 Million
Assistant General Manager of Finance & Administrative Services:	Up to \$ 20 Million
General Manager	Up to \$ 30 Million
ROC:	Up to \$ 40 Million
Commission:	\$ 40 Million +

The maximum amount of any open line of credit to be extended to any customer or counterparty shall not exceed \$30 million unless authorized by the ROC. If credit lines exceeding \$40 million are anticipated, approval by the Commission is required.

19.2. Increases to Wholesale Counterparty Limits

Any increase to an existing open line of credit must have the written approval of the ERM, the Assistant General Manager of Finance & Administrative Services, the General Manager or the ROC, within the authorized limits stated in Section 19.1. A digital record shall be used to ensure written approval according to the limits authorized by these Regulations and saved in a records repository.

19.3. Credit Review Exceptions

Wholesale counterparties not subject to the above credit review criteria include those associated with day-ahead and current day purchases where risk associated with market movements is minimal. Sales transactions within the day-ahead and current day can be consummated with a counterparty that has not been assigned a pre-approved credit limit if the counterparty maintains at least a BBB-/Baa3/BBB- rating from an NRSRO. Such transactions may not exceed \$250,000 per counterparty.

If a counterparty or guarantor does not maintain any NRSRO rating, and if a counterparty credit review has not been performed in the past 24 months, a policy limit of \$100,000 in aggregate net receivables per counterparty may be authorized, with the approval of the Assistant General Manager of Power Management or Energy Risk Manager, until a formal review can be completed. These individual non-rated counterparty limits are subject to a total net receivable portfolio limit not to exceed \$1,000,000, in aggregate.

20. Wholesale Credit / Counterparty Management

20.1. Monitoring and Reporting Exposures

The ERM is responsible for monitoring and reporting on the risk management program. A list of reports, which document trade positions, risk exposure, authorization and policy compliance, may be found in Appendix 7 of these Regulations. The credit exposure for each customer or counterparty described in these Regulations may be monitored according to concentration in the following areas: credit rating, counterparty, contract type, contract term and MTM exposure.

The ERM is also responsible for communicating this information to management under the timelines outlined in Appendix 7 of these Regulations, and for establishing a violation reporting process to document exceptions to the ERMP or these Regulations. Exception Reports will document the nature of exception, and the actions taken to correct exceptions.

The credit risk reporting system should be integrated with the transaction processing system. This is generally an extension of the concept that credit risk assessment and reporting should be supported by the normal transaction processing system. The credit system, should be integrated with the deal capture system and should not be a stand-alone system, or an add-on with manual interface.

20.2. Master Enabling Agreements

The use of master enabling agreements⁸ to document trading relationships with counterparties is considered to be the preferred practice and should be followed whenever reasonably possible. The general form of such master enabling agreements shall be approved by the Commission upon recommendation of the ROC before any such master enabling agreement is used for any individual counterparty transaction. The table in Appendix 11 lists each enabling agreement and the terms of its use. Transactions entered into under such contracts and agreements are subject to the requirements of these Regulations, and limited to Approved Products. The department managers are responsible for ensuring that master enabling agreements are developed in conjunction with General Counsel review, approved by the Commission and used for the following transactions:

- The Western Systems Power Pool (“WSPP”) Agreement may be used as the master agreement for transacting Approved Products with WSPP members. The WSPP Agreement applies to all transactions between WSPP members unless the parties to a transaction expressly opt out of the WSPP Agreement.
- The Edison Electric Institute (“EEI”) Agreement, or its equivalent, as modified by a set of Commission approved special provisions, may be used as the master agreement for transacting Approved Products. The EEI Agreement provides for an array of reciprocal credit and collateral requirements for each party, and includes negotiated provisions as specified on a “Cover Sheet”. The EEI Agreement can also be supplemented with specific annexes (e.g., Credit Annex, Collateral Annex, REC Annex).
- Transmission transactions shall be consummated under an Open Access Transmission Tariff or Commission approved bilateral agreement.
- The NAESB Agreement, or its equivalent, as modified by a set of Commission approved special provisions, may be used as the master agreement for natural gas transactions.
- Master International Swap Dealers Association (“ISDA”) Agreement, or its equivalent, may be used as the master agreement for transacting financial based Approved Products.
- LEAP Master Agreement for Low Carbon Fuel Standard Credits (“LCFS Master Agreement”)⁹

A master enabling agreement executed by NCPA and a counterparty provides the general terms and conditions for all transactions entered into with that counterparty. All master enabling agreements are to be executed and entered into in accordance with the ERMP and these Regulations, and with applicable NCPA policy and procedures.

Netting agreements should be incorporated into all counterparty agreements and transactions.

⁸ The form and content of each master agreement must be approved by the Commission.

⁹ The LCFS Master Agreement shall be deemed approved pursuant to the transaction requirements as set forth in Appendix 10 of these Regulations.

20.3. Premium Surcharge on Counterparties Without Master Enabling Agreement

Master enabling agreements require credit and performance assurances from a counterparty that provide protection against counterparty credit risk. In the event NCPA desires to transact with a counterparty without such assurances, a premium surcharge of ten percent shall be imposed on the counterparty's bid to compensate for its increased credit risk and allow for comparison of the relative prices, taking into account the varying credit risks which might be incurred.

20.4. Margin Calls

If a counterparty has exceeded a credit limit, the ERM is responsible for initiating a margin call if such action is authorized under the applicable master enabling agreement. Calling margin may include a request for cash collateral or other credit enhancement (i.e., letter of credit, etc.). A margin call is necessary when counterparty credit exposure exceeds an established credit limit. The appropriate timing of a margin call is not dictated by these Regulations. However, factors such as counterparty financial capacity, volume of business, overall portfolio concentration and market conditions should be considered. A margin call should be considered necessary if credit exposure exceeds the counterparty's limit by more than one ratings notch¹⁰. The same would apply if the counterparty suffers a ratings downgrade.

NCPA as a buyer or seller may be exposed to margin calls from counterparties. The ERM must be aware of collateral thresholds assigned to NCPA by counterparties, and monitor these limits no less than monthly, and shall keep the Assistant General Manager of Finance and Administrative Services informed in the event of market volatility. NCPA may be exposed to margin calls if a significant level of purchases or sales is reached.

20.5. Transaction Authority

No new transactions are to be entered into with counterparties that have exceeded their credit limits unless: (1) the new transactions are used to mitigate (offset) existing exposure, and (2) if those transactions have prior approval of the ERM, Assistant General Manager of Finance and Administrative Services, or ROC within authorized limits as established in this Regulations.

¹⁰ Notch as referenced by Nationally Recognized Statistical Rating Organization (e.g., from BBB to BBB+ represents one notch).

21. Segregation of Duties

Controls over counterparty inputs and systems operations are of particular importance in ensuring the integrity of data used in counterparty risk control and management. In all cases the ERM will be responsible for managing the counterparty review and ratings process and all counterparty reporting. Front Office staff is responsible for recommending new counterparties to the ERM for review and approval.

APPENDIX 1

DEFINITIONS

1. Definitions

Whenever used in these Regulations, the following terms shall have the following respective meanings, provided, capitalized terms used in these Regulations that are not defined in this Appendix 1 shall have the meaning indicated in Appendix A Master Definition Supplement of the CAISO Tariff:

- 1.1. “Approved Counterparty List” is a list of the active trading counterparties that have been authorized for trading, and that have been assigned an approved credit limit by the ERM or ROC.
- 1.2. “Approved Product” means transactions types or products that are authorized pursuant to these Regulations, as specifically identified in Appendix 6.
- 1.3. “Balance-of-Month Transaction” means a purchase or sale of electric Energy, capacity and/or other related attributes for a term not greater than one month to be performed or delivered within the current or next succeeding calendar month.
- 1.4. “Bookout” means a transaction where: (a) purchaser and seller had agreed in a transaction (first transaction) to make and take delivery under specified terms and conditions, (b) physical delivery in accordance with that first transaction did not occur for any reason, and (c) prior to the time performance of the first transaction was required to commence, the purchaser and the seller entered into a second transaction for the purpose of offsetting their respective obligations under the first transaction, and (d) the second transaction was performed, including performance by offset.
- 1.5. “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.
- 1.6. “CAISO Tariff” means the CAISO FERC Electric Tariff.
- 1.7. “Call Option” means an option that gives the buyer (holder) the right, but not the obligation, to buy a futures contract (enter into a long futures position) for a specified price within a specified period of time in exchange for a one-time premium payment. It obligates the seller (writer) of an option to sell the underlying futures contract (enter into a short futures position) at the designated price, should the option be exercised at that price.

- 1.8. “Cap and Trade Program” means CARB’s Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms as set forth in title 17, California Code of Regulations, chapter 1, subchapter 10, article 5 (commencing with section 95800), as such may be amended from time to time, or (ii) other GHG compliance obligations, including but not limited to, federal, regional, state, or local jurisdictions.
- 1.9. “CARB” means the California Air Resources Board, or its regulatory successor.
- 1.10. “CARB Offset Credit” means a tradable compliance instrument issued by CARB that represents a GHG reduction of GHG removal enhancement of one metric ton of carbon dioxide equivalent.
- 1.11. “Commercial Compliance Policy” means the Commercial Compliance Policy adopted by the Commission, as such may be amended from time to time.
- 1.12. “Commission” means the NCPA Commission.
- 1.13. “Congestion Revenue Right” or “CRR” means a financial instruments made available through the CAISO’s CRR Allocations and Auctions. CRRs are acquired primarily for the purpose of offsetting integrated forward market transmission congestion costs that are incurred in the day-ahead market on CAISO managed transmission paths.
- 1.14. “Cost of Value at Risk” or “Cost VaR” means a calculation that summarizes the expected maximum “cost” exposure over a target horizon within a given confidence level.
- 1.15. “Counterparty” means a party on either side of a transaction (i.e., purchasing counterparty as opposed to a selling counterparty).
- 1.16. “CRR Allocation” means the process of allocating CRR source-to-sink combinations, both annually and monthly, based on nominations by registered Candidate CRR Holders.
- 1.17. “CRR Auction” means the awarding of bids for CRR source-to-sink combinations, by the CAISO, made by Candidate CRR Holders based on criteria established by the CAISO.
- 1.18. “CVaR” means credit value at risk.
- 1.19. “Dodd-Frank Wall Street Reform and Consumer Protection Act” or “Dodd-Frank Act” means the compendium of federal regulations, primarily affecting financial

institutions and their customers adopted in 2010¹¹ in an attempt to prevent the recurrence of events that caused the 2008 financial crisis.

- 1.20. “Edison Electric Institute Agreement (EEI)” means a master electric trading contract in the form published by the Edison Electric Institute.
- 1.21. “Emission Allowance” means a limited tradable authorization to emit up to one metric ton of carbon dioxide equivalent.
- 1.22. “Emission Reduction Credit” means a certified tradable instruments representing the reductions of actual emissions of affected pollutants or greenhouse gas emissions as defined in and governed by the San Joaquin Valley Air Pollution Control District (the “SJVAPCD”) or other applicable air quality control districts.
- 1.23. “Energy” means an electric charge that lets work be accomplished.
- 1.24. “ERM” means NCPA’s Energy Risk Manager.
- 1.25. “ERMP” means the Energy Risk Management Policy.
- 1.26. “FERC” means the Federal Energy Regulatory Commission or its regulatory successor.
- 1.27. “Financial Coverage” Financial coverage defines the percentage of a member’s forecasted load costs covered by the expected revenues from generating resources, IST, or PPA. The financial coverage a thermal resource provides is net of that resource’s fuel cost.
- 1.28. “Forward Power Transaction” means an Energy transaction that starts beyond the Balance-of-Month.
- 1.29. “General Manager” means the General Manager of NCPA.
- 1.30. “Greenhouse Gas” or “GHG” includes, but is not limited to, carbon dioxide (“CO₂”), methane (“CH₄”), nitrous oxide (“N₂O”), sulfur hexafluoride (“SF₆”), hydro fluorocarbons (“HFCs”), perfluorocarbons (“PFCs”), and other fluorinated gasses.
- 1.31. “GHG Compliance Instrument” means any instrument, including but not limited to, Emission Allowance, CARB Offset Credit, or Sector-Based Offset Credit that can be used to fulfill a GHG emissions compliance obligation.

¹¹ Public Law 111-203, H.R. 4173.

- 1.32. "Letter of Credit" means a document, typically from a bank, assuring that a seller will receive payment up to the amount of the letter of credit, as long as certain documentary delivery conditions have been met.
- 1.33. "Long Term Transaction" means a purchase or sale of natural gas, electric power, capacity, transmission and/or other related attributes to be performed or delivered for a duration longer than a Balance of Month Transaction.
- 1.34. "MTM" means Mark-to-Market. MTM is a measure of the fair value of accounts that can change over time, such as assets and liabilities. MTM aims to provide a realistic appraisal of an institution's or company's current financial situation. The accounting act of recording the price or value of a security, portfolio or account to reflect its current market value rather than its book value.
- 1.35. "Natural Gas" means a flammable gas, consisting largely of methane and other hydrocarbons, occurring naturally underground (often in association with petroleum) and used as fuel.
- 1.36. "NCPA" means Northern California Power Agency.
- 1.37. "NRSRO" means nationally recognized statistical rating organization.
- 1.38. "Participating Member" is a member of NCPA who has entered into a contractual based agreement with NCPA to receive certain power management and administrative services resulting in transactions that are subject to the ERMP and these Regulations.
- 1.39. "Physical Coverage" defines the percentage of a member's forecasted load that is covered by a physical generating resource, IST, or PPA. Physical coverage does not include coverage from a generation asset that doesn't have a contract or contracts for the delivery of natural gas.
- 1.40. "Prompt month" means the next full calendar month beyond the current month.
- 1.41. "Put Option" means an option that gives the buyer, or holder, the right, but not the obligation, to sell a futures contract at a specific price within a specific period of time in exchange for a one-time premium payment. It obligates the seller, or writer, of the option to buy the underlying futures contract at the designated price, should an option be exercised at that price.
- 1.42. "Regulations" means these Energy and Counterparty Risk Management Regulations.
- 1.43. "Renewable Energy Credit" or "REC" is the (i) right to the environmental benefits from generating electricity from renewable Energy sources that can be sold and traded and the owner of the REC can legally claim to have purchased renewable

Energy, or (ii) as set forth in California Public Utilities Code §399.12, as such can be amended from time to time.

- 1.44. “Renewable Energy Products” means any combination of Energy, capacity, RECs, or other environmental attributes produced by a generation facility or resource that is eligible to satisfy applicable renewable Energy mandates as defined by federal, state, or local jurisdictions.
- 1.45. “Resource Adequacy” means the resource adequacy requirements established for load serving entities by their respective governing body having jurisdiction.
- 1.46. “RMC” means the Risk Management Committee.
- 1.47. “ROC” mean the Risk Oversight Committee.
- 1.48. “Sector-Based Offset Credit” means a credit issued from a sector-based crediting program once the crediting baseline for a sector has been reached.
- 1.49. “Speculation” means the practice of engaging in risky financial transactions in an attempt to profit from fluctuations in the market value of a tradable good such as a financial instrument. Speculation can in principle involve any tradable good or financial instrument.
- 1.50. “Transmission” means the bulk transfer of electrical Energy, from generating power plants to electrical substations located near demand centers. This is distinct from the local wiring between high-voltage substations and customers, which is typically referred to as electric power distribution.
- 1.51. “WSPP agreement” means a default standardized contract for electric power sales and physical options.

APPENDIX 2 RISK OVERSIGHT COMMITTEE

1. Roles and Responsibilities

1.1. ROC Members

All members of the ROC have the following responsibilities:

- Oversee implementation of risk strategy of NCPA as such pertains to transaction activities;
- Advise the GM on educational needs on risk management at all levels within NCPA;
- Review proposed changes to the ERMP and these Regulations by other ROC members;
- Attend all ROC meetings or ensure that fully-briefed alternates attend, including meetings requested by a member requiring ROC approval in a timely fashion; and
- Monitor key activities of the Front Office, Middle Office and Back Office as such pertain to transaction activities.

1.2. ROC Advisors

The ERM has the following responsibilities:

- Testing and reviewing compliance to procedures and internal controls; and
- Periodically monitoring and reviewing changes to procedures and internal controls, including those related to energy risk management.

NCPA's General Counsel has the following responsibilities:

- Reviewing and approving all forms of contracts used by NCPA to consummate transactions of Approved Products;
- Determining what legal documentation is required, and proposing monitoring and review procedures to ensure legal and regulatory compliance with the ERMP and these Regulations; and
- Reviewing processes and procedures associated with transaction activities to ensure legal compliance with all local, state and federal laws and regulations.

ROC members' and all advisors' roles and responsibilities are detailed in the Table 2 below:

**Table 2
Roles and Responsibilities**

Responsibility	General Manager	AGM, Admin Serv.	AGM, Power Mgmt.	ERM	General Counsel
Oversee implementation of NCPA's risk strategy.	✓	✓	✓	✓	
Verify to ROC that rules related to transacting authority and speculations are complied with by Front Office.				✓	
Verify to the ROC that all adopted Regulations are consistent with applicable law.					✓
Verify that Front Office and Back Office staff are in compliance with all policies and regulations.				✓	
Verify that the ROC is provided the most accurate forecast possible of market trends and a summary of stress testing and sensitivity analysis.				✓	
Ensure to the ROC that operational performance of the Front, Middle and Back Offices are in conformance with policies approved by the Commission.	✓			✓	
Verify to the General Manager that operational performance of the Front, Middle and Back Offices are in conformance with the ERMP and these Regulations.		✓	✓	✓	
Verify that the ROC is provided with an accurate report on Front Office operations.			✓	✓	
Ensure to the ROC that the Middle Office reporting is accurate and in compliance with Middle Office policies.		✓		✓	
Verify that the ROC is provided an accurate reporting of all transactions.				✓	
Ensure that the ROC is provided accurate reporting of risk measures and performance monitoring (including MTM, Cost VaR, CVaR) and compliance (limits, transaction authority, transaction type, instrument type).				✓	
Verify to the ROC that all approved contracts and enabling agreements have followed a process that is consistent with applicable law.					✓

Ensure that the ROC is provided with an accurate report on all Middle Office operations, especially with regard to market and credit exposure.		✓		✓	
Ensure that the ROC is provided with accurate reports on any transactions which exceeded limits, and proposed actions on strengthening compliance procedures and recommendations for corrective action.				✓	
Ensure that the ROC is provided with reporting that is consistent with the ERMP and these Regulations.	✓	✓	✓	✓	
Provide accurate reports to the ROC on any discrepancies between the Back Office settlement and reconciliation with the deal capture system.		✓			
Provide accurate reports on the risk management program to the Commission.	✓	✓	✓	✓	
Provide timely support and legal advice to the Front, Middle and Back Office operations and to the ROC.					✓
Provide accurate reports on trading operations and all transactions carried out since last ROC meeting and summary of current and future transaction strategies.			✓		
Provide accurate reports on operational performance of Front and Back Offices with strategic objectives and provide solutions for violations.				✓	
Review proposed changes to ERMP by other ROC members.	✓	✓	✓	✓	✓
Advise ROC on analysis of potential enabling agreements with regard to Front and Back Office operations.	✓	✓	✓		
Advise ROC on consideration of pending enabling agreements and large contracts with regard to market and credit risk.			✓	✓	
Advise ROC on proposed portfolio and trader limits.	✓	✓	✓	✓	
Attend all ROC meetings or ensure that a fully briefed delegated representative is present.	✓	✓	✓	✓	✓
Advise ROC on proposed changes to Middle Office procedures.		✓		✓	
Provide ROC with "market view" of future market conditions and results of market models.			✓		

Provide ROC with “market view” of financial market conditions and implications on an as needed basis.		✓			
Monitor key activities of Front, Middle and Back Offices.		✓	✓	✓	
Present ROC-approved recommendations for changes to ERMP for consideration by the Commission.	✓				
Brief the ROC on transaction operations with special regard to transacting authority and speculation issues.		✓	✓		
Advise ROC on education needs on risk management at all levels within NCPA.	✓	✓	✓	✓	✓
Serve as Chairperson for ROC.	✓				
Serve as official spokesperson for the ROC reports to the Commission.	✓				
Determine documentation and legal review requirements to all processes are consistent with applicable law.					✓
Ensure Front and Middle Offices, and General Counsel participate on new product or transaction type development team.		✓	✓	✓	✓
Propose change to Front and Back Office Regulations.	✓	✓	✓	✓	✓

APPENDIX 3

AUTHORIZED CRR TRANSACTING GUIDELINES

1. Congestion Revenue Rights Transacting Guidelines

Congestion Revenue Rights are used by CAISO market participants to hedge against the cost of congestion associated with delivering resources to serve load obligations within a locational marginal price (LMP) market.

1.1. CRR Allocation Process

NCPA staff will participate in the CRR Allocation and Auction markets as follows:

NCPA staff nominates its CRRs during the allocation process in general conformance with the following methodology:

- CRR nominations are limited by the seasonal/monthly eligible quantities.
- CRR valuation of source/sink combinations are based upon the historical congestion component of the LMP. If access to an Integrated Forward Market (IFM) pricing model becomes available, simulated prices may be used in the CRR valuation process.

CRRs that have NCPA generation or scheduling points as sources, and the DLAP_PGAE-APND pricing node as the sink, are nominated first when the expected average congestion is statistically greater than zero, and no one historical period exhibited large negative congestion. Nominated amounts are equal to or less than expected generation in order to create a perfect or partial hedge. When expected congestion is low, nominated amounts are low and increase as expected congestion increases.

- After exhausting possible NCPA source/sink pairs, then nominations may be made from non-NCPA source/sink combinations that statistically have positive average congestion across historical periods with, no substantial negative congestion, as follows:
 - Rank the CRRs by congestion value.
 - Nominate the highest valued CRRs first, working down the possible Source-Sink combinations until the seasonal/month eligible quantities are exhausted.
 - Avoid large positions at any one non-NCPA sourced CRR.
 - Avoid clustered CRRs (e.g., source CRRs in the same geographic area that would expect to have the same or similar congestion component price).
- Avoid nominating both NCPA and non-NCPA sourced CRRs when data and experience shows that the CRR will not clear the allocation feasibility test.
- Once the above selection criteria results in a nomination portfolio, and prior to final submission, NCPA stress tests the portfolio on historical data for any large negative single period positions and if found removes that position prior to submission.

1.2. CRR Auction Process

NCPA staff bids into the CRR Auction in general conformance with the following methodology:

- Bids are made only to unwind CRRs obtained in the allocation process that are non-hedged, or are expected to have a negative value due to operational changes.
- Prices on the bid curves start at zero and go negative.
- Bids that clear in the auction result in revenue to NCPA and reduce overall risk by unwinding existing un-hedged allocation portfolio positions.
- Auction revenue is left in the NCPA CRR collateral account until the monthly/seasonal period is over.

APPENDIX 4

AUTHORIZED APPROVED PRODUCT TRANSACTION LIMITS

1. Approved Product Transaction Limits

1.1. General Manager

The General Manager is assigned the following primary responsibilities and transactions limits:

- Developing and approving all long-term supply strategies. Approval authority for long-term strategic plans and modeling parameters is not limited by fiscal constraints.
- Approval of financial authority limits associated with Approved Product transactions as recommended by the ROC.
- Authority for individual transactions as authorized under Commission approved agreements or resolutions.
- Approval authority for Approved Product transactions up to, but not greater than, 115% of a Participating Member's annual load forecast, including executed fuel transactions that have been made to support generation operations up to 115% of load.
- All optimization strategies, statistical/procedural risk management methods (including risk tolerances), and resulting exposures.
- Approval of premiums and terms associated with the use of financial instruments on a case-by-case basis.

1.2. Assistant General Manager of Power Management

The Assistant General Manager of Power Management is assigned the following primary responsibilities and transaction limits:

- Approval authority for Approved Product transactions up to, but not greater than, 115% of a Participating Member's annual load forecast, including executed fuel transactions that have been made to support generation operations up to 115% of load.
- Authority to enter individual transactions with in compliance with Commission approved agreements, and a term not to extend past 60 consecutive months from the calendar month following the date of the transaction.

1.3. Manager of Portfolio and Pool Administration

The Manager of Portfolio and Pool Administration is assigned the following primary responsibilities and transaction limits:

- Planning functions exceeding one (1) month in duration.

- Approval authority for Approved Product transactions up to, but not greater than, 115% of monthly and quarterly load forecast, including executed fuel transactions that have been made to support generation operations up to 115% of load.
- Authority to enter individual transactions, in compliance with Commission approved agreement, with a term not to exceed 24 cumulative months, and not to extend past 60 consecutive months from the calendar month following the date of the transaction.

1.4. Scheduler and Planner

The following job classifications are assigned the primary responsibilities and transaction limits listed in this Section 1.4: (i) Resource Marketer / Pre-scheduler, (ii) Resource Marketer / Hydro Resource Scheduler, (iii) Resource Marketer / Short-term Planner, and (iv) Senior Economic Analyst.

- Planning functions to determine the appropriate transactions necessary to maintain load/resource balance from day-ahead to Balance-of-Month in duration, and prompt month beginning 20 days prior to the conclusion of the current month.
- Approval authority for Approved Product transactions up to, but not greater than, the hourly peak load forecast, including executed fuel transactions that have been made to support generation operations, or to support economic optimization of generation assets.
- Authority to enter individual transactions, in compliance with Commission approved agreements, with a term not to exceed balance-of-month, and prompt month beginning 10 days prior to the conclusion of the current month. Transacting is limited to variability between supply requirements and available resources.

1.5. Real-Time Scheduling Operations

The following job classifications are assigned the primary responsibility and transactions limits listed in this Section 1.5: (i) Manager, Coordinated System Operations, (ii) System Dispatcher, (iii) System Dispatcher – Relief, (iv) Scheduling Coordinator, and (v) Scheduling Coordinator – Relief.

- Planning functions to determine the appropriate transactions necessary to maintain load/resource balance from real-time (within-hour) through the next business day.
- Authority to make within-hour and hourly adjustments of the load/resource balance through the following business day. Volume constraints are not dictated by this policy.
- Authority to enter individual Approved Product transactions, in compliance with Commission approved agreements, to cover within-hour and hourly supply requirements to balance loads and resources, as required under applicable agreements (e.g., the MSSA), and for Approved Product transactions for emergency conditions, displacement, or resource optimization.

Approved Product Transaction Limits Summary

	General Manager	Assistant General Manager of Power Management	Manager of Portfolio and Pool Administration	Scheduler / Planner	Real-Time Scheduling Operations
Transaction Term Limits:	As authorized under Commission approved resolutions, programs or project agreements.	Transactions for a term up to the next 60 consecutive months.	Transactions for a term up to 24 cumulative months, within the next 60 consecutive months.	Day-ahead to balance-of-month. Prompt month beginning 20 days prior to conclusion of current month.	Within-hour and Hourly through the following business day.
Transaction Volume Limits:	Approved Product volume limits up to 115% of annual load forecast.	Approved Product volume limits up to 115% of annual load forecast.	<p>1. Approved Product volume limits up to 115% of Monthly and Quarterly load forecasts.</p> <p>2. Natural Gas transactions for power plant consumption limited to volumes as specified and approved by the Facilities Committee, or as directed by authorized member. But, not greater than the fuel requirement necessary to support generation operations up to 115% of load.</p>	<p>1. Approved Product volume limits up to Hourly peak load forecast.</p> <p>2. Transacting limited to variability between load requirements and available resources.</p> <p>3. Natural Gas transactions for power plant consumption limited to volumes as specified and approved by the Facilities Committee, or as directed by authorized member. But, not greater than the fuel requirement necessary to support generation operations up to 115% of load.</p>	<p>1. Approved Product volume limited up to within-hour and hourly supply requirements</p> <p>2. Natural Gas transacting limited to variability between load requirements and available resources.</p>

APPENDIX 5

NEW PRODUCT DEVELOPMENT PROCEDURES

1. New Product Development

When the Front Office staff request to transact a new product type, instrument or strategy, several control processes must take place to ensure NCPA can identify, manage, control and report on the risks from the new transaction.

The process for submitting a request for a new Approved Product type is as follows:

1. The Front Office staff notifies the Manager of Portfolio and Pool Administration and the ERM of his/her desire to enter into a new type of transaction. The Front Office staff and Manager of Portfolio and Pool Administration are responsible for reviewing the transaction details, including all the key risk, pricing and operational elements of the transactions with the ERM. The ERM assumes responsibility for undertaking all the risk and processing implications of the proposed transaction.
2. The Front Office staff is responsible for preparing a new product report for review and consideration by the RMC. This report requires the Front Office staff to document all of the risk attributes of the transaction, and how they will be controlled (primarily focusing on market and credit risk).
3. The ERM will review the new product report and begin the process of determining NCPA's ability to record, process and manage the transaction.
4. The ERM first ascertains if the Power Management division has the ability to accurately price the transaction. Secondly, the ERM determines whether the risk of the transaction can be accurately measured. In either case, if the Power Management division does not have the capability to price or measure the risk of the transaction, the Front Office staff is notified, and the Front Office staff must discuss the model development or purchase options with the RMC before the transaction can be authorized.
5. If the Power Management division can price and model the risk of the new product, then the ERM will evaluate the Front Office's operational readiness to execute the transaction. The ERM will also evaluate the Middle Office's and Back Office's readiness to transact the new product. If any outstanding issues or concerns are identified by the ERM as part of the review, the issues or concerns identified must be resolved prior to transacting the new product.
6. The ERM then gathers all of the new product report summaries, and prepares a written recommendation to the RMC. This written recommendation will consider whether or not the risks and potential control considerations, if any, warrant entering into the new product type. The RMC must recommend the transaction, along with associated limits, for approval to the ROC.

New Product Approval Checklist

Risk/Task to be Completed During the Analysis	Primary Accountability
Business Strategy	
Sponsor new strategy	Front Office
Understand and document the economics of the new strategy	Front Office
Define the resource requirements for the new product	Front Office
Regulatory and Legal Risks	
Identify applicable California and local regulatory restrictions for product or business	General Counsel
Verify member/counterparty power and authority to enter into activity	General Counsel
Determine what legal documentation is required	General Counsel
Propose monitoring and review procedures to ensure legal/regulatory compliance	General Counsel
Designate the supervisor responsible to ensure that the product is sold only to members/counterparties for which it is suitable	Front Office
Determine if sufficient resources are available to support regulatory and legal requirements	Front Office
Market Risks	
Identify and analyze market risk	Front Office/Middle Office
Specify management's intention (Hold positions, actively trade or hedge)	Front Office
Propose fair market value and risk measurement methodology	Middle Office
Determine hedging approach	Front Office
Establish product trading limits	Middle Office
Determine impact on total position limits	Middle Office
Establish special interim limits on control the new product expansion in a measured, granular manner	Middle Office
Define and recommend management reporting requirements	Middle Office
Present report format for communication of positions on a timely basis	Front Office
Check if the new product involves commitments, guarantees, contingencies or any other off-balance sheet items	Middle Office
Credit Risks	
Identify and analyze credit risk of product	Middle Office
Develop methodology for capturing facilities and counterparties in the credit reporting system and measuring credit risk and concentration exposures	Middle Office
Define procedure for monitoring credit exposure	Middle Office
Identify target members/counterparties, determine suitability and request credit facilities	Middle Office
Determine proper procedure for perfecting collateral, netting agreements	Middle Office
Recommend maximum credit exposure limits for counterparties	Middle Office
Develop capability to report daily/weekly credit limit compliance	Middle Office
Check if the new product involves commitments, guarantees, contingencies or any other off-balance sheet items	Middle Office
Operational Risks	
Verify consistency with Energy Risk Management Policies	Front Office/Middle Office
Define transaction tracking plan and procedures	Middle Office
Develop required deal sheet modifications	Front Office
Settlement procedures – how will transaction payment/billing be handled?	Back Office
Authorizations/approvals – what approval levels or delegation of authority is required?	Front Office/Middle Office
Develop procedure for transacting from start to finish	Front Office/Middle Office/Back Office

Note: Advice services in areas such as valuation, market/credit risk management, legal review, accounting/tax may also be sought and presented as part of this process.

APPENDIX 6 APPROVED PRODUCTS

1. Approved Products

The Energy and Energy related products that NCPA is authorized to transact are as follows:

Approved Products	Pre-Approved Examples	Authorization
1. Long Term Transactions for Energy	<ul style="list-style-type: none"> • Purchases of Energy to cover the forecasted supply shortage of a Participating Members • Sales of Energy amounts that are forecasted to be surplus to a Participating Member's need • Liquidating "in the money" transactions for optimization 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
2. Balance-of-Month Transaction for Energy	<ul style="list-style-type: none"> • Energy purchases/sales within defined term and volume limits • Loss of generation • Loss of transmission • Forecasting errors 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
3. Day-Ahead and Real-Time Power Transactions Through a BAA (e.g., CAISO)	<ul style="list-style-type: none"> • Purchasing Energy from the CAISO day-ahead and/or real-time market to serve load • Selling Energy into the CAISO day-ahead and/or real-time market from generation resources 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
4. Purchase/Sale of Capacity	<ul style="list-style-type: none"> • Short-term or forward purchases of capacity products (e.g., Ancillary Services and Resource Adequacy products) • Short-term or forward sales of capacity products (e.g., Ancillary Services and Resource Adequacy products) 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
5. Purchase/Sale of Physical Call Options	<ul style="list-style-type: none"> • To cover potential supply deficiency due to unpredictable weather conditions (e.g., hydrological forecast error) • To balance load and resources in an illiquid market • To provide a hedge against a Participating Member's net open position • Sale of a hedged (with physical plant) call option 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members

6. Purchase/Sale of Physical Put Options	<ul style="list-style-type: none"> • To hedge a surplus resource position • Sale of an option for the sole purpose of unwinding a purchase if economically advantageous 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
7. Multi-Party Spread Transaction	<ul style="list-style-type: none"> • Simultaneous purchase and sale of Energy and Energy related products to capture the value of a price differential that occur between market areas <ul style="list-style-type: none"> ○ Transmission and pipeline basis differentials ○ Price differences between seasons/hrs ○ Value of storage for Energy; for use limited resources 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
8. Same Party Exchanges	<ul style="list-style-type: none"> • Seasonal or period of time exchanges (e.g., Seattle City Light Exchange) 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
9. Transmission	<ul style="list-style-type: none"> • Purchases/sales of firm and non-firm transmission capacity required for the delivery Energy 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
10. Emission Reduction Credits	<ul style="list-style-type: none"> • Transactions limited to purchasing of projected shortages or sales of identified surpluses 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
11. Long Term Transaction for Natural Gas	<ul style="list-style-type: none"> • purchases or sales of natural gas based on forecasted generation production 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
12. Balance-of-Month Transactions for Natural Gas Intra-Month Gas Transactions	<ul style="list-style-type: none"> • Purchases or sales of natural gas based on forecasted generation production 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members

<p>13. GHG Compliance Instruments</p>	<ul style="list-style-type: none"> • Purchases of Emission Allowances from bilateral trades, and from the CARB administered Cap and Trade Program auctions and reserve auctions to satisfy actual and/or forecasted GHG emissions compliance obligations attributed to NCPA and/or member generation and scheduling activities (e.g. imports) 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
<p>14. Renewable Energy Products</p>	<ul style="list-style-type: none"> • Purchases of Renewable Energy Products to satisfy any requirement for such products under applicable law; Bilateral purchases are to be consummated under approved contract forms, follow approved credit risk limit procedures, and all other applicable risk management practices defined in this regulation • Sales of Renewable Energy Products for the sole purpose of eliminating a surplus 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members
<p>15. Congestion Revenue Rights</p>	<ul style="list-style-type: none"> • Participation in the CRR Allocation and CRR Auction processes through the submission of nominations and/or bids in the Annual and/or Monthly Congestion Revenue Right Allocation and Auction processes administered by the CAISO 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members • See Appendix 3 to these Regulations
<p>16. Low Carbon Fuel Standard Credits (LCFS)</p>	<ul style="list-style-type: none"> • Sales of Low Carbon Fuel Standard Credits based on actual credits held and transferred by members. 	<ul style="list-style-type: none"> • Authorized through contractual authority approved by the Commission and individual Participating Members • See Appendix 10 to these Regulations

APPENDIX 7 MANAGEMENT REPORTS

1. Management Reports

The following energy risk management reports shall be developed and presented as further described in the following table:

	Primary Responsibility			Minimum Report Frequency			
	Front	Middle	Back	Weekly	Monthly	Quarterly	Annual
Management Report							
Load and Resource Balance	X					X	
Portfolio Performance		X				X	
Portfolio Risk Exposure (Open Position Cost VaR)		X				X	
Exceptions Report		X				X	
Master Agreements		X					X
Policies Update		X					X
Transaction Position Detail		X			X		
MTM		X		X			
Credit Limit Status by Counterparty		X		X			
Resource Planning	X				X		
Trading Strategy	X				X		
Scenario Planning	X						X
Pending Agreements	X					X	
Energy Transaction Summary	X				X		
Non-Energy Transaction Summary	X				X		
Market Forecast	X				X		
Performance to Budget			X			X	
Procedure Exceptions			X		X		

1.1. Description of Management Reports

- Load and Resource Balance: Front Office report detailing total resources by source as compared to total load. Report shows supply surpluses and shortages. The Load Resource Balance report is presented to the ROC.
- Portfolio Performance: Middle Office report comparing the cost of the portfolio of contracts, to the market value of the portfolio (tracking what we paid for it to what it's worth now). This is the counterpart to the risk exposure report. The Portfolio Performance report is presented to the ROC.

- Portfolio Risk Exposure (Open Position Cost VaR): Middle Office report showing portfolio exposures by month due to price volatility. The Portfolio Risk Exposure report is presented to the ROC.
- Exception Report: Middle Office report summarizing current exception and violation reports. The Exception Report is presented to the ROC.
- Master Agreements: Middle Office report summarizing the current set of approved master agreements by approved counterparty. The Master Agreements report is presented to the ROC.
- Policies Update: Middle Office report providing a biennially or as necessary review of risk management policies and procedures and recommendations for updates. The Policies Update report is presented to the ROC.
- Transaction Position Detail: Middle Office report showing detail of Portfolio Performance report. Individual deal details showing MWh under contract and total dollars sorted by the counterparty in support of the Portfolio Performance report are included in this report. The Transaction Position Detail report is presented to the ROC.
- MTM: Middle Office report showing MTM for life of deals by counterparty. The MTM report is presented to Front Office and Back Office staff.
- Credit Limit Status by Counterparty: Middle Office report showing counterparty credit limits, credit used and credit remaining. Special flagging of counterparties nearing their credit limits should also be shown. The Credit Limit Status by Counterparty report is presented to Front Office and Back Office staff.
- Resource Planning: Front Office report summarizing resource coverage. Is designed to complement the Trading Strategy and Scenario Planning reports. The Resource Planning report is presented to the ROC.
- Trading Strategy: Front Office report detailing trading strategies for various periods (e.g., daily, monthly, quarterly, future years). The Trading Strategy report is presented to the ROC.
- Scenario Planning: Front Office report detailing potential scenarios, expected result and probabilities. The Scenario Planning report is presented to the ROC.
- Pending Agreements: Front Office report detailing status of negotiations with potential counterparties on enabling agreements. The Pending Agreements report is presented to the ROC.

- Energy Transaction Summary: Front Office report summarizing, by counterparty, Energy related transactions, both completed and contracted, involving Energy delivery. The Energy Transaction Summary report is presented to the ROC.
- Non-Energy Transaction Summary: Front Office report summarizing, by counterparty, non-CAISO market Energy related transactions (puts, calls, options, RECs, GHG Compliance Instruments and etc.) which do not involve (or are not specifically reliant on) Energy delivery. The Non-Energy Transaction Summary report is presented to the ROC.
- Market Forecast: Front Office report detailing forecast of market for periods (e.g. monthly, quarterly, future years). The Market Forecast report is presented to the ROC.
- Performance to Budget: Back Office report comparing incurred Energy costs to budgeted costs and existing contracts and uncovered exposure at market prices to remainder of budget. The Performance to Budget report is presented to the ROC.
- Procedures Exceptions: Back Office report noting any procedure exceptions. The Procedures Exceptions report is presented to the ROC.

APPENDIX 8

RISK ASSESSMENT METHODOLOGIES

1. Risk Assessment Methodologies

1.1. CRR Valuation and Risk Assessment

CRR valuation is based upon historical data. NCPA values its CRR holdings individually and as a portfolio. Along with the average valuation, NCPA calculates the fifth (5th) percentile and 95th percentile position of each CRR Source/Sink combination.

NCPA performs a stress test on its CRR nominations. The stress test identifies the minimum, maximum and expected revenue for each available seasonal/monthly historical period.

The highest risk to NCPA's CRR allocation and auction portfolios is a collateral call. The CAISO does not net the portfolios, so the risk is a result of the separate collateral requirements for each portfolio. The expected value of NCPA's allocated CRR portfolio is positive. NCPA's auction portfolio consists only of unwound allocated CRR; as such, the expected value is negative. A collateral call could occur if an event increased the expected negative value of the auction portfolio even though the actual day-ahead market position would be offset by an increase in the expected value of the allocation portfolio.

NCPA mitigates this risk by leaving all its auction revenue in the CRR collateral account at the CAISO. NCPA's initial deposits of \$500,000 for the annual auction, and \$100,000 for the monthly also remain in the collateral account.

NCPA will only request a return of its auction revenue after the end of each monthly/seasonal period, thereby maintaining usable secured available credit well in excess of its required collateral.

1.2. Mark-to-Market Methodology

The MTM calculation is a method to value future or forward open trading or hedge positions on an on-going basis to track market price changes. Once a position is taken in the market for some future delivery period, the value of that position must be monitored and managed on a routine basis. The volatility and volume of activity for a particular traded product will dictate how often it is necessary to update the MTM valuation of such product. NCPA will "mark" all open positions on no less than a MONTHLY basis, or as necessary, given market dynamics.

Long Term Transactions for future delivery or receipt of Energy. Several trading hubs host the majority of physically traded contracts such as Palo Verde (PV), California Oregon Border (COB), Mid-Columbia (Mid-C), California South (SP15), and California North (NP15). There are also several emerging hubs in the desert southwest and rocky-mountain areas.

Publications such as *Megawatt Daily* and *Energy Market Report* list the daily prices traded at more heavily traded hubs. Information sources such as McGraw Hill publishing report broker trades for forward contracts at the most active trading points. For illiquid products or trading points, the MTM may be applied less frequently than daily. In these circumstances a weekly or monthly mark may be appropriate. However, periodic market inquiries, as appropriate, should be made to capture any market movement.

The following information sources, or their equivalents as approved by the ERM and Front Office are to be used to mark open positions for the traded products and hubs listed below:

- **WSPP Contracts for Liquid Products and Trading Hubs:** The standard forward traded electricity products as reported in the *Energy Market Report, published by Insight Research, Inc.*, or other relevant broker/trade reporting system. This source may be replaced at such time that NCPA has available an information service such as the Intercontinental Exchange (“ICE”), *Reuters North America Power* or other reliable source.
- **WSPP Illiquid Products and Trading Points:** these products are likely to change value less often than the more standard products. Periodic (weekly or bimonthly) probing of the market may be necessary to obtain current valuation. It may be possible to identify basis relationships between the liquid and illiquid trading points resulting in an approximate valuation.

1.3. Cost Value at Risk Calculation Methodology

In its most literal sense, Value at Risk (VaR) refers to a particular *amount of money*, the maximum amount likely to be spent or lost over some period, at some specific confidence level. NCPA has defined its supply management activity as a cost hedging activity. Therefore, for purposes of power resources management, Cost VaR is defined as a single, summary statistical measure of possible costs that are in excess of, expected costs.¹²

Traditional VaR methodology (as practiced in the financial sector) has two important characteristics. The first is that it provides a common consistent measure of risk across different positions and risk factors. The other characteristic of VaR is that it takes account of the correlations between different risk factors. If two risks offset each other, the VaR allows for this offset and tells us that the overall risk is fairly low. If the same two risks don't offset each other, the VaR takes this into account as well and gives us a higher risk estimate.

Since Cost VaR tells us about NCPA's maximum cost exposure, management can use it to determine internal capital allocation. Cost VaR can be used to determine capital requirements

¹² Specifically, standard, or traditional, VaR is a measure of cash flow exposure due to “normal” market movements; traditional VaR would be used when monitoring hedge positions initiated with financial derivatives. Costs or losses greater than VaR estimates are suffered only with a specified small probability (e.g., 5% of the time, etc.). However, VaR is not a stress test – it will not indicate what a maximum loss may be 5% of the time.

at the senior management level of the organization, and also down the line to the level of the individual transaction decision. The higher the risk associated with the transaction, the higher the VaR and the greater the capital requirement. Cost VaR can also be used to assess the risks associated with different transaction opportunities and the implications of various risk tolerance thresholds. Cost VaR can also be used to evaluate the performance of Divisions.

1. Methodology

The two (2) principal components of the traditional VaR calculation are the:

- Market
- Portfolio

The “Market” involves understanding and estimating how the particular market parameters behave over a specified holding period. This is captured by performing market parameter modeling. The “Portfolio” involves understanding and quantifying how the portfolio’s value varies according to estimated changes in market parameters. This is captured by revaluation. The standards applied to market parameter modeling and revaluations are described below. These two components are illustrated as follows:

Market > **Market Parameter Modeling** >

- Distribution assumptions
- Correlation assumptions
- Parameter assumptions

VaR Calculation

Portfolio > **Revaluation** >

- Historical Simulation
- Monte Carlo Simulation
- Full revaluation
- Analytic (Covariance/Variance Method)
- Sensitivities
or any reasonable
- Sensitivity Analysis
combination of these

2. Market Parameter Modeling

During market parameter modeling, various assumptions are made in relation to the distributions and correlations between assets, or products in the case of electricity, within the same risk category, or hub jurisdiction (i.e., SP15 vs. COB, etc.). In addition, various estimations are made with respect to the level of commodity prices and their implied volatilities.

Market parameters should be modeled on the basis of the following:

- Distribution assumptions for the market parameters are normal (this is a primary assumption for Cost VaR);
- Parameters are usually estimated on the following:
 - a one (1) month holding period, which is consistent with the frequency of revaluation of all financial trading positions.
 - the historic time period of one (1) calendar year or 252 days, unweighted, should be used to calculate historic volatilities and correlations.

Although distribution assumptions are assumed normal, management recognizes that actual power price distributions have displayed a skewed distribution. Traditional VaR methodology is not currently appropriate for the electric power industry. However, it may be appropriate for measuring positions in natural gas, whether physical or financial. Cost VaR, in the context of electricity portfolios, is not concerned with duration or term parameters (such as holding periods, etc.) since electricity products currently have predefined terms (e.g., hourly product, month product, quarterly product, etc.)

For modeling purposes, the Cost VaR is taken from the 95.0% quartile of the distribution of changes in the hourly chronological simulation of loads and resources (1.645 standard deviations).

3. Portfolio Revaluation

Revaluation is the calculation of the changes in portfolio costs resulting from a change in specific model assumptions (i.e., price, risk tolerance, volatility, etc.).

Two revaluation techniques are permitted:

- Full revaluation: Full revaluation occurs where the transactions in the portfolio, or positions, are all individually marked to market value for each market rate scenario generated. This is also true for Cost VaR applications.
- Delta approximation: Delta refers to the change in one variable given a change in another variable. A sensitivity analysis is an *approximation* of the change in net present value for various sensitivities of the portfolio. Sensitivity analysis may be used only for linear approximation. For linear approximation the sensitivity of the rate of change of the price of the transaction to a small change in the market rate is calculated. This is more applicable to traditional VaR where linear relationships and correlations may exist between financial instruments. On a more simplified level, Cost VaR considers delta approximation when adjustments are made to parameters such as risk tolerance, price, and volatility.

For purposes of traditional VaR, the range should cover at least 1.645 standard deviations in either full revaluation or delta approximation. Any reasonable combination of the above is also permitted. For example, a combination of the above might be used for large portfolios which contain both complex and simple instruments and for which different revaluation techniques are appropriate.

The risk measurement methodology must take the current mark-to-market value supplied and apply revaluation techniques to calculate the potential loss or VaR, which may arise from the future changes in market.

Note: Sensitivity analysis is appropriate for individually measuring risks which may not otherwise be measured on a full portfolio basis such as location or spread risks. Sensitivity analysis is not appropriate for products with non-linear price behavior. In particular, option portfolios contain a high degree of non-linearity. This means that the change in the portfolio value has a non-linear relationship with changes in the underlying asset price. In this case, a sensitivity analysis is no longer valid.

4. VaR Calculation

Monte Carlo simulation is the preferred approach to VaR calculation for all portfolios. This is also true for Cost VaR when simulating loads and resources. However, the Analytic Method (Variance/Covariance) will be used if NCPA does not have the computing power necessary to generate a Monte Carlo simulation. NCPA recognizes that the Analytic Method is inappropriate for portfolios with non-linear characteristics (i.e., optionality) and will make the necessary adjustments when portfolio non-linearity becomes significant.

Monte Carlo Simulation Method:

Monte Carlo simulation estimates Cost VaR from a simulated distribution that is derived by assuming particular theoretical market processes and simulating large numbers of random paths that prices, or other parameters, could follow. The method proposes that if we take a sufficiently large number of simulations, they will produce a simulated distribution that will converge to the unknown true distribution of portfolio values. VaR and Cost VaR can be inferred from the simulated distribution. The steps required in a Monte Carlo simulation are as follows:

- Perform market parameter modeling by estimating the parameters of the distribution (e.g., volatilities and correlations) using a historical time series of market parameters;
- Generate an appropriate distribution of random variables;
- Perform the simulation by applying the covariance to the random numbers to generate a set of correlated market parameter scenarios; and
- Apply market parameter scenarios to the portfolio and, using revaluation method set, generate a distribution of portfolio values.

Analytic Method (Variance/Covariance):

The Analytic Method is based on the same distribution assumptions for market parameter modeling as the Monte Carlo method but restricts the portfolio to linear risk components only. This allows the analyst to assume that the portfolio changes are normally distributed.

The steps required in the analytic VaR calculation are:

- Perform market parameter modeling by estimating the parameters of the distribution (e.g., volatilities and correlations) using a historical time series of market parameters;
- Calculate the vector of sensitivities with respect to the underlying spot rates;
- A first order approximation is used to calculate changes in portfolio value. Given the normality assumption, the distribution parameters can then be calculated analytically using the sensitivities determined in step 2 above.

The VaR is defined as 1.645 the standard deviation of the change in portfolio value which equals – under the assumption of zero mean – a confidence level of 95%.

1.4. Cost VaR Stress Testing Methodologies and Procedures

In broad terms, there are two (2) main approaches to Cost VaR stress testing. The first of these focuses on the impact of particular specified scenarios – typically a fairly limited number of such scenarios – that are fed into an analytical process. This approach to stress testing is usually known as scenario analysis. The term “stress testing” is used here to apply to any procedures that attempt to evaluate the impact of hypothetical future events on NCPA’s hedging and/or transacting portfolios.

The term “scenario analysis” is used to apply to that type of stress testing that focuses on particular specified *scenarios*, as distinct from the second type of stress testing that specifies classes of mathematical or *statistical possibilities* and then works through these possibilities in a mechanical way. Note that scenario analysis only indicates what NCPA stands to “spend” in a particular circumstance, and does not indicate (and is not designed to indicate) how likely any particular circumstance is to occur. Scenario analysis is therefore a natural complement to Cost VaR approaches that indicate something about the probability of a clearly defined event, but do not as such identify what NCPA would spend if the event actually occurred.

The Cost VaR stress testing methods approved for use by the ROC include 1) worst-case scenario analysis, and 2) extreme value analysis.

Worst-Case Scenario Analysis (WCSA):

WCSA allows an examination of the worst case that is *expected to occur* (Boudoukh, Richardson and Whitelaw, 1995). This approach is useful when there is concern about maximum possible costs over a particular horizon period (e.g., one month, one year, etc.) and an expectation of some savings or cost over each sub-period (e.g., each day or month). The worst-case scenario is the cost associated with the most adverse daily outcome. If each outcome is a random variable Z_i , and there are n sub-periods in our horizon, then the worst-case scenario is:

- $\text{Min}[Z_1, Z_2, \dots, Z_n]$

The actual worst-case scenario can now be estimated by running simulations of the random Z variables.

Extreme Value Analysis (EVA):

This approach starts from the premise that the extreme values of the cost distribution are what we are mostly concerned about, and then uses the statistical theory of extreme values to determine maximum extreme costs with a determined degree of confidence.

In practice the distribution of extreme values is not known, but the key insight of EVA theory is that this distribution converges in large samples to a limiting distribution of a particular known form. An analytic solution for the Cost VaR can then be found from this distribution once a desired confidence level is specified. The important parameter is the tail index, which gives the thickness of the tails (e.g., for a *t*-distribution, this is the number of degrees of freedom).

The Extreme Value Analysis approach has various attractions: (1) It deals directly with the extreme values typical of the electric Energy market. (2) It provides a firm methodological basis for the estimation of Cost VaR. (3) It does not impose any particular form on the underlying price distribution, but instead allows this distribution to take any well-behaved form, including an asymmetric (i.e., skewed) one. (4) It produces a simple analytical formula for Cost VaR. (5) The approach is robust, flexible and easy to use.

Note: Standard VaR methodology will be used to evaluate exposures resulting from activity in financial instruments. Currently, the electric power industry has not developed a highly liquid market in financial instruments. However, the natural gas market is relatively mature and offers opportunities in the use of financial instruments for the purpose of cost hedging. Standard VaR methods can be utilized more appropriately with natural gas as market performance generally follows a normal distribution.

Backtesting:

The purpose of a backtest is to compare the expected cost (at the then forward price) with actual cost (at the spot price), and implied volatility with actual volatilities, to determine if NCPA's cost VaR is adequate (conservative enough) to capture the potential market exposure.

To serve such purpose, staff may use the same open position number forecast 12 months ago and apply the DA spot market price in the past 12 months. This number would be the "actual cost" of the open position had it stayed unchanged and filled in the DA market. Comparing the difference between the two numbers will provide guidance as to whether the variance falls within the 95% cost VaR boundary and identify whether NCPA would have been better off leaving the position open or covering it 12 months ago.

NCPA has performed backtesting of the Cost VaR measures during the in-house model development and validation phase. The backtesting results revealed adequacies in the Cost VaR measures (given the statistical confidence intervals used or various parameters).

APPENDIX 9

Recommended Coverage

NCPA considers a Participating Members' hourly shaped load forecast for any given month over a twenty-four-hour period. Pursuant to the reporting requirements contained in these Regulations, NCPA will report Participating Members' new open positions per the recommended coverage ratios contained in the following Monthly Price Volatility Coverage Matrix detailed in Table 1 after considering the Participating Members' Financial Coverage and Physical Coverage¹³ for a given time period and historical pricing volatility for a given month in that time period. Pricing volatility is expressed as a measure of the Standard Deviation of daily prices for any given month and is captured in Figure 1. Higher Super Peak coverage will be recommended during months where expected volatility is elevated, which is detailed in Table 2. Table 1 and 2 will be updated annually at the beginning of each Fiscal Year or as needed.

Month to Delivery	Minimum Physical Coverage (%)	Minimum Financial Coverage (HL & LL) (%)	Super Peak (HE 17 - HE22) Financial Coverage (%)												
			JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
3	70	80	90	90	80	80	80	80	85	85	90	90	80	85	90
3+	9	60	70	80	80	70	70	70	75	75	80	80	70	75	80
9+	12	50	60	70	70	60	60	60	65	65	70	70	60	65	70
12+		50	50	60	60	50	50	50	55	55	60	60	50	55	60

Table 1. Recommended Coverage Ratios. Load is typically categorized as either Heavy Load (HL, HE-7-22) or Light Load (LL HE 1-6, 23-24); however, NCPA also takes into consideration Super Peak (SP, HE17-22) hours as these hours typically display the highest per MWh cost and pricing volatility. Coverage recommendations are expressed as a percentage of forecasted load hedged by a Member's forecasted generation from available resources. Calculated Physical Coverage and calculated Financial coverage can be, and often will be, different for any given month. Figure 2 provides a flowchart/decision tree to aid in making portfolio hedging decisions based on the recommended coverage ratios shown above.

Standard Deviation of Daily Prices		Super-Peak Financial Coverage
>= \$30		Minimum Financial Coverage + 10%
< \$30	>= \$22	Minimum Financial Coverage + 5%
< \$22		Minimum Financial Coverage

Table 2. Recommended Super Peak coverage increases relative to the Minimum Financial Coverage recommendation. Increases are based on the observed Standard Deviation of Daily Prices.

¹³ See Appendix 1—Definitions of the ERM Regulations for an explanation of Physical Coverage and Financial Coverage

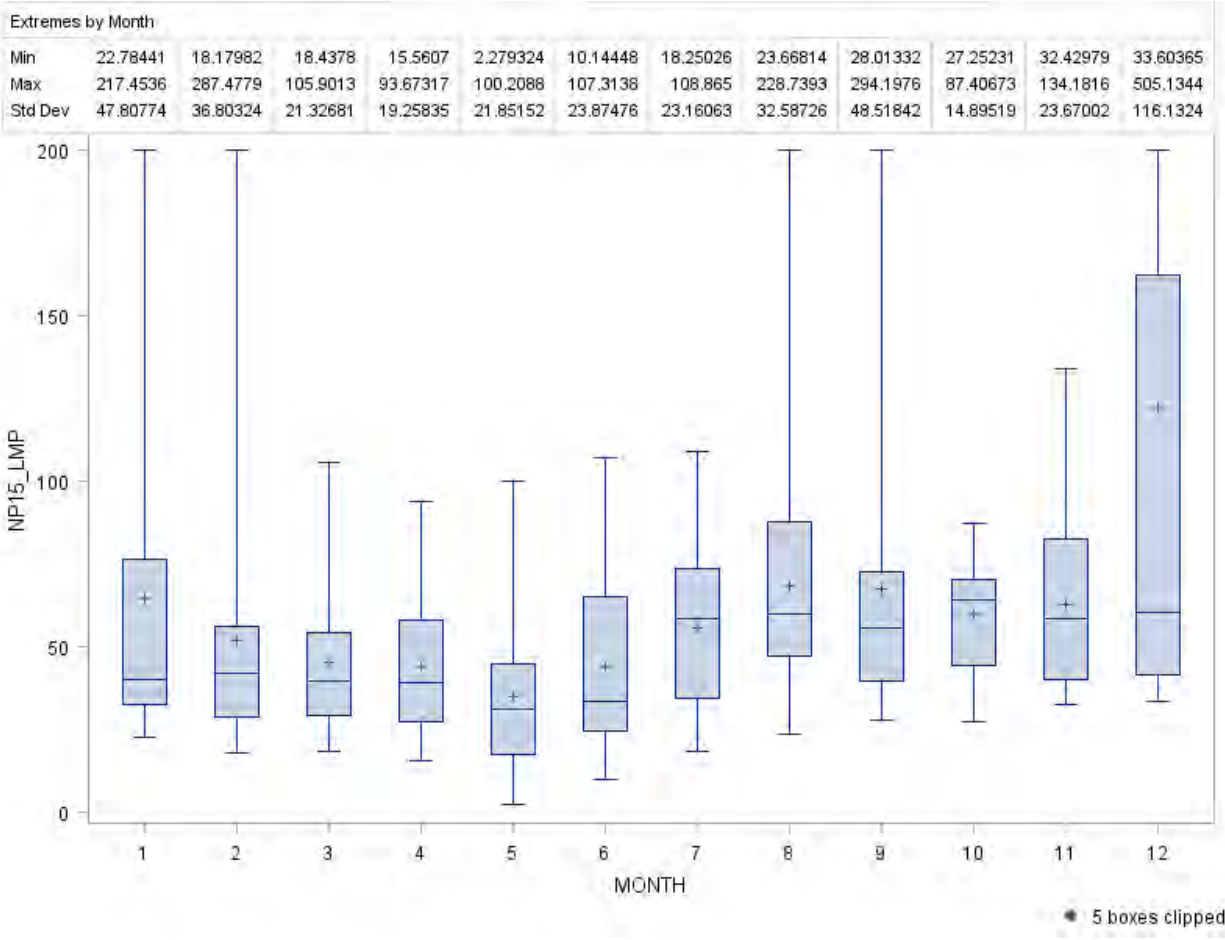
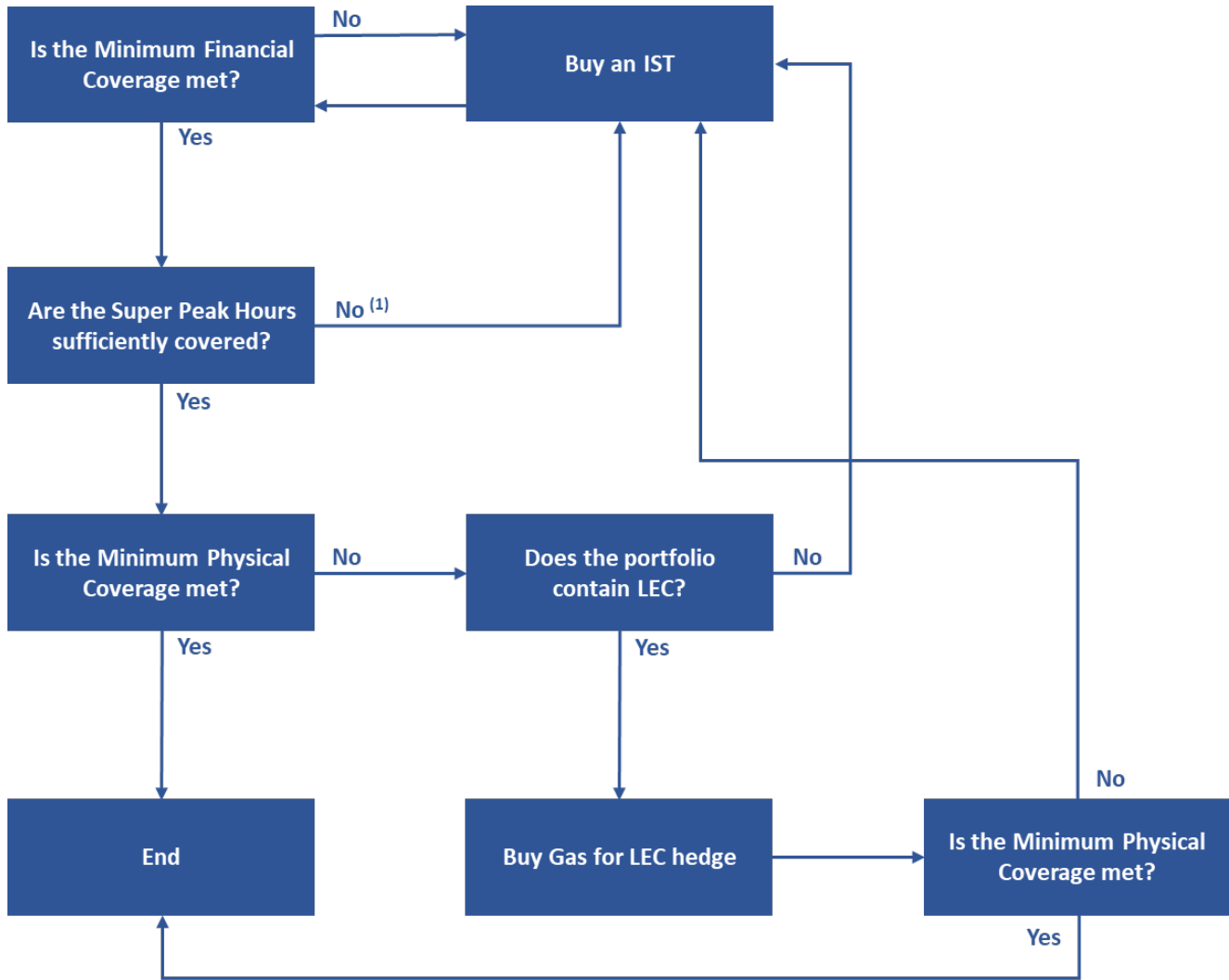


Figure 1. Monthly prices distribution for Calendar Year 2023 expressed as box plots and whiskers. Whiskers show pricing extremes. The table at the top of the figure details Daily Price extremes and volatility expressed as observed Standard Deviation.

The super peak financial coverage should exceed the average financial coverage in months during which the historical price volatility was high (see chart above). For example, historical pricing volatility is high for December; this is shown by a wide range of pricing observations for the month, so a higher Super Peak coverage is recommended. In contrast, historical pricing volatility is considered low in April, and a lower Super Peak coverage is suggested. If necessary, this chart will be reviewed and updated every year for changes that occur in the energy market.



1. If Super Peak contracts are available, NCPA may recommend increasing Heavy Load coverage by purchasing an IST.

Figure 2. Recommended Hedging Strategy Flowchart/Decision Tree based on the Recommended Coverage Ratios in Table 1. Defines a general hedging strategy to aid in meeting the recommended coverage ratios for Financial, Super Peak, and Physical Coverages. To use the flowchart/Decision tree, start at the box "Is the Minimum Financial Coverage Met?" and follow the flow until all of the coverage recommendations are satisfied.

APPENDIX 10

Authorized LCFS Credits Transaction Guidelines

1. Background

The Low Carbon Fuel Standard (LCFS) program is a California Air Resources Board (CARB) regulation and program designed to reduce the carbon intensity of fuels used for transportation, including gasoline, diesel, and alternatives.

Certain NCPA members are able to participate in the LCFS program by earning credits for electric vehicle charging within their service territories; both from residential customers with a registered EV, and also from any commercial charging done through the utility's owned charging infrastructure for EVs, forklifts, ships, buses, etc. The LCFS credits earned can be monetized through sale, and funds earned as a result of such sale can be used to fund utility programs that benefit current or future EV drivers.

Pursuant to the LCFS program rules and regulations, NCPA is able to aggregate the collection and sale of credits received by members, and can then transact such credits using the services of an authorized broker or through bilateral transactions.

2. LCFS Credit Transaction Guidelines

Pursuant to the contractual authority approved by the Commission and individual Participating Members, NCPA may transact LCFS credits on behalf of authorized members.

NCPA may sell LCFS credits bilaterally and/or using brokers that are approved by the CARB, and that are registered in the LCSF Reporting Tool and Credit Bank and Transfer System (LRT-CBTS), including use of associated brokerage agreements as such may be approved by NCPA's General Counsel.

3. LCFS Credit Transaction Registration

In order for NCPA to manage and transact LCSF credits on behalf of authorized members, NCPA is required to establish and register an account in the LRT-CBTS system. The LRT-CBTS system services the following functions: organization registration for Regulated Entities, Opt-Ins and Brokers, registration for Fueling Supply Equipment (FSE), quarterly and annual reporting, credit account ledger, and credit transfers. Once NCPA has established an approved account in the LRT-CBTS, the General Manager of NCPA, or the General Manager's designee(s), shall act as the LRT-CBTS account administrator on behalf of NCPA.

Pursuant to these Regulations, the General Manager of NCPA, or the General Manager's designee(s), acting on behalf of NCPA, are authorized to create and register an account in the LRT-CBTS system for the purpose of managing and transacting LCSF credits on behalf of

authorized members, pursuant to these Regulations and the contractual authority approved by the Commission and individual Participating Members.

4. LCFS Credit Transaction Requirements

Pursuant to the contractual authority approved by the Commission and individual Participating Members, NCPA may transact LCFS credits on behalf of authorized members subject to the following LCFS credit transaction requirements:

- a) NCPA is authorized to sell LCFS credits that have been generated and transferred to NCPA using the credit transfer process administered through the LRT-CBTS;
- b) NCPA is not authorized to purchase LCFS credits;
- c) NCPA is not authorized to transact LCFS credits that have not been generated and transferred to NCPA (e.g., LCFS credits that are forecasted to be generated, but have not yet been generated and transferred);
- d) NCPA is authorized to sell LCFS credits using the LEAP Master Agreement for Low Carbon Fuel Standard Credits (LCFS Master Agreement) developed and established by the Leadership for Energy Automated Processing (“LEAP”), or using a bilateral agreement structure approved by NCPA’s General Counsel; and
- e) NCPA is authorized to sell LCFS credits Approved Counterparties; provided, however, NCPA is also authorized to sell LCFS credits to a third party that is not an Approved Counterparty if such transaction is structured as a pre-payment transaction, meaning that NCPA will confirm receipt of payment from a third party prior to LCFS credits being transferred to the buyer or associated broker, as further set forth in the transaction confirmation.

APPENDIX 11

Enabling Agreement Usage Criterion

To conduct transactions for approved products, NCPA utilizes Master Enabling Agreements to enter into contract with approved counterparties. The table below describes each Master Enabling Agreement and any special terms and conditions that are subject to a transaction that falls in a particular transaction term. Also detailed below is the authorization required to proceed with such a transaction.

Enabling Agreement	Transaction Term	Special Terms and Conditions	Authorization
WSPP	1 to 12 months	<ul style="list-style-type: none"> Unmodified 	Authorized through contractual authority approved by the Commission and individual Participating Members
WSPP	12 to 24 months	<ul style="list-style-type: none"> Special terms and conditions as approved by the ROC 	Authorized through contractual authority approved by the Commission and individual Participating Members
WSPP	24+ months	<ul style="list-style-type: none"> Subject to negotiated terms 	Commission action required
EEI	1 to 60 months	<ul style="list-style-type: none"> Special terms and conditions as approved by the ROC and reflected in EEI modified version 2.1 modified 4/25/2000 	Authorized through contractual authority approved by the Commission and individual Participating Members
NAESB	1 to 60 months	<ul style="list-style-type: none"> Special terms and conditions as approved by the ROC and reflected in NAESB version 6.3.1 modified 9/5/2006. 	Authorized through contractual authority approved by the Commission and individual Participating Members
ISDA	1 to 6 months	<ul style="list-style-type: none"> Unmodified 	Authorized by contractual authority as approved by Commission action
ISDA	7 to 12 months	<ul style="list-style-type: none"> Subject to agreed upon terms and conditions as approved by the ROC. 	Commission action required
LEAP	N/A	<ul style="list-style-type: none"> Subject to Appendix 10 	Authorized through contractual authority approved by the Commission and individual Participating Members



Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval of the Second Amendment to the Amended Employment Agreement for Randy S. Howard, General Manager

AGENDA CATEGORY: Discussion/Action

FROM:	Brynna Bryant	METHOD OF SELECTION:
	Human Resources Manager	N/A
Division:	Administrative Services	
Department:	Human Resources	

This item is being considered in Closed Session.

Pursuant to Government Code Section 54957.6: Agency representatives: NCPA Executive Committee Members and Human Resources Manager, Brynna Bryant: Unrepresented Employee: General Manager; and b) Performance evaluation pursuant to Government Code Section 54957: Unrepresented Employee: One Category: General Manager.

Contingent upon action taken during **Closed Session Item 31**, the Staff Report, Resolution, and First Amendment to the Amended Employment Agreement for Randy S. Howard, General Manager will be provided to the Full Commission in Open Session for final consideration and approval.

Commission Staff Report

COMMISSION MEETING DATE: February 22, 2024

SUBJECT: Approval of the Seventh Amendment to the Employment Agreement with Jane E. Luckhardt, General Counsel

AGENDA CATEGORY: Discussion/Action

FROM:	Brynna Bryant	METHOD OF SELECTION:
	Human Resources Manager	N/A
Division:	Administrative Services	
Department:	Human Resources	

This item is being considered in Closed Session.

Pursuant to Government Code Section 54957.6: Agency representatives: NCPA Executive Committee Members and Human Resources Manager, Brynna Bryant: Unrepresented Employee: General Manager; and b) Performance evaluation pursuant to Government Code Section 54957: Unrepresented Employee: One Category: General Counsel.

Contingent upon action taken during **Closed Session Item 32**, the Staff Report, Resolution, and First Amendment to the Amended Employment Agreement for Jane E. Luckhardt, General Manager will be provided to the Full Commission in Open Session for final consideration and approval.