



651 Commerce Drive
Roseville, CA 95678

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

Commission Minutes

Date: May 26, 2022
To: NCPA Commission
From: Cary A. Padgett, Assistant Secretary to the Commission
Subject: NCPA Commission Meeting

1. Call Meeting to Order and Introductions

Chair David Hagele called the meeting to order at 9:34 am at Harmon Guest House, 227 Healdsburg Ave, CA. Introductions and roll call were made. Those in attendance are shown on the attached attendance list.

2. Approve Minutes of the April 28, 2022, Regular Commission Meeting.

MOTION: A motion was made by Jerry Serventi, and seconded by Pauline Rocucci approve the Minutes of the April 28, 2022, 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			X
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding	Y		
Roseville	Y		
Santa Clara	Y		
Shasta Lake	Y		
Truckee Donner	Y		
Ukiah	Y		
Plumas-Sierra			X

PUBLIC FORUM

Chair Hagele opened the public comment period. No members from the public addressed the Commission. Chair Hagele closed the public comment period.

REPORTS AND COMMITTEE UPDATES

3. General Manager's Business Progress Report and Update

- Provided an update on COVID-19 cases in the Agency. Several employees at all NCPA locations have tested positive for COVID. Reinstated the optional, part-time telecommute program effective May 23 through June 15 for the staff at Headquarters. The Headquarters' office met the definition of an Outbreak, which is three or more positive cases in an exposed workplace within a 14-day period that resulted in reinstating the indoor masking policy.
- The summer preparedness of the grid is a major concern to the Agency and its Members. Natural gas prices have gone up drastically, as well as volatility in the market. Power Management is working hard to ensure the Members are covered this summer. Conservation is going to be very important. Discussed ways to ensure customers are informed in advance of outages, as well as concerns with prompt communication from the California Independent System Operator. Supply chain issues continues to be a topic of discussion and concern.
- Announced the NCPA 2022 Executive Leadership Program is scheduled to begin in July. As part of the program, attendees will tour Shasta Dam and the Redding Electric's Emergency Operation Center, as well as hear from guest speakers and participate in a team project. Please contact NCPA's Human Resources department at NCPA for more information.
- The purchase of a new Disaster Recovery Center building is in the final stages of negotiations. Staff plans to seek full Commission approval at the June meeting.

4. Executive Committee

Committee Chair Hagele reported the Executive Committee met once since the last Commission meeting. The Committee heard reports from the General Manager and General Counsel and met in closed session. No reportable action was taken in closed session. The Committee approved out-of-country travel request for NCPA Regulatory Manager Scott Tomashefsky to attend the Summer 2022 Board Meeting of the North American Electric Reliability Corporation (NERC) in Vancouver, BC, Canada. The Committee also discussed creating the Nominating Committee to select the Slate of Officers for FY22-23. The Nominating Committee will meet prior to the July Commission meeting and will seek Commission approval of the officers at that meeting.

5. Facilities Committee

Assistant General Manager Tony Zimmer reported the Committee met once since the last Commission meeting. The Committee discussed Items 12, 13, 14, and 17 on the Consent Calendar, and item 20 under Discussion/Action on today's agenda. A quorum of the Committee was established, and recommended Commission approval of all items. The next Committee meeting is scheduled for June 1.

6. Finance Committee

Committee Chair Catalina reported the Finance Committee met once since the last Commission meeting. The Committee discussed and recommended Commission approval of item 15 on today's agenda. The Committee also received an update on the financial markets from PFM who said that interest rates have been rising faster than expected to help curb inflation. One note of interest is the timing of the 2022 Hydro refunding. If the refunding occurred in today's market, NPV savings would be \$2.3 million instead of the \$12.3 million that was achieved. The next Finance Committee meeting will be held on May 10.

7. Legal Committee

General Counsel Jane Luckhardt reported the Committee did not meet since the last Commission meeting. The next Committee meeting is scheduled on June 2.

8. Legislative & Regulatory Affairs Committee

- Vice Chair Jenelle Osborne reported the Committee did not meet since the last Commission meeting.
- Several NCPA Members and staff plan to attend the American Public Power Association National Conference in Tennessee next month. Members that are able to attend this year, please contact the L&R Team for information regarding annual Member events during the conference.
- The NCPA L&R team has been working with the Generation Services team to advance the integration of hydrogen at the Lodi Energy Center (LEC) as part of the Northern California Pacific Hub effort. Following the NCPA Federal Policy Conference meetings on this topic in April, several additional meetings have subsequently been held with state legislators, the Governor's Office, and the US Department of Energy (DOE). The goal is to secure federal infrastructure funding for an on-site green hydrogen electrolyzer at the LEC that can help power the plant and support R&D related to the transmission of hydrogen through the natural gas pipeline system. As well, we are working with the Governor's office to ensure that funding for the LEC project is included in the State of California's hydrogen hub grant application to DOE, which will be due in late summer.
- NCPA is active in supporting the work of the North American Electric Reliability Corporation (NERC) this month—participating in an audit together with NERC's internal audit team and other industry representatives to provide feedback to NERC and its regional partners on the effectiveness and efficiency of their oversight. This includes ensuring that the scope of audits are not expanded beyond their core purpose, and are conducted with an eye toward protecting systems without creating undue and costly oversight burdens, particularly for small systems. NCPA has also been asked by the NERC Board of Trustees to join a new stakeholder engagement team that will focus on the efficiency of the standards development process to ensure it can adapt to a rapidly changing transmission grid.

The next Committee meeting is scheduled on August 24.

9. Members' Announcements & Meeting Reporting

Pauline Roccucci, **Roseville**, announced that power was out in the Roseville / Rocklin area by the Roseville Galleria Mall due to a fire at PG&E's substation.

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.

Items 12 and 16 were pulled from Consent and moved to Discussion / Action.

MOTION: A motion was made by Suds Jain, and seconded by Jenelle Osborne to approve the Consent Calendar consisting of Items 10, 11, 13, 14, 15, 17, 18, and 19. 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			X
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding	Y		
Roseville	Y	17	
Santa Clara	Y	17	
Shasta Lake	Y		
Truckee Donner	Y		
Ukiah	Y		
Plumas-Sierra			X

10. ***NCPA's Financials for the Month Ended April 30, 2022*** – approval by all members.

11. ***Treasurer's Report for the Month Ended April 30, 2022*** – accept by all members.

12. ***MOVED TO DISCUSSION / ACTION Resolution 22-56, GeothermEx, Inc. – First Amendment to Five Year Consulting Services Agreement for Geothermal Reservoir Numerical Simulations; Applicable to the following: Geothermal Facility*** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc., for geothermal reservoir numerical simulations, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$1,000,000, for continued use at the Geothermal Facility.
Fiscal Impact: authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc., for geothermal reservoir numerical simulations, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$1,000,000, for continued use at the Geothermal Facility.

13. ***Resolution 22-57, Kinectrics, Inc. – Five Year Multi-Task Professional Services Agreement for generator testing and assessment 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 Professional Services Agreement with Kinectrics, Inc., for generator testing and assessment services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.

14. ***Resolution 22-59, Parker Landscape Development, Inc. – First Amendment to the Multi-Task General Services Agreement for continued use at NCPA all facilities owned and/or operated by NCPA, NCPA Members, by 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 Parker Landscape Development, Inc., for professional commercial landscape services, tree care, and special projects increasing the not to exceed amount to \$300,000.
Fiscal Impact: Upon execution, the total not-to-exceed amount of the agreement will increase from \$200,000 to \$300,000 with no changes to the expiration date of April 3, 2023. No budget

augmentation is necessary as the services are captured within the approved General Services budget for FY22 & FY23.

- 15. Resolution 22-61, Review and Approve the Northern California Power Agency (NCPA) Investment Policy and Guidelines No. 200-100** – adopt resolution by all members authorizing revisions to NCPA's Investment Policy and Guidelines No. 200-100.
Fiscal Impact: There is no direct dollar impact to this proposed policy. The resolution approves the Agency policy surrounding investments. The policy follows the California Government Code, Sections 53600 and 53635 et seq. and in some cases is more restrictive so that the Agency can achieve investment goals, define rules, and reduce exposure to liability and loss.
- 16. MOVED TO DISCUSSION / ACTION Resolution 22-62, Temporary Lodi Energy Center (LEC) Scheduling and Dispatch Operations and Economic Criteria; Applicable to the following: Northern California Power Agency (NCPA) LEC Facility** – adopt resolution by members authorizing the General Manager or his designee to implement the temporary scheduling and bidding guidelines described in Staff Report No. 173:22, as such may be adjusted as needed to achieve the objective of the strategy, until the unit gear can be replaced and full repairs are completed.
Fiscal Impact: The fiscal impact of implementing the temporary scheduling and bidding guidelines described herein is unknown due to various market conditions, but LEC Staff believe implementing the temporary scheduling and bidding guidelines will provide LEC Staff key tools that can be used to preserve and/or maximize unit production value, while balancing unit operations to achieve the objectives of the strategy until the unit can be repaired. The fiscal impact of implementing the temporary scheduling and bidding guidelines will be further discussed with the Project Participant Committee (PPC) during the period of time the strategy is in place, and the strategy may be refined based on further direction received from the PPC.
- 17. Resolution 22-64, Approval of Western Area Power Administration (WAPA) 2022 Renewable Energy Credit (REC) Program Letter of Agreement 22-SNR-02738** – adopt resolution by all members approving the WAPA 2022 REC Program Letter of Agreement 22-SNR-02738, and authorize the General Manager of NCPA to execute the WAPA 2022 REC Program Letter of Agreement 22-SNR-02738, on behalf of NCPA, including any non-substantive modifications to the WAPA 2022 REC Program Letter of Agreement approved by NCPA's General Counsel.
Fiscal Impact: Costs associated with entering into the WAPA 2022 REC Program Letter of Agreement 22-SNR-02738 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 Members in accordance with approved cost allocation methodologies as described the NCPA annual budget.
- 18. Resolution 22-65, Admission of the City of Shasta Lake as a Participant in the Power Management and Administrative Services Agreement** – adopt resolution by all members approving an amendment to Schedule 1 of the Power Management and Administrative Services Agreement (PMASA) to include the City of Shasta Lake as a Participant to the PMASA, upon the City of Shasta Lake's delivery to NCPA of an executed counterpart to the PMASA.
Fiscal Impact: Work associated with development of an amendment to Schedule 1 of the PMASA was undertaken pursuant to approved Power Management budget categories, and costs associated with this effort are allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.
- 19. Resolution 22-66, Admission of the City of Shasta Lake as a Participant in the Amended and Restated Facilities Agreement** – adopt resolution by all members approving an amendment to Schedule 1 of the Amended and Restated Facilities Agreement (FA) to include the City of Shasta Lake as a Participant to the FA, upon the City of Shasta Lake's delivery to NCPA of an executed counterpart to the FA.

Fiscal Impact: Work associated with development of an amendment to Schedule 1 of the FA was undertaken pursuant to approved Power Management budget categories, and costs associated with this effort are allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

DISCUSSION / ACTION ITEMS

Item 12 Resolution 22-56, GeothermEx, Inc. – First Amendment to Five Year Consulting Services Agreement for Geothermal Reservoir Numerical Simulations; Applicable to the following: Geothermal Facility – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc., for geothermal reservoir numerical simulations, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$1,000,000, for continued use at the Geothermal Facility.

Fiscal Impact: authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc., for geothermal reservoir numerical simulations, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$1,000,000, for continued use at the Geothermal Facility.

Item 12 was pulled from consent for further discussion. Geothermal Plant Manager Marc Pelletier provided a brief background on the project. NCPA is working with GeothermEx to upgrade to a new software platform, and will continue to provide ongoing modeling support, which provides staff with critical geothermal reservoir data used in operational decisions. The Commission discussed and asked questions.

MOTION: A motion was made by Suds Jain, and seconded by Jerry Serventi authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc., for geothermal reservoir numerical simulations, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$1,000,000, for continued use at the Geothermal Facility. 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			X
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding	Y		
Roseville	Y		
Santa Clara	Y		
Shasta Lake	Y		
Truckee Donner	Y		
Ukiah	Y		
Plumas-Sierra			X

Item 16 Resolution 22-62, Temporary Lodi Energy Center (LEC) Scheduling and Dispatch Operations and Economic Criteria; Applicable to the following: Northern California Power Agency (NCPA) LEC Facility – adopt resolution by members authorizing the General Manager or his designee to implement the temporary scheduling and bidding guidelines described in Staff Report No. 173:22, as such may be adjusted as needed to achieve the objective of the strategy, until the unit gear can be replaced and full repairs are completed.

Fiscal Impact: The fiscal impact of implementing the temporary scheduling and bidding guidelines described herein is unknown due to various market conditions, but LEC Staff believe implementing the temporary scheduling and bidding guidelines will provide LEC Staff key tools that can be used to preserve and/or maximize unit production value, while balancing unit operations to achieve the objectives of the strategy until the unit can be repaired. The fiscal impact of implementing the temporary scheduling and bidding guidelines will be further discussed with the Project Participant Committee (PPC) during the period of time the strategy is in place, and the strategy may be refined based on further direction received from the PPC.

Item 16 was pulled from consent for further discussion. Acting Assistant General Manager of Generation Services Mike DeBortoli mentioned that during the planned major maintenance outage, staff discovered a broken tooth on the gear that connects to the high-pressure steam turbine to the generator. However, due to the long lead times, staff consulted with the gearbox manufacturer (Flender) regarding the best solution under the circumstances. Flender recommended continuing to run the plant with the broken gear, but at less than full capacity. Flender did state that they cannot guarantee gearbox integrity even at the de-rated unity capacity. The Commission discussed and asked questions regarding insurance impact and claim.

None
MOTION: A motion was made by Suds Jain, and seconded by Bo Sheppard authorizing the General Manager or his designee to implement the temporary scheduling and bidding guidelines described in Staff Report No. 173:22, as such may be adjusted as needed to achieve the objective of the strategy, until the unit gear can be replaced and full repairs are completed. 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			X
Lompoc	Y		
Palo Alto		X	
Port of Oakland	Y		
Redding		X	
Roseville		X	
Santa Clara	Y		
Shasta Lake	Y	X	
Truckee Donner		X	
Ukiah	Y		
Plumas-Sierra			X

20. Resolution 22-58, NCPA 2022 Wildfire Mitigation Plan Assessment Report and Revisions; Applicable to the following: All Northern California Power Agency (NCPA) Facilities – adopt resolution by all members approving the NCPA 2022 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluators recommendations.

Fiscal Impact: Any expenses associated with the preventative maintenance procedures and practices included in the plan are already covered in previously approved Plant budgets. The plan

also includes investigation of potential risk reduction measures that, if implemented, may require additional budget dollars. Those amounts are not known or established at this time.

Acting Assistant General Manager of Generation Services Mike DeBortoli gave a presentation on the proposed NCPA 2022 Wildfire Mitigation Plan Assessment Report and Revisions. The Commission discussed and asked questions.

MOTION: A motion was made by Jenelle Osborne, and seconded by Steven Poncelet to adopt resolution by all members to adopt resolution by all members approving the NCPA 2022 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluators recommendations. 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			X
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding		X	
Roseville	Y		
Santa Clara	Y		
Shasta Lake			
Truckee Donner	Y		
Ukiah	Y		
Plumas-Sierra			x

Non-essential Members and NCPA staff left the meeting for closed session items 21 and 22.

CLOSED SESSION

Chair Hagele asked General Counsel to move the Commission into closed session at 10:53 am. General Counsel Jane Luckhardt took the Commission into closed session.

21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1) - Existing Litigation, two (2) cases:

- A. Case Name: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States*, Court of Federal Claims No. 14-817C.
- B. Case Name: *In Re PG&E Corporation and Pacific Gas and Electric Company: United States District Court, Northern District of California*, Case No. 22-cv-02833-HSG.

22. CONFERENCE WITH LEGAL COUNSEL – pursuant to Government Code Section 54956.9(d)(2) – Anticipated Litigation – one (1) case.

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting at 11:21 am.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt reported there was no reportable action taken in closed session.

NEW BUSINESS

Chair Hagele thanked everyone for coming to Healdsburg.

ADJOURNMENT

The May 26, 2022, Commission meeting was adjourned at 11:23 am by Chair Hagele.

Respectfully submitted,
//
DAVID HAGELE
Commission Chair

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

Attachments

**Northern California Power Agency
Commission Meeting
May 26, 2022
COMMISSIONERS
Attendance List**

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

MEMBER	NAME
1 - ALAMEDA	Vice Chair Jerry Serventi
2 - BIGGS	Bo Sheppard
3 - GRIDLEY	Catalina Sanchez
4 - HEALDSBURG	Chair David Hagele
5 - LODI	Absent
6 - LOMPOC	Jenelle Osborne
7 - PALO ALTO	Shiva Swaminathan
8 - PLUMAS-SIERRA REC	Absent
9 - PORT OF OAKLAND	Jared Carpenter
10 - REDDING	Nick Zettel
11 - ROSEVILLE	Pauline Roccucci
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	Absent
13 - SANTA CLARA	Suds Jain
14 - SHASTA LAKE	James Takehara
15 - TRUCKEE DONNER	Steven Poncelet
16 - UKIAH	Cindy Sauers

**Northern California Power Agency
Commission Meeting
May 26, 2022
Attendance List**

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

NAME	AFFILIATION
Mark Sorensen	City of Biggs
Jeff Berkheimer	Lodi Electric
Terry Crowley	City of Healdsburg
Shawn Matchim	Roseville Electric
Kathy Watanabe	City of Santa Clara
Basil Wong	Silicon Valley Power
Randy Howard	NCPA
Jane Luckhardt	NCPA
Jane Cirrincione	NCPA
Monty Hanks	NCPA
Tony Zimmer	NCPA
Sondra Ainsworth	NCPA
Mike DeBortoli	NCPA
Marc Pelletier	NCPA
Cary Padgett	NCPA

3

SUPPORT SERVICES PROGRAM STATUS REPORT

June 16, 2022

Member Name	Designated Representatives	Confirmation NTE Amount	Date Approved
Alameda - AMP	General Manager & AMP General Counsel	\$ 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 \$15,000; City Manager & City Attorney NTE \$20,000	\$ 20,000	09/07/16
Lompoc	Utility Director & City Attorney	\$ 125,000	11/15/16
Palo Alto	City Manager & City Attorney	\$ 85,000	06/05/17
Plumas-Sierra REC			
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	\$ 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
0258	Alameda Municipal Power	6/6/22	\$ 46,390.00	Dee's Design Box; Graphic design services including branding package development, document creation including newsletters, bill inserts, online ads, and information sheets for FY23.
0255	City of Roseville	5/24/22	\$ 22,990.00	Gannett Fleming, Inc.; structural design calculations and drawings for concrete foundation at Industrial Avenue Substation #1.
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.
0246	Port of Oakland	2/3/22	\$ 76,726.00	Aspen Environmental; perform a Utilities Rate Study to provide analysis of the current rate input information and what level of full rate study could be needed.
0245	City of Palo Alto	3/23/22	\$ 44,825.00	Cool The Earth; Energy efficiency services including 12 online Electric Vehicle (EV) 101 or 102 workshops and two group Buy EV Discount campaigns.
0244	City of Palo Alto	2/24/22	\$ 71,800.00	Acterra; host 19 energy efficiency events to raise awareness of electric vehicles and EV adoption.
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.
0242	City of Redding	12/10/21	\$ 26,645.00	Cameron-Cole LLC; verification services for REU power plant GHG emissions for compliance with the Regulation for mandatory CARB reporting. Services for emission years 2021 and 2022.
0241	City of Roseville	3/22/22	\$ 32,500.00	DNV Energy Services USA Inc.; energy efficiency services in CY22 including EMV, verification services, and technical advisory services as requested.

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.
0239	City of Roseville	11/5/21	\$ 74,961.00	D+R International; provide building and electrification technologies including Home Energy Estimator when considering HVAC systems with heat pump technology and QMerit EV services.
0238	City of Roseville	10/21/21	\$ 18,945.00	Dudek; Wildfire Mitigation Plan review for 2021.
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.
0234	City of Santa Clara	10/29/21	\$ 26,769.00	Dudek; Independent Evaluator review, report, and presentation to Council re SVP's Wildfire Mitigation Plan.
0231	City of Santa Clara	12/20/21	\$ 18,854.00	D+R International; EE services including EV Digital Toolkit configuration and integration for SVP through January 2024.
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.
0228	City of Palo Alto	7/14/21	\$ 11,950.00	Frontier Energy, Inc.; kitchen energy efficiency services for up to five restaurants to support electrification efforts.
0225	City of Roseville	8/2/21	\$167,716.00	Plug In America; provide EV education in-person and virtual events and EV advocate trainings; provide Dealer Incentive Program including training, engagement, certificate pricing, license fees, incentive funds, and program management.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
0224	City of Healdsburg	7/1/21	\$ 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.
0219	City of Redding	6/29/21	\$312,820.00	Quest Media & Supplies, Inc.; for design services for Fiber Optic Infrastructure Project including site walks, baseline drawings, update every pole drawing, full permit package for project compliant with public works requirements.
0218	City of Redding	6/15/21	\$200,785.00	Bell Burnett & Associates; consulting services to prepare Mitigation Implementation Plan and conduct review of REU's Capital Program and make recommendations about most efficient means of implementation.
0216	Port of Oakland	5/12/21	\$ 7,973.00	TRC Solutions, Inc.; for independent third-party evaluation of Physical Security Plan per CPUC Decision 19-01-018.
0209	City of Redding	6/15/21	\$303,129.00	Quantum Spatial, Inc.; LiDAR remote sensing data services for REU's Tier 1 and Tier 2 regions to assist with vegetation management.
0204	City of Lompoc	3/30/21	\$125,000.00	MFP Connect, Inc.; provide personnel services to lead special project-onboard energy consultant with extensive T&D experience to assess system health, recommend/prioritize critical path maintenance, develop comprehensive CIP and additional duties as requested by UD.
0186 Amd.	Alameda Municipal Power	9/21/20 7/23/21	\$ 75,000.00 \$200,000.00	Flynn Resource Consultants, Inc.; Continued services related to electric transmission issues, grid planning, load levels, regulatory matters, litigation support, and other services as requested in FY21.
0179	Alameda Municipal Power	7/28/20	\$ 67,500.00	Cooperative Response Center; Overflow telephone solution during after-hours or outage situations FY21 and FY22.

No.	NCPA Member	Date	Amount	Vendor Name & Short Description
0166	City of Palo Alto	7/1/20	\$ 73,325.00	DNV, formerly Energy & Research Solutions; energy efficiency consulting services including energy savings calculation review, rebate application review, business energy audits and technical advice.
0157	City of Lodi	4/28/20	\$154,480.00	Cooperative Response Center; Overflow telephone solution during after-hours or outage situations 24-month period.
0117 Amd.	City of Lodi	8/22/19 1/20/21	\$275,811.00	Burns & McDonnell; engineering design and environmental analysis for the PG&E Northern San Joaquin 230 kV Transmission Project to be incorporated into PG&E's PEA.
0080	City of Roseville	7/11/18	\$148,084.00	Siemens Energy, Inc.; Year 3 of 5-year T-3000 Maintenance Program.
0079	City of Redding	7//10/18	\$ 64,223.09	Siemens Energy, Inc.; Year 3 of 5-year T-3000 Maintenance Program.

SSA CONFIRMATIONS EXECUTED AND IN PROGRESS (SCPPA CONTRACTS)

No.	NCPA Member	Date	Amount	Vendor Name & Short Description
0232	City of Roseville	3/3/22	\$ 74,500.00	Synergy Companies; provide audits and direct install program of energy saving measures to eligible small business customers at no cost to customers through Program managed by the City of Roseville.
0223	Alameda Municipal Power	8/30/21	\$270,000.00	The Energy Federation, Inc.; eCommerce marketplace platform and fulfillment for AMP's customers; downstream rebate processing.
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.
0196	City of Santa Clara	10/13/21	\$ 32,675.00	Tinker, LLC; science-based curriculum energy education program to teach students about energy and how to use it wisely.



651 Commerce Drive
Roseville, CA 95678

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

Commission Staff Report

AGENDA ITEM NO.: 5

Date: June 23, 2022
To: NCPA Commission
Subject: June 1, 2022 Facilities Committee Meeting Minutes

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



651 Commerce Drive
Roseville, CA 95678

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

Minutes – Draft

Date: June 6, 2022
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: June 1, 2022 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Jiayo Chiang (Lodi) at 9:02 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Roger Yang (Alameda), Mark Sorensen (Biggs), Dan Howard (Gridley), Shiva Swaminathan and Jim Stack (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Kamryn Hutson (Redding), and Basil Wong and Steve Hance (Santa Clara). Owen Goldstrom (non-voting Representative with TID) attended via teleconference. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approval of Minutes from the May 4, 2022 Facilities Committee Meeting**

Motion: A motion was made by Shiva Swaminathan and seconded by Steve Hance recommending Committee approval of the May 4, 2022 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities, Members, SCPPA – Caltrol, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Caltrol, Inc. for machining services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

Machining 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Bay Valve Service, Custom Valve Solutions and Martech.

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. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Brian Schinstock and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Caltrol, Inc. for machining services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 4. All NCPA Facilities, Members, SCPA – Universal Protection Service, LP dba Allied Universal Security Services First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services for security guard services, increasing the not to exceed from \$225,000 to \$750,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members.

NCPA entered into a five year Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services effective July 22, 2020 for an amount not to exceed \$225,000, for use at all NCPA, NCPA Member, SCPA, and SCPA Member facilities. Allied Universal Security Services recently completed services during the Lodi Energy Center's Spring 2022 Outage. In addition, they provide NCPA's Geothermal facility with ongoing daily security guard gate services, and it is anticipated they will also provide 24-hour security during the Geo Plant 2 Unit 4 Overhaul Project scheduled to start in November 2022. As a result, this agreement is running low on funds. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$225,000 to \$750,000 to ensure there are sufficient funds available for these services, as well as through the remainder of the contract term. NCPA has an agreement in place for similar services with Securitas Security Services USA, Inc.

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. A draft Commission Staff Report, the original agreement, and a draft First Amendment were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Basil Wong and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services for security related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$750,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 5. NCPA Geothermal Facility – Steam Field Operations Forecast Report** – Staff presented the report with background information and was seeking a recommendation for Commission approval

of the 2022 Steam Field Operations Forecast Report, including approval regarding the market power price at which to curtail the load at the NCPA Geothermal facilities, as the Geothermal Operating Protocol effective July 1, 2022, and remaining in effect until replaced by the Commission.

The Steam Field Operations Forecast Report is an in-depth study of The Geysers reservoir relative to the operation of NCPA's Geothermal facility and provides a generation forecast of the facility. This report will act as the Operating Protocol with the goal of maximizing the generation output.

The Operating Protocol currently uses a two-zone strategy with wells on the west side of the NCPA lease producing to both Plant #1, Units #1 and #2. Wells on the east side of the NCPA lease produce to Plant #2, Unit #4. This Protocol will maximize generation while allowing for scheduling flexibility and reduction of load under the proper economic conditions. For 2022, NCPA proposes that the current Operating Protocol remains in effect. As a reminder, the proper economic conditions under the current Protocol are as follows:

- Day Ahead Market Prices are a minimum of negative \$25 per MWh.
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response.
- Duration of the curtailment is to be a minimum of 4 hours.
- Curtailments are limited to once per calendar day.

This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW. The approved FY 2023 Geothermal budget covers the proposed action.

Motion: A motion was made by Basil Wong and seconded by Mike Brozo recommending Commission approval authorizing the 2022 Steam Field Operations and Forecast Report dated April 2022 as the Geothermal Operating Protocol effective July 1, 2022. This Operating Protocol is to remain in effect until replaced by the Commission. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Redding. The motion passed.

- 6. All NCPA Facilities, Members, SCSPPA – Quest Media and Supplies, Inc. MTCSA – Staff** provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Quest Media and Supplies, Inc., for network infrastructure design, telecom consulting, data center administration, application design, and security consulting services with a not-to-exceed amount of \$1,500,000 for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCSPPA, and SCSPPA Members.

Quest Media and Supplies Inc. (Quest) is a corporation with over 30 years of experience assisting companies with network infrastructure design, engineering and troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, and security consulting services. They work seamlessly with staff, systems, policies, and procedures helping companies achieve their IT goals.

NCPA has a good working relationship with this vendor and wishes to continue that relationship. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Katama Technologies and IEC Corporation. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc. for network infrastructure design, engineering, troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, and security consulting, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not to exceed of \$1,500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 7. All NCPA Facilities, Members, SCPPA – AESI-US, Inc. MTCSA –** Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with AESI-US, Inc., for consulting services related to NERC CIP, or Operations and Planning Standards, with a not-to-exceed amount of \$500,000 for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

On October 1, 2020 NERC began enforcing NERC Standard CIP-013-1 “Cyber Security – Supply Chain Risk Management” for Registered Entities that Own and/or operate medium impact BES Cyber Systems. On October 1, 2022 the revised standard CIP-13-2 becomes enforceable. Additionally, NERC is currently developing revised version CIP-013-3; the effective date is unknown at this time. The goal of NERC Standard CIP-013 is to minimize the risk associated with procurement of vendor product and services. NCPA desires to develop a NERC CIP-013 Compliance Program even though NCPA currently does not have Medium Impact Cyber Systems.

NCPA issued a RFP for NERC Cyber Security Supply Chain Management Services on January 19, 2022. AESI-US, Inc. submitted a proposal for this RFP, and was a successful bidder. NCPA now desires to enter into an agreement with this vendor for NERC CIP or Operations and Planning Standards related tasks. NCPA has other agreements in place for similar services with Utility Services of Vermont, LLC and Utility System Efficiencies, Inc., but these services are not specific to NERC CIP-013 evaluation. NCPA is also entering into an agreement with Archer Energy Solutions, LLC for similar services. 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. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Basil Wong and seconded by Khaly Nguyen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with AESI-US, Inc., for consulting services related to NERC CIP, or Operations and Planning Standards, 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. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 8. City of Redding Admission to MPP –** Staff presented background information and was seeking a recommendation for Commission approval of admission of the City of Redding as a new Participant to the Amended and Restated Market Purchase Program Agreement (MPP).

Pursuant to the MPP Agreement, NCPA may act on behalf of MPP Agreement Participants to transact energy and energy related commodities. The City of Redding has expressed its desire to

become a MPP Agreement Participant. Section 11.1 of the MPP Agreement states that a Member may execute the MPP Agreement and become a MPP Agreement Participant provided that such joinder is approved by the NCPA Commission. Upon becoming a MPP Participant, the City of Redding will participate in the program pursuant to the terms and conditions as set forth in the MPP Agreement.

NCPA's administrative costs for development and administration of the MPP Agreement will be allocated to Members in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval of the City of Redding becoming a Participant under the Amended and Restated Market Purchase Program Agreement (MPP Agreement) upon the City of Redding's execution of the MPP Agreement. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

Non-essential Members and NCPA staff left the meeting for the closed session discussion items 9 and 10.

CLOSED SESSION

General Counsel Jane Luckhardt took the Facilities Committee into Closed Session at 10:05 am.

- 9. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION** – Pursuant to Government Code Section 54956.9(d)(1): Case Name: *In Re PG&E Corporation and Pacific Gas and Electric Company: United States District Court, Northern District of California, Case No. 22-cv-02833-HSG.*
- 10. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Pursuant to Government Code Section 54956.9(d)(1) – one (1) case.

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting at 11:10 am.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt reported there was no reportable action taken on the Closed Session items 9 and 10.

INFORMATIONAL ITEMS

- 11. New Business Opportunities** – Staff provided an update regarding new business opportunities.

SJCE RFP for Wholesale Energy Services – NCPA currently provides a variety of wholesale energy services to SJCE. The SJCE Power Management Services Agreement terminates on August 31, 2022. SJCE issued a Request for Proposal (RFP) seeking wholesale energy services from third party suppliers. NCPA responded to SJCE's RFP by submitting a proposal to continue its supply of certain wholesale energy services, including CAISO Scheduling Agency services. NCPA has been short listed in SJCE's RFP process.

NCPA's Proposal summary for the RFP includes the services listed below:

- SC Agent services for scheduling
- Load forecasting
- Compliance reporting (Resource Adequacy)
- Performance reporting and deal capture
- Dispatch and operations
- Settlement validation
- Management of CRRs
- Development of risk management reports

Other key terms in the proposal include an initial term of three years with an option to extend the term for an additional three two-year terms, and compensation. The draft proposal for the services provided is for a \$733,466 annual fee, with a 3% per year escalation, which would be \$2.26 million during the initial term. NCPA has been initially awarded an offer subject to further negotiation.

NCPA is actively engaged in an effort to negotiate a Services Agreement with SJCE. Pending completion of that process, NCPA will present and seek approval of the Services Agreement in either the June or July Commission meeting. If this item is completed in this would require scheduling a Special Facilities Committee meeting.

NCPA Renewables RFP Update

Recent Proposals

- Grace Solar Energy Center
 - Term: 20 years commencing 6/1/2025
 - Volume: 100 MW Solar
- Descendant Ranch
 - Term: 20 years commencing 6/1/2025
 - Product: 100 MW Solar + 24 MW / 5 Hour Storage
- Yellow Pine III
 - Term: 20 years commencing 6/1/2025
 - Size: 60 MW Solar + 45 MW / 4 Hour Storage
- Corby
 - Term: 20 years commencing 6/1/2025
 - 100 MW / 4 Hour Storage

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

Geo – There were two safety incidents to report for the month of May. One NCPA employee was stung by a bee and had a severe allergic reaction, but is doing OK now. Another employee was splashed with chemicals, and is also doing OK. Vegetation for the month included maintaining fire breaks around transmission towers and roads, and clearing brush around pipelines. The average estimated net generation level for the month was 91.9 MW. Total estimated net generation was 68.4 GWh. Actual FY 2022 net generation is 741.3 GWh YTD. The FY 2022 Net Generation Forecast has been updated to 800.8 GWh. Plant #1 was in an outage for Stretford repairs May 6-7, 2022. Routine plant and Steam Field maintenance continued during the month with vegetation management along the main road, and measuring pipeline pressure drops.

Hydro – Collierville (CV) Power House was 100% available during the month of May, and New Spicer Meadows Power House was at 92% due to a PG&E transmission forced outage. New

Spicer Meadows storage increased by 37,700 acre feet at 41% month over month from 91,000 acre feet to 128,7000 acre feet and cresting. Last year's peak was at 94,600 acre feet. The California snow water content is 5% of average for this time of year in Central California. Current operations are continuing in the water conservation mode. Union, Utica, and Alpine spills are tapering, Alpine has been reduced to a "Dry Year" release rate, Beaver Creek Diversion is finished for the season, and North Fork Tunnel Diversion is tapering. Staff initiated a Spicer storage draft due to the runoff tapering, as well as requested a flow variance from CDWF on May 12, 2022. Current regulatory and resource agency activities included USGS approving 20'-21' water record, preparing a revised QCIP for annual dam maintenance, preparing McKays and Spicer DSSMRs, scheduling 2022 FERC and DSOC dam safety inspections and scheduling annual fall reservoir dewatering's with CDFW. Maintenance activities included 230 kV ROW vegetation management at 75% complete, the opening of Spicer Road to the public, and campground hazardous tree removal.

CTs – May was a busy month for the CT1, but was quiet for CT2. CT1 had 14 actual starts, and 1 ghost start bringing the FYTD total to 215, of 0 forecasted. CT2 had 1 start this month of 1 forecasted, bringing the FYTD total to 48 starts. Alameda Unit 1 is still in a forced outage due to an oil system leak. CT2 was in a planned outage for spring maintenance. CT1 Lodi has used 49.3 hours (24%) of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 9.7 hours of 20, and Unit 2, 8.1 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for May 2022.

13. Planning and Operations Update –

- **Resource Integrations In Progress**
 - Antelope Solar (NCPA) – TBD
 - Deer Creek – July 2022
 - Sandborne Storage – Q4 2022
 - Scarlet Solar / Storage – Q1 2023
 - Dagget Solar / Storage – Q2 2023

- **Discussion Topics**
 - CAISO Credit Discussions
 - Summer 2022 Readiness
 - o Load Shedding Coordination
 - o CAISO communications

14. Next Meeting – The next regular Facilities Committee meeting is scheduled for July 6, 2022.

ADJOURNMENT

The meeting was adjourned at 12:06 pm.

**Northern California Power Agency
 June 1, 2022 Facilities Committee Meeting
 Attendance List**

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

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	✓
BART	
BIGGS	✓
GRIDLEY	✓
HEALDSBURG	
LODI	<i>Grayo Chiang</i>
LOMPOC	
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	<i>Brian Schinstock</i>
SANTA CLARA	✓
TID	✓ (Non-Voting Rep)
UKIAH	




Commission Staff Report

COMMISSION MEETING DATE: June 23 2022

SUBJECT: May 31, 2022 Financial Report (unaudited)

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:		
All Members	<input checked="" type="checkbox"/>	
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:

Recommending the Northern California Power Agency (NCPA) Commission approve the Financial Report for month ending May 31, 2022.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the June 23, 2022 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 May 31, 2022 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:

- May 31, 2022 Financial Report

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

**Schedule of Disbursements
(Unaudited)**

For the Month of May 2022

Operations:

Geothermal	\$	3,427,667
Hydroelectric		4,680,441
CT#1 Combustion Turbines		305,788
CT#2 STIG		463,202
Lodi Energy Center		5,042,251
NCPA Operating		51,042,866
Total	\$	<u>64,962,215</u>

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED MAY 31, 2022

PERCENT OF YEAR ELAPSED 92%

	This Month	Actual Year To-Date	FY 2022 Budget	% Used	
GENERATION RESOURCES					
NCPA Plants					
Hydroelectric					
Other Plant Cost	\$ 1,745,162	\$ 19,009,269	\$ 20,659,536	92%	
Debt Service (Net)	2,785,136	30,636,501	33,421,637	92%	
Annual Budget Cost	4,530,298	49,645,770	54,081,173	92%	
Geothermal					
Other Plant Cost	3,097,634	32,597,773	35,708,919	91%	
Debt Service (Net)	412,788	4,540,665	4,953,453	92%	
Annual Budget Cost	3,510,422	37,138,438	40,662,372	91%	
Combustion Turbine No. 1					
Fuel	122,234	2,176,483	791,613	275%	(a)
Other Plant Cost	386,331	5,557,540	6,263,071	89%	
Annual Budget Cost	508,565	7,734,023	7,054,684	110%	
Combustion Turbine No. 2 (Stig)					
Fuel and Pipeline Transport Charges	58,826	1,626,558	1,265,369	129%	(b)
Other Plant Cost	233,894	1,933,712	2,649,010	73%	
Debt Service (Net)	420,667	4,627,333	5,048,000	92%	
Annual Budget Cost	713,387	8,187,603	8,962,379	91%	
Lodi Energy Center					
Fuel	159,667	53,064,384	31,029,301	171%	(b)
Other Plant Cost	250,761	42,050,070	31,775,721	132%	(b)
Debt Service (Net)	2,197,050	24,167,546	26,008,267	93%	
Annual Budget Cost	2,607,478	119,282,000	88,813,289	134%	
Member Resources - Energy	10,470,726	78,024,104	67,416,504	116%	(c)
Member Resources - Natural Gas	23,498	4,904,251	2,981,422	164%	(b)
Western Resources	1,735,368	22,233,923	27,302,082	81%	
Market Power Purchases	4,964,569	44,076,237	17,224,803	256%	(c)
Load Aggregation Costs - CAISO	54,503,445	858,009,049	282,244,061	304%	(d)
Net GHG Obligations	732,240	3,087,040	1,276,784	N/A	
	84,299,996	1,232,322,438	598,019,553	206%	
TRANSMISSION					
Independent System Operator					
Grid Management Charge	283,142	4,934,275	2,417,506	204%	(e)
Wheeling Access Charge	14,697,152	128,959,545	119,362,830	108%	(f)
Ancillary Services	703,103	10,324,100	3,846,319	268%	(g)
Other ISO Charges/(Credits)	(2,103,785)	(20,406,821)	946,016	-2157%	(h)
	13,579,612	123,811,099	126,572,671	98%	
MANAGEMENT SERVICES					
Legislative & Regulatory					
Legislative Representation	161,600	1,575,005	2,101,373	75%	
Regulatory Representation	58,444	584,842	633,940	92%	
Western Representation	50,539	510,288	693,937	74%	
Customer Programs	32,383	421,648	481,257	88%	
Judicial Action	60,177	964,878	300,000	322%	(i)
Power Management					
System Control & Load Dispatch	544,312	6,261,131	7,427,479	84%	
Forecasting, Planning, Prescheduling & Trading	172,244	2,405,615	2,810,687	86%	
Industry Restructuring & Regulatory Affairs	30,880	363,351	423,181	86%	
Contract Admin, Interconnection Svcs & External Affairs	73,833	871,757	974,600	89%	
Gas Purchase Program	4,325	49,923	80,779	62%	
Market Purchase Project	5,313	79,057	115,897	68%	

Management Services continued on next page

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED MAY 31, 2022

PERCENT OF YEAR ELAPSED 92%

	This Month	Actual Year To-Date	FY 2022 Budget	% Used	
Energy Risk Management	11,260	171,076	198,417	86%	
Settlements	53,963	704,375	975,283	72%	
Integrated Systems Support	248,290	483,016	307,165	157%	(j)
Participant Pass Through Costs	43,184	1,313,548	1,717,765	76%	
Support Services	134,727	1,867,848	-	N/A	
	1,685,474	18,627,358	19,241,760	97%	
TOTAL ANNUAL BUDGET COST	99,565,082	1,374,760,895	743,833,984	185%	
LESS: THIRD PARTY REVENUE					
Plant ISO Energy Sales	7,708,890	160,723,615	101,639,828	158%	(k)
Member Resource ISO Energy Sales	8,023,922	54,792,329	34,352,521	160%	(l)
Member Owned Generation ISO Energy Sales	13,233,785	125,022,777	83,030,430	151%	(l)
Revenue from Customers	4,576,052	90,941,714	-	N/A	(m)
NCPA Contracts ISO Energy Sales	3,418,123	36,589,810	12,614,852	290%	(l)
Western Resource Energy Sales	1,866,921	18,446,622	19,296,646	96%	(l)
Load Aggregation Energy Sales	7,307,066	391,124,994	-	N/A	(d)
Ancillary Services Sales	514,506	8,588,627	4,317,168	199%	(n)
Transmission Sales	9,198	101,178	110,376	92%	
Western Credits, Interest and Other Income	5,001,545	57,091,953	41,468,679	138%	(o)
	51,660,008	943,423,619	296,830,500	318%	
NET ANNUAL BUDGET COST TO PARTICIPANTS	\$ 47,905,074	\$ 431,337,276	\$ 447,003,484	96%	

- (a) Increases in costs are driven by greater than budgeted generation at CT1 (177% as of 5/31/22), higher prices per mmBtu, and higher fuel transportation charges.
- (b) Increase in costs due to greater than projected MWhs of generation. CT2 is at 132% of budgeted MWhs and LEC is at 129% of budgeted MWhs at 5/31/22. Fuel costs, CA ISO charges, GHG allowance costs, and variable costs have increased as a result of increased generation.
- (c) Increase due to higher than anticipated volume of market purchases and price per MWh for those purchases.
- (d) Increase due to unbudgeted energy purchases and energy sales related to CCAs (East Bay Community Energy, San Jose Clean Energy, and Sonoma Clean Power) and participants.
- (e) Increase due to unbudgeted grid management costs, net neutrality charges and other costs related to CCAs (which is offset by revenue from customers) and participants.
- (f) Wheeling Access Charge (WAC) rates increased approximately 20% over budgeted amounts.
- (g) Increase due to unbudgeted ancillary services costs related to CCAs, which is offset by revenue from customers, as well as greater than expected spinning, non-spinning, reg up and down obligation settlements for the NCPA pool.
- (h) Net credit due to revenue from unbudgeted congestion revenue rights and unbudgeted real-time settlement credits.
- (i) Budgeted costs are partially offset by available encumbrances from the prior years. Additional increases relate to unbudgeted costs for privileged and confidential legal matters related to a multiyear litigation.
- (j) Higher costs are the result of purchasing Cyber Security Insurance which was not budgeted for.
- (k) Higher plant revenues due to higher generation and energy prices.
- (l) Higher revenues due to higher energy prices and higher than budgeted contract energy.
- (m) Higher revenue from CCA results from increased charges for energy purchases, grid management, and ancillary services that are billed and settled with customers monthly.
- (n) Increase primarily due to greater than expected spinning and reg up capacity settlements revenue from Hydro plant.
- (o) Increase due primarily to higher than anticipated GHG credits and natural gas transfer credits from LEC participants. Increases are due to higher than budgeted LEC generation.

COMBINED STATEMENTS OF NET POSITION

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

UNAUDITED

	May 31,	
	2022	2021
	(in thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 27,655	\$ 32,382
Investments	28,294	34,649
Accounts receivable		
Participants	49,815	33
Other	4,749	9,982
Interest receivable	143	286
Inventory and supplies	8,665	6,100
Prepaid expenses	2,899	4,776
TOTAL CURRENT ASSETS	<u>122,220</u>	<u>88,208</u>
RESTRICTED ASSETS		
Cash and cash equivalents	87,139	74,748
Investments	170,987	191,125
Interest receivable	571	639
TOTAL RESTRICTED ASSETS	<u>258,697</u>	<u>266,512</u>
ELECTRIC PLANT		
Electric plant in service	1,500,708	1,496,308
Less: accumulated depreciation	(1,075,755)	(1,045,589)
TOTAL ELECTRIC PLANT	<u>424,953</u>	<u>450,719</u>
OTHER ASSETS		
Regulatory assets	195,207	213,665
Investment in associated company	265	265
TOTAL ASSETS	<u>1,001,342</u>	<u>1,019,369</u>
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	1,466	12,999
Pension and OPEB deferrals	18,099	16,936
Asset retirement obligations	61,774	61,892
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>81,339</u>	<u>91,827</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,082,681</u>	<u>\$ 1,111,196</u>

COMBINED STATEMENTS OF NET POSITION

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

UNAUDITED

	May 31,	
	2022	2021
(in thousands)		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 43,996	\$ 41,585
Member advances	993	993
Operating reserves	24,028	24,103
Current portion of long-term debt	45,450	43,035
Accrued interest payable	12,806	15,219
TOTAL CURRENT LIABILITIES	127,273	124,935
NON-CURRENT LIABILITIES		
Net pension and OPEB liabilities	62,959	63,003
Operating reserves and other deposits	148,880	141,976
Interest rate swap liability	-	16,827
Asset retirement obligations	69,549	68,010
Long-term debt, net	515,210	566,946
TOTAL NON-CURRENT LIABILITIES	796,598	856,762
TOTAL LIABILITIES	923,871	981,697
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	88,716	86,408
Pension and OPEB deferrals	2,187	4,737
TOTAL DEFERRED INFLOWS OF RESOURCES	90,903	91,145
NET POSITION		
Net investment in capital assets	(31,606)	(34,353)
Restricted	52,535	50,313
Unrestricted	46,978	22,394
TOTAL NET POSITION	67,907	38,354
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,082,681	\$ 1,111,196

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

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

UNAUDITED

	For the Eleven Months Ended May 31,	
	2022	2021
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 518,097	\$ 364,512
Other Third-Party	316,576	330,692
TOTAL OPERATING REVENUES	<u>834,673</u>	<u>695,204</u>
OPERATING EXPENSES		
Purchased power	374,960	333,800
Operations	121,548	76,913
Transmission	190,452	171,331
Depreciation	27,679	27,545
Maintenance	25,229	22,489
Administrative and general	26,742	20,804
TOTAL OPERATING EXPENSES	<u>766,610</u>	<u>652,882</u>
NET OPERATING REVENUES	<u>68,063</u>	<u>42,322</u>
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(22,701)	(28,016)
Interest income	1,279	(583)
Other	12,592	5,407
TOTAL NON OPERATING EXPENSES	<u>(8,830)</u>	<u>(23,192)</u>
FUTURE RECOVERABLE AMOUNTS	(14,777)	(12,210)
REFUNDS TO PARTICIPANTS	<u>(4,177)</u>	<u>(8,958)</u>
INCREASE (DECREASE) IN NET POSITION	40,279	(2,038)
NET POSITION, Beginning of year	<u>27,628</u>	<u>40,392</u>
NET POSITION, Period ended	<u>\$ 67,907</u>	<u>\$ 38,354</u>

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

May 31, 2022

	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	\$ 462	\$ -	\$ -	\$ 538	\$ 26,653	\$ 27,655
Investments	-	-	-	-	-	-	-	-	28,294	28,294
Accounts receivable										
Participants	-	-	-	-	-	-	49,803	-	12	49,815
Other	1,940	-	-	-	-	-	2,481	-	328	4,749
Interest receivable	-	-	-	-	-	-	52	-	91	143
Inventory and supplies	1,514	1,573	332	284	4,962	-	-	-	-	8,665
Prepaid expenses	442	658	54	78	566	-	-	80	1,021	2,899
Due from Agency and other programs*	17,283	4,612	2,875	4,985	6,350	-	3,378	7,148	(46,631)	-
TOTAL CURRENT ASSETS	21,179	6,843	3,262	5,348	12,340	-	55,714	7,766	9,768	122,220
RESTRICTED ASSETS										
Cash and cash equivalents	600	14,332	422	-	27,437	-	23,392	470	20,486	87,139
Investments	33,173	37,232	3,478	-	18,651	-	16,252	-	62,201	170,987
Interest receivable	119	64	-	-	76	-	-	-	312	571
TOTAL RESTRICTED ASSETS	33,892	51,628	3,900	-	46,164	-	39,644	470	82,999	258,697
ELECTRIC PLANT										
Electric plant in service	577,216	395,575	64,865	37,732	410,254	7,736	-	1,024	6,306	1,500,708
Less: accumulated depreciation	(549,503)	(299,330)	(57,013)	(35,345)	(121,990)	(7,736)	-	(684)	(4,154)	(1,075,755)
TOTAL ELECTRIC PLANT	27,713	96,245	7,852	2,387	288,264	-	-	340	2,152	424,953
OTHER ASSETS										
Regulatory assets	(1,907)	114,330	2,197	-	29,282	-	-	-	51,305	195,207
Investment in associated company	-	-	-	-	-	-	-	-	265	265
TOTAL ASSETS	80,877	269,046	17,211	7,735	376,050	-	95,358	8,576	146,489	1,001,342
DEFERRED OUTFLOWS OF RESOURCES										
Excess cost on refunding of debt	583	-	-	-	883	-	-	-	-	1,466
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	18,099	18,099
Asset retirement obligations	61,413	-	169	-	192	-	-	-	-	61,774
TOTAL DEFERRED OUTFLOWS OF RESOURCES	61,996	-	169	-	1,075	-	-	-	18,099	81,339
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 142,873	\$ 269,046	\$ 17,380	\$ 7,735	\$ 377,125	\$ -	\$ 95,358	\$ 8,576	\$ 164,588	\$ 1,082,681

* Eliminated in Combination

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

May 31, 2022

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 435	\$ 247	\$ -	\$ 1	\$ 6	\$ -	\$ 36,363	\$ -	\$ 6,944	\$ 43,996
Member advances	791	-	-	-	-	-	-	202	-	993
Operating reserves	4,881	250	617	2,952	15,328	-	-	-	-	24,028
Current portion of long-term debt	4,030	24,175	4,365	-	12,880	-	-	-	-	45,450
Accrued interest payable	76	3,860	196	-	8,674	-	-	-	-	12,806
TOTAL CURRENT LIABILITIES	10,213	28,532	5,178	2,953	36,888	-	36,363	202	6,944	127,273
NON-CURRENT LIABILITIES										
Net pension and OPEB liability	-	-	-	-	-	-	-	-	62,959	62,959
Operating reserves and other deposits	1,500	21,124	-	-	474	-	39,695	3,095	82,992	148,880
Asset retirement obligations	69,188	-	169	-	192	-	-	-	-	69,549
Long-term debt, net	6,785	204,389	10,381	-	293,655	-	-	-	-	515,210
TOTAL NON-CURRENT LIABILITIES	77,473	225,513	10,550	-	294,321	-	39,695	3,095	145,951	796,598
TOTAL LIABILITIES	87,686	254,045	15,728	2,953	331,209	-	76,058	3,297	152,895	923,871
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	38,050	5,211	968	2,592	38,588	-	-	363	2,944	88,716
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	2,187	2,187
TOTAL DEFERRED INFLOWS OF RESOURCES	38,050	5,211	968	2,592	38,588	-	-	363	5,131	90,903
NET POSITION										
Net investment in capital assets	3,557	(23,637)	(5,078)	-	(6,448)	-	-	-	-	(31,606)
Restricted	3,396	18,876	3,705	-	14,088	-	12,000	470	-	52,535
Unrestricted	10,184	14,551	2,057	2,190	(312)	-	7,300	4,446	6,562	46,978
TOTAL NET POSITION	17,137	9,790	684	2,190	7,328	-	19,300	4,916	6,562	67,907
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 142,873	\$ 269,046	\$ 17,380	\$ 7,735	\$ 377,125	\$ -	\$ 95,358	\$ 8,576	\$ 164,588	\$ 1,082,681

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 Eleven Months Ended May 31, 2022

	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	\$ (314)	\$ 25,148	\$ 3,996	\$ 3,203	\$ 17,986	\$ -	\$ 446,393	\$ 20,016	\$ 1,669	\$ 518,097		
Other Third-Party	47,860	30,995	1,872	4,882	84,147	-	144,572	2,248	-	316,576		
TOTAL OPERATING REVENUES	47,546	56,143	5,868	8,085	102,133	-	590,965	22,264	1,669	834,673		
OPERATING EXPENSES												
Purchased power	587	4,131	147	686	2,747	-	366,662	-	-	374,960		
Operations	16,296	4,055	2,091	2,967	80,452	-	3,979	11,708	-	121,548		
Transmission	328	350	10	21	521	-	189,218	4	-	190,452		
Depreciation	3,415	8,772	2,033	277	12,971	-	-	50	161	27,679		
Maintenance	9,706	5,530	607	2,393	6,910	-	-	83	-	25,229		
Administrative and general	6,070	7,096	706	1,085	5,275	-	-	8,035	(1,525)	26,742		
Intercompany (sales) purchases, net*	(755)	259	54	88	363	-	-	(9)	-	-		
TOTAL OPERATING EXPENSES	35,647	30,193	5,648	7,517	109,239	-	559,859	19,871	(1,364)	766,610		
NET OPERATING REVENUES	11,899	25,950	220	568	(7,106)	-	31,106	2,393	3,033	68,063		
NON OPERATING (EXPENSES) REVENUES												
Interest expense	(418)	(9,912)	(63)	-	(12,308)	-	-	-	-	(22,701)		
Interest income	214	204	24	35	252	-	573	44	(67)	1,279		
Other	801	1	2,157	-	10,090	-	(925)	191	277	12,592		
TOTAL NON OPERATING (EXPENSES) REVENUES	597	(9,707)	2,118	35	(1,966)	-	(352)	235	210	(8,830)		
FUTURE RECOVERABLE AMOUNTS	(2,195)	(9,461)	(2,601)	-	(520)	-	-	-	-	(14,777)		
REFUNDS TO PARTICIPANTS	378	(490)	484	(172)	459	-	(912)	(3,517)	(407)	(4,177)		
INCREASE (DECREASE) IN NET POSITION	10,679	6,292	221	431	(9,133)	-	29,842	(889)	2,836	40,279		
NET POSITION, Beginning of year	6,458	3,498	463	1,759	16,461	-	(10,542)	5,805	3,726	27,628		
NET POSITION, Period ended	\$ 17,137	\$ 9,790	\$ 684	\$ 2,190	\$ 7,328	\$ -	\$ 19,300	\$ 4,916	\$ 6,562	\$ 67,907		

* Eliminated in Combination

NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS
AGED ACCOUNTS RECEIVABLE
 May 31, 2022

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 54,271,757
PAST DUE:			
1 - 30			
31 - 60			
61 - 90			
91 - 120			
Over 120 Days	Calpine Geysers	Effluent Adj (Mar'18 - Dec'19)	292,665
PARTICIPANT and OTHER RECEIVABLES (net)			<u>\$ 54,564,422</u>

**NOTE: All amounts invoiced or credited to members and others are project/program specific.
 NCPA does not apply any credits issued to outstanding invoices unless directed.**

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

**Schedule of Disbursements
(Unaudited)**

For the Month of May 2022

Operations:

Geothermal	\$	3,427,667
Hydroelectric		4,680,441
CT#1 Combustion Turbines		305,788
CT#2 STIG		463,202
Lodi Energy Center		5,042,251
NCPA Operating		51,042,866
Total	\$	<u>64,962,215</u>




Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Treasurer's Report for Month Ended May 31, 2022

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Treasurer's Report for May 31, 2022.

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 \$7,308,046 of which approximately \$3,895 was applicable to Special and Reserve Fund Deposits, \$7,006,403 to Debt Service and \$297,748 to Operations and other.

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

Investments – The carrying value of NCPA's investment portfolio totaled \$292,806,064 at month end. The current market value of the portfolio totaled \$282,552,798.

The overall portfolio had a combined weighted average interest rate of 0.992% with a bond equivalent yield (yield to maturity) of 1.006%. Investments with a maturity greater than one year totaled \$148,281,000. May maturities totaled \$67 million and monthly receipts totaled \$58 million. During the month \$63 million was invested.

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

Interest Rates – During the month, rates on 90-day T-Bills increased 22 basis points from 0.85% to 1.07% and rates on one-year T-Bills decreased 1 basis point from 2.03% to 2.02%.

To the best of my knowledge and belief, all securities held by NCPA as of May 31, 2022 are in compliance with NCPA's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

FISCAL IMPACT:

This report has no direct budget impact to NCPA.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachment: Treasurer's Report May 31, 2022

NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

MAY 31, 2022

TABLE OF CONTENTS

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

**Northern California Power Agency
Treasurer's Report
Cash & Investment Balance
May 31, 2022**

	CASH	INVESTMENTS	TOTAL	PERCENT
NCPA FUNDS				
Operating	\$ 283,687	\$ 81,706,267	\$ 81,989,954	27.32%
Special Deposits	12,810	99,723	112,533	0.04%
Construction	1,251	5,151,274	5,152,525	1.72%
Debt Service	7,006,403	45,748,676	52,755,079	17.58%
Special & Reserve	3,895	160,100,124	160,104,019	53.34%
	\$ 7,308,046	\$ 292,806,064	\$ 300,114,110	100.00%

Portfolio Investments at Market Value

\$ 282,552,798

NOTE A - Investment amounts shown at book carrying value.

**Northern California Power Agency
Treasurer's Report
Cash Activity Summary
May 31, 2022**

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	
	NCPA FUNDS						
Operating	\$ 53,916,729	\$ 140,410	\$ 41,240,663	\$ (25,579,441)	\$ (36,231,537)	\$ (41,293,950)	\$ (7,807,126)
Special Deposits	625,641	-	-	(34,058,580)	-	33,432,782	(157)
Construction	-	-	-	-	-	-	-
Debt Service	3,532,567	-	16,766,229	-	(19,481,249)	6,184,354	7,001,901
Special & Reserve	-	140,792	8,780,718	(3,250,131)	(7,398,151)	1,676,814	(49,958)
	<u>\$ 58,074,937</u>	<u>\$ 281,202</u>	<u>\$ 66,787,610</u>	<u>\$ (62,888,152)</u>	<u>\$ (63,110,937)</u>	<u>\$ -</u>	<u>\$ (855,340)</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
May 31, 2022**

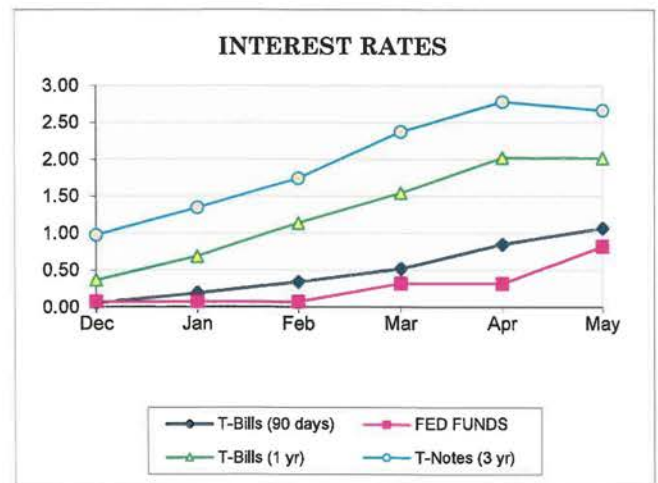
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
NCPA FUNDS						
Operating	\$ 36,231,537	\$ (41,240,663)	\$ 2,174	\$ 53,754	\$ -	\$ (4,953,198)
Special Deposits	-	-	-	-	-	-
Construction	-	-	776	-	-	776
Debt Service	19,481,249	(16,766,229)	9,591	-	-	2,724,611
Special & Reserve	7,398,151	(8,780,718)	(13,176)	8,659	-	(1,387,084)
	<u>\$ 63,110,937</u>	<u>\$ (66,787,610)</u>	<u>\$ (635)</u>	<u>\$ 62,413</u>	<u>\$ -</u>	<u>\$ (3,614,895)</u>
Less Non- Cash Activity						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(61,778)</u>
Net Change in Investment --Before Non-Cash Activity						<u><u>\$ (3,676,673)</u></u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Interest Rate/Yield Analysis
May 31, 2022**

	<u>WEIGHTED AVERAGE INTEREST RATE</u>	<u>BOND EQUIVALENT YIELD</u>
OVERALL COMBINED	<u><u>0.992%</u></u>	<u><u>1.006%</u></u>
OPERATING FUNDS:	1.194%	1.117%
PROJECTS:		
Geothermal	1.555%	1.490%
Capital Facilities	0.404%	0.411%
Hydroelectric	0.661%	0.717%
Lodi Energy Center	0.626%	0.562%

<u>KEY INTEREST RATES</u>		
	<u>CURRENT</u>	<u>PRIOR YEAR</u>
Fed Fds (Overnight)	0.83%	0.06%
T-Bills (90da.)	1.07%	0.02%
Agency Disc (90da.)	1.20%	0.05%
T-Bills (1yr.)	2.02%	0.04%
Agency Disc (1yr.)	2.07%	0.10%
T-Notes (3yr.)	2.67%	0.31%

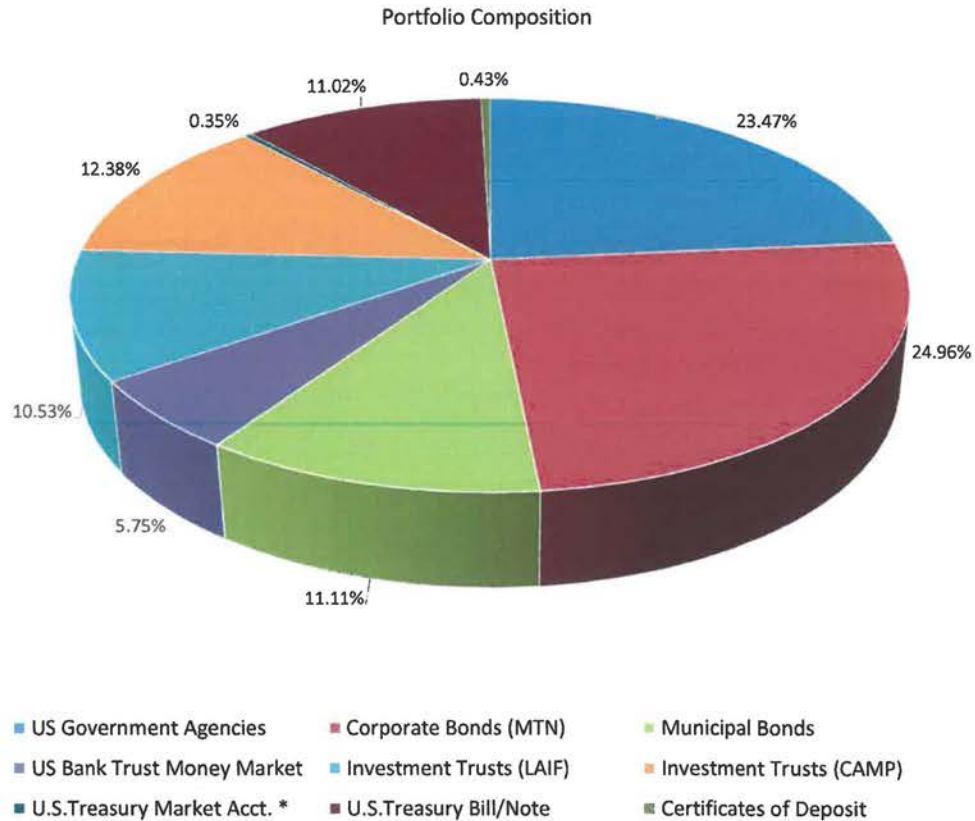


**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
May 31, 2022**

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	\$ 1,347	\$ 14,705	\$ -	\$ -	\$ -	\$ 44,605	\$ 8,047	\$ 68,704	23.47%
Corporate Bonds (MTN)	-	-	1,500	5,500	3,550	62,524	-	73,074	24.96%
Municipal Bonds	-	-	-	-	1,785	29,010	1,720	32,515	11.11%
US Bank Trust Money Market	16,821	-	-	-	-	-	-	16,821	5.75%
Investment Trusts (LAIF)	30,812	-	-	-	-	-	-	30,812	10.53%
Investment Trusts (CAMP)	36,233	-	-	-	-	-	-	36,233	12.38%
U.S.Treasury Market Acct. *	1,037	-	-	-	-	-	-	1,037	0.35%
U.S.Treasury Bill/Note	-	30,353	18	-	-	1,875	-	32,246	11.02%
Certificates of Deposit	-	10	750	-	-	500	-	1,260	0.43%
Total Dollars	\$ 86,250	\$45,068	\$2,268	\$5,500	\$ 5,335	\$138,514	\$9,767	\$ 292,702	100.00%
Total Percents	29.47%	15.40%	0.77%	1.88%	1.82%	47.32%	3.34%	100.00%	

Investments are shown at Face Value, in thousands.

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



NORTHERN CALIFORNIA POWER AGENCY

Detail Report Of Investments

APPENDIX

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



Northern California Power Agency
 Treasurer's Report
 05/31/2022

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
Local Agency Investm	LAIF	0	0.315		0		1	0.315	0	SYS70000	70000	0
First American Govt.	USBGC	18,170	0.620		18,170		1	0.620	18,170	SYS70014	70014	18,170
US Bank	USB	283,687	0.001		283,687		1	0.001	283,687	SYS70050	70050	283,687
California Asset Mgm	CMP	26,327,656	0.820	10/19/2018	26,327,656		1	0.820	26,327,656	SYS70070	70070	26,327,656
US Bank	USB	10,000	0.050	04/07/2022	10,000	07/07/2022	36	0.050	10,000	SYS30329	30329	10,000
American Honda Finan	USBGC	500,000	2.600	06/12/2018	488,550	11/16/2022	168	3.157	501,020	02665WCA7	26614	498,815
Chevron Corp.	USBGC	500,000	2.355	03/21/2018	485,760	12/05/2022	187	3.008	500,450	166764AB6	26555	498,453
Walmart, Inc.	USBGC	500,000	2.550	07/31/2019	507,870	04/11/2023	314	2.104	501,205	931142DH3	26848	501,834
Hershey Company	USBGC	500,000	3.375	06/12/2018	503,125	05/15/2023	348	3.236	504,735	427866AZ1	26615	500,606
Commonwealth of Mass	USBGC	500,000	0.508	07/09/2020	500,000	07/01/2023	395	0.507	489,390	57582RF84	27029	500,000
JP Morgan	USBGC	500,000	3.875	02/15/2019	514,550	02/01/2024	610	3.561	507,990	46625HJT8	26760	504,888
East Side Union High	USBGC	500,000	0.820	10/29/2020	500,000	08/01/2024	792	0.878	475,620	275282PR6	27105	500,000
CA St Dept of Wtr Re	USBGC	600,000	0.560	08/06/2020	600,000	12/01/2024	914	0.584	562,212	13067WRB0	27055	600,000
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	971	1.846	494,925	90331HMS9	26947	512,049
State of Louisiana	USBGC	260,000	0.697	02/25/2021	260,000	06/15/2025	1,110	0.730	240,757	546486BV2	27178	260,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,126	0.629	464,790	592112UB0	27173	500,000
City of Phoenix AZ	USBGC	500,000	0.959	08/25/2020	500,000	07/01/2025	1,126	0.990	470,590	71884AF20	27058	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,126	0.787	465,085	977123X78	27041	500,000
Met Life Glob Fundin	USBGC	1,000,000	0.950	03/04/2022	961,800	07/02/2025	1,127	2.145	928,540	59217GEJ4	27375	964,574
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,157	0.992	927,130	275282PS4	27106	1,000,000
Federal National Mtg	USBGC	1,000,000	0.650	12/21/2020	1,005,200	11/18/2025	1,266	0.542	929,690	3135GA4P3	27137	1,003,670
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,300	0.825	219,413	48128GY53	27138	250,000
Toyota Motor Credit	USBGC	500,000	0.700	01/21/2021	500,000	01/20/2026	1,329	0.699	445,555	89236THY4	27149	500,000
Federal Home Loan Ba	USBGC	375,000	0.500	02/25/2021	375,000	02/25/2026	1,365	0.500	344,055	3130AKXX8	27179	375,000
Federal Home Loan Ba	USBGC	1,000,000	1.483	02/28/2022	1,000,000	02/27/2026	1,367	1.483	980,430	3130AQZV6	27366	1,000,000
Federal Farm Credit	USBGC	1,100,000	0.800	03/09/2021	1,100,000	03/09/2026	1,377	0.800	1,027,246	3133EMSU7	27200	1,100,000
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,444	1.079	460,550	91324PEC2	27230	501,345
Bank of America Corp	USBGC	1,700,000	1.250	05/28/2021	1,700,000	05/28/2026	1,457	1.250	1,485,647	06048WM31	27225	1,700,000
Met Govt Nashville &	UBOC	250,000	1.181	10/14/2021	250,000	07/01/2026	1,491	1.181	230,833	592098X77	27291	250,000
San Diego CA Unif Sc	USBGC	250,000	1.201	10/21/2021	250,000	07/01/2026	1,491	1.201	229,578	797356DF6	27298	250,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,506	1.050	454,855	57629WDE7	27247	503,005
County of Bexar TX	USBGC	100,000	1.272	09/23/2021	100,000	08/15/2026	1,536	1.272	91,752	088518NV3	27273	100,000
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,538	0.875	462,970	3130ANGX2	27252	500,000
JP Morgan	USBGC	1,000,000	1.150	08/17/2021	1,000,000	08/17/2026	1,538	1.150	876,720	48128G4R8	27251	1,000,000
Bank of America Corp	USBGC	750,000	1.250	08/26/2021	750,000	08/26/2026	1,547	1.250	670,050	06048WN22	27255	750,000
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	1,566	1.227	454,730	14913R2Q9	27288	498,401
John Deere Capital C	USBGC	500,000	2.250	10/14/2021	524,355	09/14/2026	1,566	1.225	477,840	24422EVB2	27294	521,232
Federal Home Loan Ba	USBGC	630,000	0.900	09/28/2021	630,000	09/28/2026	1,580	0.900	583,897	3130ANXS4	27276	630,000
Reliance Standard Li	USBGC	1,500,000	1.512	10/14/2021	1,491,180	09/28/2026	1,580	1.635	1,351,995	75951AAQ1	27292	1,492,302
Paypal Holdings Inc.	USBGC	500,000	2.650	10/14/2021	533,315	10/01/2026	1,583	1.260	481,825	70450YAD5	27293	529,083



Northern California Power Agency
Treasurer's Report
05/31/2022

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	1,607	1.567	1,410,366	872898AA9	27330	1,536,714
Public Storage	USBGC	1,910,000	1.500	12/08/2021	1,912,216	11/09/2026	1,622	1.475	1,750,840	74460DAG4	27336	1,911,999
Federal Home Loan Ba	USBGC	50,000	0.800	12/29/2021	50,000	12/29/2026	1,672	1.509	47,377	3130AQER0	27342	50,000
Federal Home Loan Ba	USBGC	3,000,000	1.000	01/28/2022	3,000,000	01/28/2027	1,702	1.691	2,876,460	3130AQN66	27364	3,000,000
Fund Total and Average		\$ 54,889,513	1.084		\$ 54,946,422		678	1.110	\$ 53,018,826			\$ 54,933,483

MPP GHG Auction Acct

Local Agency Investm		438,280	0.315		438,280		1	0.315	438,280	SYS70045	70045	438,280
Fund Total and Average		\$ 438,280	0.315		\$ 438,280		1	0.315	\$ 438,280			\$ 438,280

MPP Security Deposit Acct

Local Agency Investm		99,723	0.236	07/01/2021	99,723		1	0.236	99,723	SYS70048	70048	99,723
Fund Total and Average		\$ 99,723	0.236		\$ 99,723		1	0.236	\$ 99,723			\$ 99,723

SCPA Balancing Account

Local Agency Investm	LAIF	560	0.315		560		1	0.315	560	SYS70022	70022	560
First American Govt.	USBGC	0	0.620		0		1	0.620	0	SYS70023	70023	0
California Asset Mgm	CMP	9,904,371	0.900	05/27/2022	9,904,371		1	0.900	9,904,371	SYS70072	70072	9,904,371
Public Storage	USBGC	500,000	2.370	04/04/2018	483,705	09/15/2022	106	3.161	500,160	74460DAB5	26573	498,941
Visa Inc.	USBGC	250,000	2.800	07/24/2018	246,975	12/14/2022	196	3.096	251,058	92826CAC6	26632	249,630
Berkshire Hathaway I	USBGC	500,000	2.750	05/09/2018	490,280	03/15/2023	287	3.185	502,175	084670BR8	26596	498,419
Pfizer Inc	USBGC	500,000	3.000	06/22/2018	496,550	06/15/2023	379	3.150	503,130	717081DH3	26626	499,280
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	1,035	0.600	497,980	586145F74	27113	532,782
State of Wisconsin	USBGC	400,000	0.650	03/17/2021	400,000	05/01/2025	1,065	0.649	372,624	97705MUK9	27202	400,000
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	1,096	0.952	465,485	13032UXM5	27110	500,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,126	0.932	461,810	059231X39	27125	500,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,126	0.610	464,790	592112UB0	27174	500,000
Federal Farm Credit	USBGC	2,045,000	0.530	09/29/2020	2,045,000	09/29/2025	1,216	0.530	1,891,502	3133EMBJ0	27077	2,045,000
Federal Farm Credit	USBGC	2,050,000	0.530	09/29/2020	2,050,000	09/29/2025	1,216	0.530	1,899,407	3133EMBH4	27078	2,050,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,348	0.699	461,270	037833EB2	27168	500,000
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,352	0.530	456,310	3130AKWA0	27164	499,815
JP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,357	0.500	881,620	46632FRV9	27171	1,000,000
Federal Home Loan Ba	USBGC	125,000	0.500	02/25/2021	125,000	02/25/2026	1,365	0.500	114,685	3130AKXX9	27180	125,000
Federal Home Loan Ba	USBGC	1,000,000	0.630	02/26/2021	1,000,000	02/26/2026	1,366	0.630	928,580	3130ALB94	27195	1,000,000
Federal Farm Credit	USBGC	1,650,000	0.800	03/09/2021	1,650,000	03/09/2026	1,377	0.800	1,540,869	3133EMSU7	27201	1,650,000
Bank of America Corp	USBGC	500,000	1.200	06/28/2021	500,000	06/25/2026	1,485	1.199	435,635	06048WM64	27227	500,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,506	1.050	454,855	57629WDE7	27248	503,005
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,547	1.250	44,670	06048WN22	27256	50,000



Northern California Power Agency
Treasurer's Report
05/31/2022

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
TSMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,607	1.567	184,966	872898AA9	27331	201,536
Public Storage	USBGC	275,000	1.500	11/19/2021	274,095	11/09/2026	1,622	1.569	252,084	74460DAG4	27311	274,192
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,622	1.475	229,168	74460DAG4	27337	250,262
Federal Home Loan Ba	USBGC	100,000	0.800	12/29/2021	100,000	12/29/2026	1,672	1.509	94,753	3130AQER0	27343	100,000
John Deere Capital C	USBGC	525,000	1.700	01/14/2022	524,223	01/11/2027	1,685	1.731	485,620	24422EWA3	27362	524,282
Federal Home Loan Ba	USBGC	300,000	1.000	01/28/2022	300,000	01/28/2027	1,702	1.691	287,646	3130AQN66	27365	300,000
Federal Home Loan Ba	USBGC	500,000	3.000	04/29/2022	500,000	04/29/2027	1,793	4.219	500,085	3130ARR52	27399	500,000
Fund Total and Average		\$ 26,124,931	1.039		\$ 26,146,508		757	1.053	\$ 25,067,868			\$ 26,157,075

General Operating Reserve

Local Agency Investm	LAIF	19,866,770	0.315		19,866,770		1	0.315	19,866,770	SYS70000	70002	19,866,770
First American Govt.	USBGC	619,092	0.620		619,092		1	0.620	619,092	SYS70019	70019	619,092
US Bank	USB	0	0.000	07/01/2021	0		1	0.000	0	SYS70051	70051	0
California Asset Mgm	CMP	513	0.820	12/14/2018	513		1	0.820	513	SYS70071	70071	513
Federal Home Loan Ba	USBGC	3,575,000	2.125	08/28/2017	3,634,560	06/10/2022	9	1.760	3,576,251	313379Q69	26467	3,575,311
Visa Inc.	USBGC	500,000	2.800	04/26/2018	492,600	12/14/2022	196	3.145	502,115	92826CAC6	26584	499,144
US Bank, N.A.	USBGC	750,000	2.850	01/30/2019	741,900	01/23/2023	236	3.140	752,220	90331HNL3	26737	748,689
Bank of NY Mellon Co	USBGC	500,000	2.950	04/26/2018	491,790	01/29/2023	242	3.325	501,995	06406RAE7	26575	498,859
Praxair Inc	USBGC	500,000	2.700	04/26/2018	488,350	02/21/2023	265	3.225	501,805	74005PBF0	26581	498,254
Berkshire Hathaway I	USBGC	500,000	2.750	04/26/2018	488,920	03/15/2023	287	3.243	502,175	084670BR8	26576	498,211
United Parcel Servic	USBGC	500,000	2.500	04/26/2018	483,135	04/01/2023	304	3.245	500,830	911312BK1	26583	497,150
Arizona Board of Reg	USBGC	1,785,000	2.011	04/17/2020	1,818,897	06/01/2023	365	1.387	1,779,110	040484VN4	26984	1,795,857
Walmart, Inc.	USBGC	500,000	3.400	02/07/2019	510,960	06/26/2023	390	2.864	506,040	931142EK5	26758	502,672
Montgomery Water Wor	USBGC	2,145,000	1.799	04/17/2020	2,200,234	09/01/2023	457	1.020	2,127,883	613105KV6	26985	2,165,474
Pfizer Inc	USBGC	500,000	3.200	01/30/2019	506,250	09/15/2023	471	2.908	504,185	717081EN9	26738	501,742
Honolulu City and Co	USBGC	1,770,000	2.141	04/17/2020	1,837,189	10/01/2023	487	1.020	1,757,699	4386705V9	26983	1,795,925
Citibank NA	USBGC	500,000	3.650	02/07/2019	507,490	01/23/2024	601	3.319	506,375	17325FAS7	26756	502,483
JP Morgan	USBGC	500,000	3.875	02/07/2019	515,120	02/01/2024	610	3.535	507,990	46625HJT8	26757	505,057
US Bank, N.A.	USBGC	440,000	3.375	10/31/2019	462,862	02/05/2024	614	2.093	442,636	91159HHV5	26906	449,002
JP Morgan	USBGC	1,000,000	1.514	05/27/2020	1,006,120	06/01/2024	731	1.356	985,980	46647PBQ8	27007	1,003,052
East Side Union High	USBGC	565,000	0.820	10/29/2020	565,000	08/01/2024	792	0.820	537,451	275282PR6	27107	565,000
Honolulu City and Co	USBGC	1,500,000	1.832	04/13/2020	1,522,710	08/01/2024	792	1.058	1,462,950	438687KT1	26980	1,511,443
California State Uni	USBGC	250,000	0.665	09/17/2020	250,000	11/01/2024	884	0.665	235,945	13077DMK5	27072	250,000
Federal Home Loan Ba	USBGC	1,820,000	2.750	03/25/2020	1,981,288	12/13/2024	926	0.830	1,821,765	3130A3GE8	26962	1,906,628
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	971	1.846	494,925	90331HMS9	26951	512,049
W W Grainger Inc.	USBGC	500,000	1.850	04/30/2020	516,000	02/15/2025	990	1.161	481,665	384802AE4	27000	509,034
W W Grainger Inc.	USBGC	500,000	1.850	05/21/2020	514,500	02/15/2025	990	1.217	481,665	384802AE4	27005	508,288
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	1,035	0.600	497,980	586145F74	27114	532,782
Tulsa County OK Ind.	USBGC	1,000,000	1.500	05/26/2020	1,016,450	04/01/2025	1,035	1.038	959,910	899559QD3	27006	1,009,615
City of Huntsville A	USBGC	515,000	2.750	11/06/2020	560,351	05/01/2025	1,065	0.750	510,607	447025A56	27112	544,485
Honeywell Internatio	USBGC	1,000,000	1.350	06/03/2020	1,023,560	06/01/2025	1,096	0.866	953,330	438516CB0	27008	1,014,152



Northern California Power Agency
 Treasurer's Report
 05/31/2022

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
County of Jasper IA	USBGC	420,000	2.350	06/11/2020	443,558	06/01/2025	1,096	1.299	411,596	471376FJ7	27011	434,214
Precision Castparts	USBGC	1,500,000	3.250	06/25/2020	1,667,985	06/15/2025	1,110	1.033	1,505,535	740189AM7	27017	1,602,668
JP Morgan	USBGC	750,000	1.050	06/23/2020	750,000	06/23/2025	1,118	1.050	690,765	48128GU40	27024	750,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,126	0.845	461,810	059231X39	27126	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,126	0.774	465,085	977123X78	27042	500,000
Met Life Glob Fundin	USBGC	4,000,000	0.950	03/04/2022	3,847,200	07/02/2025	1,127	2.145	3,714,160	59217GEJ4	27376	3,858,296
East Side Union High	USBGC	815,000	0.940	10/29/2020	815,000	08/01/2025	1,157	0.940	755,611	275282PS4	27108	815,000
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,174	0.600	933,740	3136G4G72	27056	1,000,000
Federal Agricultural	USBGC	1,000,000	0.570	09/17/2020	1,000,000	09/17/2025	1,204	0.570	928,530	31422BV23	27071	1,000,000
Federal Farm Credit	USBGC	2,000,000	0.530	09/29/2020	2,000,000	09/29/2025	1,216	0.530	1,853,080	3133EMBH4	27079	2,000,000
Federal Farm Credit	USBGC	1,720,000	0.530	09/29/2020	1,720,000	09/29/2025	1,216	0.530	1,590,897	3133EMBJ0	27080	1,720,000
Federal Home Loan Ba	USBGC	1,000,000	0.520	09/29/2020	1,000,000	09/29/2025	1,216	0.520	933,760	3130AKAZ9	27081	1,000,000
Federal Home Loan Mt	USBGC	500,000	0.540	10/27/2020	500,000	10/27/2025	1,244	0.540	462,275	3134GW4Z6	27104	500,000
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,273	0.798	876,060	06048WK41	27122	1,000,000
Federal Farm Credit	USBGC	500,000	0.560	12/01/2020	500,000	12/01/2025	1,279	0.560	462,320	3133EMJC7	27124	500,000
Guardian Life	USBGC	1,520,000	0.875	05/05/2021	1,507,384	12/10/2025	1,288	1.060	1,379,871	40139LBC6	27223	1,510,326
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,300	0.825	219,413	48128GY53	27139	250,000
Federal National Mtg	USBGC	500,000	0.640	12/30/2020	501,000	12/30/2025	1,308	0.599	459,165	3135G06Q1	27141	500,716
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,348	0.699	461,270	037833EB2	27169	500,000
JP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,357	0.500	881,620	46632FRV9	27172	1,000,000
Charles Schwab Corp	USBGC	630,000	0.900	04/30/2021	625,407	03/11/2026	1,379	1.054	573,325	808513BF1	27220	626,433
Federal Home Loan Ba	USBGC	1,000,000	0.790	03/25/2021	997,500	03/16/2026	1,384	0.841	933,100	3130ALEL4	27203	998,095
Federal Home Loan Ba	USBGC	1,000,000	1.010	03/30/2021	1,000,000	03/30/2026	1,398	1.010	939,980	3130ALTT1	27213	1,000,000
Oregon Slate Dept o	USBGC	500,000	1.119	04/27/2021	500,000	04/01/2026	1,400	1.119	460,725	68607V2Q7	27216	500,000
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,420	1.084	473,525	3130ALXR0	27215	500,000
United Health Group	USBGC	550,000	1.150	06/28/2021	551,826	05/15/2026	1,444	1.079	506,605	91324PEC2	27232	551,480
Bank of America Corp	USBGC	1,108,000	1.250	05/28/2021	1,108,000	05/28/2026	1,457	1.250	968,292	06048WM31	27226	1,108,000
Bank of America Corp	USBGC	1,250,000	1.200	06/28/2021	1,250,000	06/25/2026	1,485	1.199	1,089,088	06048WM64	27228	1,250,000
State University of	USBGC	370,000	1.591	12/02/2021	370,000	07/01/2026	1,491	1.590	339,238	65000BGU6	27329	370,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,506	1.050	909,710	57629WDE7	27249	1,006,010
Home Depot Inc.	USBGC	415,000	2.125	04/12/2022	400,052	09/15/2026	1,567	3.000	396,180	437076BN1	27387	400,512
John Deere Capital C	USBGC	100,000	1.300	10/18/2021	100,313	10/13/2026	1,595	1.235	91,681	24422EVM6	27297	100,274
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,607	1.567	786,106	872898AA9	27333	856,529
Public Storage	USBGC	1,585,000	1.500	11/15/2021	1,585,745	11/09/2026	1,622	1.490	1,452,922	74460DAG4	27308	1,585,664
Public Storage	USBGC	365,000	1.500	11/19/2021	363,799	11/09/2026	1,622	1.569	334,585	74460DAG4	27312	363,928
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	1,622	1.475	975,337	74460DAG4	27339	1,065,114
JP Morgan	USBGC	1,200,000	1.500	11/30/2021	1,200,000	11/30/2026	1,643	1.500	1,086,732	48130UZH1	27313	1,200,000
Federal Home Loan Ba	USBGC	150,000	0.800	12/29/2021	150,000	12/29/2026	1,672	1.509	142,130	3130AQER0	27345	150,000
John Deere Capital C	USBGC	438,000	1.700	01/14/2022	437,352	01/11/2027	1,685	1.731	405,146	24422EWA3	27363	437,401
Federal Home Loan Ba	USBGC	500,000	3.375	04/28/2022	500,000	01/28/2027	1,702	3.375	499,965	3130ARP62	27398	500,000
TSMC Arizona Corp.	USBGC	1,770,000	3.875	05/26/2022	1,789,399	04/22/2027	1,786	3.628	1,786,213	872898AF8	27404	1,789,344
Fund Total and Average		\$ 82,421,375	1.321		\$ 83,056,782		779	1.147	\$ 79,477,005			\$ 82,686,737

GRAND TOTALS: \$ 163,973,822 1,194 \$ 164,687,715 739 1.117 \$ 158,101,502. \$ 164,315,298

*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 05/31/2022

Callable Dates:

Inv #			Inv #			Inv #		
26848	WMT	1/11/2023	27104	FHLMC	Annually starting 10/27/2022	27213	FHLB	Quarterly
26906	USBANK	1/5/2024	27110	CASMED	Anytime	27215	FHLB	4/21/2023
26947	USBANK	Anytime starting 12/27/2024	27113	MEMGEN	Anytime	27216	ORSGEN	Anytime
26951	USBANK	Anytime starting 12/27/2024	27114	MEMGEN	Anytime	27220	SCHW	2/11/2026
26980	HON	Anytime	27124	FFCB	Anytime starting 12/11/2022	27225	BAC	Semi-annually
26983	HON	Anytime	27125	BALGEN	Anytime	27226	BAC	Semi-annually
26984	AZSHGR	Anytime	27126	BALGEN	Anytime	27227	BAC	Semi-annually starting 06/25/2022
27007	JPM	6/1/2023 and then starting on 5/1/2024	27137	FNMA	Annually starting 11/18/2022	27228	BAC	Semi-annually starting 06/25/2022
27011	JAS	6/1/2024	27138	JPM	Quarterly starting 12/22/2023	27251	JPM	Annually starting 8/17/2023
27024	JPM	Quarterly starting 6/23/2024	27139	JPM	Quarterly starting 12/22/2023	27252	FHLB	Quarterly starting 8/17/2022
27029	MAS	Anytime	27141	FNMA	Quarterly	27255	BAC	Semi-annually starting 08/26/2022
27041	WISTRN	Anytime	27149	TOY	1/20/2025 and 7/20/2025	27256	BAC	Semi-annually starting 08/26/2022
27042	WISTRN	Anytime	27164	FHLB	Anytime	27276	FHLB	Callable quarterly starting 9/28/2022
27055	CASWTR	Anytime	27168	APPL	Anytime starting 1/8/2026	27313	JPM	Callable quarterly starting 11/30/2022
27056	FNMA	Quarterly starting 8/18/2022	27169	APPL	Anytime starting 1/8/2026	27329	NYSHGR	Anytime
27058	PHOGEN	Anytime	27171	JPM	Quarterly starting 2/17/2023	27342	FHLB	12/29/2023
27071	FAMC	Semi-annually	27172	JPM	Quarterly starting 2/17/2023	27343	FHLB	12/29/2023
27072	CASHGR	Anytime	27178	LOUIS	Anytime	27345	FHLB	12/29/2023
27077	FFCB	Anytime	27195	FHLB	Quarterly	27364	FHLB	7/28/2023
27078	FFCB	Anytime	27200	FFCB	Anytime starting 3/9/2023	27365	FHLB	7/28/2023
27079	FFCB	Anytime	27201	FFCB	Anytime starting 3/9/2023	27366	FHLB	2/27/2023
27080	FFCB	Anytime	27202	WIS	Anytime	27398	FHLB	Quarterly starting 07/28/2022
27081	FHLB	Anytime	27203	FHLB	Quarterly	27399	FHLB	Quarterly starting 07/29/2022



Northern California Power Agency
Treasurer's Report
05/31/2022

GEO 2012 Construction Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
U.S. Treasury	USBT	912,000	0.175	01/05/2022	911,220	06/30/2022	29	0.177	911,498	912796R50	27354	911,871
Fund Total and Average		\$ 912,000	0.175		\$ 911,220		29	0.178	\$ 911,498			\$ 911,871

Geo 2012A Debt Service

U.S. Treasury	USBT	246,000	0.409	02/28/2022	245,658	06/30/2022	29	0.416	245,865	912796R50	27367	245,919
U.S. Treasury	USBT	122,000	0.520	03/29/2022	121,836	06/30/2022	29	0.527	121,933	912796R50	27377	121,949
Fund Total and Average		\$ 368,000	0.446		\$ 367,494		29	0.453	\$ 367,798			\$ 367,868

Geo 2016A Debt Service

U.S. Treasury	USBT	289,000	0.080	11/30/2021	288,873	06/16/2022	15	0.081	288,931	912796J42	27314	288,990
Federal Home Loan Ba	USBT	290,000	0.750	05/27/2022	289,795	06/30/2022	29	0.760	289,809	313385Y17	27406	289,825
U.S. Treasury	USBT	289,000	0.200	12/30/2021	288,708	06/30/2022	29	0.202	288,841	912796R50	27351	288,953
U.S. Treasury	USBT	1,077,000	0.175	01/05/2022	1,076,079	06/30/2022	29	0.177	1,076,408	912796R50	27356	1,076,848
U.S. Treasury	USBT	580,000	0.410	02/28/2022	579,194	06/30/2022	29	0.416	579,681	912796R50	27368	579,808
U.S. Treasury	USBT	289,000	0.519	03/29/2022	288,612	06/30/2022	29	0.527	288,841	912796R50	27378	288,879
Federal Home Loan Ba	USBT	290,000	0.600	04/27/2022	289,686	07/01/2022	30	0.609	289,768	313385YU4	27389	289,855
Fund Total and Average		\$ 3,104,000	0.338		\$ 3,100,947		28	0.343	\$ 3,102,279			\$ 3,103,158

Geothermal Special Reserve

First American GovL	USBGC	5,000	0.620		5,000		1	0.620	5,000	SYS70015	70015	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,255	0.460	1,382,606	3135G06G3	27167	1,497,031
Fund Total and Average		\$ 1,500,000	0.500		\$ 1,502,796		1251	0.461	\$ 1,387,606			\$ 1,502,031

Geo Decommissioning Reserve

Local Agency Investm	LAIF	0	0.315		0		1	0.315	0	SYS70027	70027	0
First American Govt.	USBGC	11,615	0.620		11,615		1	0.620	11,615	SYS70034	70034	11,615
Wells Fargo Bank	USBGC	250,000	3.150	08/30/2018	250,000	08/30/2022	90	3.154	251,293	949763TL0A	30311	250,000
Great North Bank	USBGC	250,000	3.050	08/31/2018	250,000	08/31/2022	91	3.051	251,243	39103QAF3A	30310	250,000
Discover Bank	USBGC	250,000	3.150	09/06/2018	250,000	09/06/2022	97	3.152	251,385	254673TM8A	30313	250,000
John Deere Capital C	USBGC	750,000	2.800	03/15/2018	739,748	01/27/2023	240	3.104	751,695	24422ERT8	26550	748,619
Bank of NY Mellon Co	USBGC	750,000	2.950	03/15/2018	740,610	01/29/2023	242	3.229	752,993	06406RAE7	26549	748,726
Crook County School	USBGC	355,000	1.563	05/07/2020	356,211	06/15/2023	379	1.450	351,926	227183DH0	27003	355,405
Solano County CCD	USBGC	385,000	5.500	04/09/2020	434,938	08/01/2023	426	1.471	398,960	83412PCN0	26978	402,596
Enerbank USA	USBGC	250,000	3.200	08/30/2018	250,000	08/30/2023	455	3.203	252,753	29278TCP3A	30309	250,000



Northern California Power Agency
Treasurer's Report
05/31/2022

Geo Decommissioning Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Citibank NA	USBGC	250,000	3.300	09/07/2018	250,000	09/07/2023	463	3.301	253,050	17312QS34A	30314	250,000
Sacramento Suburban	USBGC	330,000	3.480	04/09/2020	349,473	11/01/2024	884	1.846	332,330	78607QAY1	26977	340,318
W W Grainger Inc.	USBGC	425,000	1.850	04/30/2020	438,600	02/15/2025	990	1.161	409,415	384802AE4	27002	432,679
California St Hlth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	1,096	0.952	465,485	13032UXM5	27111	500,000
Houston Airport Sys	USBGC	750,000	1.372	10/20/2020	750,000	07/01/2025	1,126	1.372	704,280	442349EM4	27102	750,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,126	0.610	464,790	592112UB0	27175	500,000
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,157	0.940	927,130	275282PS4	27109	1,000,000
Guardian Life	USBGC	505,000	0.875	05/05/2021	500,809	12/10/2025	1,288	1.060	458,444	40139LBC6	27224	501,786
Apple Inc.	USBGC	1,000,000	0.700	02/08/2021	1,000,000	02/08/2026	1,348	0.700	922,540	037833EB2	27162	1,000,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,429	1.200	450,220	48128G3G3	27218	500,000
Bank of America Corp	USBGC	750,000	1.200	06/28/2021	750,000	06/25/2026	1,485	1.199	653,453	06048WM64	27229	750,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,547	1.250	44,670	06048WN22	27258	50,000
Apple Inc.	USBGC	1,895,000	2.050	01/12/2022	1,930,607	09/11/2026	1,563	1.629	1,814,728	037833DN7	27361	1,927,659
Caterpillar Financia	USBGC	150,000	1.150	10/13/2021	149,450	09/14/2026	1,566	1.227	136,419	14913R2Q9	27289	149,520
TSMC Arizona Corp.	USBGC	1,375,000	1.750	12/08/2021	1,386,715	10/25/2026	1,607	1.567	1,271,641	872898AA9	27334	1,385,562
Public Storage	USBGC	765,000	1.500	11/15/2021	765,360	11/09/2026	1,622	1.490	701,253	74460DAG4	27309	765,320
Public Storage	USBGC	1,722,000	1.500	12/08/2021	1,723,998	11/09/2026	1,622	1.475	1,578,506	74460DAG4	27340	1,723,802
New York City Genera	USBGC	750,000	3.862	05/26/2022	750,000	05/01/2027	1,795	3.862	753,165	64966QC99	27405	750,000
New York City Genera	USBGC	585,000	2.040	04/30/2021	583,204	03/01/2030	2,830	2.078	506,756	64966QUX6	27219	583,425
Federal Home Loan Ba	USBGC	1,000,000	1.000	02/10/2021	1,000,000	02/10/2031	3,176	1.360	867,800	3130AKX76	27163	1,000,000
Federal Agricultural	USBGC	972,000	1.460	02/18/2021	972,000	02/18/2031	3,184	1.460	858,451	31422XAU6	27177	972,000
Federal Agricultural	USBGC	600,000	1.460	07/30/2021	598,800	02/18/2031	3,184	1.482	529,908	31422XAU6	27246	598,905
Federal Home Loan Ba	USBGC	2,000,000	1.740	07/29/2021	2,006,440	07/29/2031	3,345	1.704	1,757,700	3130AN7G9	27245	2,005,900
Marin Community Coll	USBGC	500,000	1.710	09/14/2021	506,610	08/01/2031	3,348	1.565	409,235	56781RKZ9	27272	506,132
County of Bexar TX	USBGC	385,000	2.134	09/23/2021	385,000	08/15/2031	3,362	2.134	330,707	088518PA7	27274	385,000
County of Bexar TX	USBGC	250,000	2.134	09/23/2021	250,000	08/15/2031	3,362	2.134	215,623	088518NH4	27275	250,000
Federal Farm Credit	USBGC	2,500,000	1.800	01/11/2022	2,445,000	01/05/2032	3,505	2.044	2,192,600	3133ENJZ4	27360	2,447,142
Federal Agricultural	USBGC	975,000	4.120	05/25/2022	970,125	04/27/2032	3,618	4.181	967,220	31422XXY3	27403	970,133
Fund Total and Average		\$ 26,235,615	1.914		\$ 26,295,313		1981	1.831	\$ 24,251,382			\$ 26,262,244

Geo 2012A DSR Account

U.S. Treasury	USBT	1,622,000	0.080	11/30/2021	1,621,286	06/16/2022	15	0.081	1,621,611	912796J42	27319	1,621,946
Fund Total and Average		\$ 1,622,000	0.080		\$ 1,621,286		15	0.081	\$ 1,621,611			\$ 1,621,946

GRAND TOTALS:	\$ 33,741,615	1,555	\$ 33,799,056	1600	1,490	\$ 31,642,174.	\$ 33,769,118
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*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 05/31/2022

Callable Dates:

Inv #		
26977	SCRWTR	Anytime
27111	CASMED	Anytime
27162	APPL	Anytime starting 1/8/2026
27163	FHLB	Quarterly
27177	FAMCA	Semi-annually
27218	JPM	Annually starting 4/30/2023
27219	NYC	Anytime
27229	BAC	Semi-annually starting 6/25/2022
27245	FHLB	Anytime starting 7/9/2022
27246	FAMCA	Semi-annually
27258	BAC	Semi-annually starting 8/26/2022
27403	FAMCA	Quarterly starting 4/27/2023
27405	NYC	Anytime



Northern California Power Agency
 Treasurer's Report
 05/31/2022

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	865	0.010		865		1	0.010	865	SYS79017	79017	865
U.S. Treasury	USBT	423,000	0.045	08/27/2021	422.830	07/14/2022	43	0.045	422,581	912796K57	27265	422,977
U.S. Treasury	USBT	421,000	0.040	09/28/2021	420.865	07/14/2022	43	0.040	420,583	912796K57	27282	420,980
U.S. Treasury	USBT	421,000	0.090	11/30/2021	420.762	07/14/2022	43	0.091	420,583	912796K57	27318	420,955
U.S. Treasury	USBT	422,000	0.150	12/29/2021	421.654	07/14/2022	43	0.152	421,582	912796K57	27346	421,924
U.S. Treasury	USBT	921,000	0.540	02/28/2022	918.928	07/28/2022	57	0.548	919,803	912796S59	27371	920,213
U.S. Treasury	USBT	450,000	0.660	03/29/2022	449.002	07/28/2022	57	0.670	449,415	912796S59	27381	449,530
U.S. Treasury	USBT	422,000	0.789	04/27/2022	421.148	07/28/2022	57	0.802	421,451	912796S59	27393	421,472
U.S. Treasury	USBT	422,000	0.745	05/27/2022	421.459	07/28/2022	57	0.756	421,451	912796S59	27412	421,502
Fund Total and Average		\$ 3,902,865	0.404		\$ 3,897,513		51	0.411	\$ 3,898,314			\$ 3,900,418
GRAND TOTALS:		\$ 3,902,865	0.404		\$ 3,897,513		51	0.411	\$ 3,898,314.			\$ 3,900,418

*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 05/31/2022



Northern California Power Agency
 Treasurer's Report
 05/31/2022

Capital Dev. Reserve Hydro

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm	LAIF	7,750,455	0.315		7,750,455		1	0.315	7,750,455	SYS70028	70028	7,750,455
First American Govt.	USBGC	21,540	0.620		21,540		1	0.620	21,540	SYS70031	70031	21,540
Public Storage	USBGC	500,000	2.370	03/14/2018	485,770	09/15/2022	106	3.051	500,160	74460DAB5	26546	499,087
Visa Inc.	USBGC	500,000	2.800	03/14/2018	494,470	12/14/2022	196	3.051	502,115	92826CAC6	26547	499,376
Toyota Motor Credit	USBGC	500,000	2.700	06/13/2018	489,100	01/11/2023	224	3.215	500,205	89236TEL5	26619	498,545
United Parcel Servc	USBGC	500,000	2.500	06/13/2018	484,900	04/01/2023	304	3.182	500,830	911312BK1	26620	497,378
Colgate-Palmolive Co	USBGC	550,000	2.100	08/09/2018	528,660	05/01/2023	334	2.985	549,896	19416QEC0	26652	545,862
J Paul Getty Trust	USBGC	1,000,000	0.391	01/28/2021	1,000,000	01/01/2024	579	0.401	966,250	374288AB4	27161	1,000,000
Met Life Glob Fundin	USBGC	209,000	0.700	04/12/2022	199,867	04/05/2024	674	2.988	199,315	58989V2C7	27385	200,494
Met Life Glob Fundin	USBGC	419,000	0.700	04/12/2022	400,690	04/05/2024	674	2.988	399,584	58989V2C7	27386	401,948
Nashville Met Gov	USBGC	250,000	1.030	12/17/2020	250,000	08/01/2024	792	1.029	238,798	592090GB4	27134	250,000
Califorina Infra & E	USBGC	100,000	0.645	12/17/2020	100,000	10/01/2024	853	0.683	94,725	13034AL57	27135	100,000
Walmart, Inc.	USBGC	500,000	2.650	02/07/2020	520,975	12/15/2024	928	1.744	499,255	931142DV2	26950	510,967
Bank of NY Mellon Co	USBGC	545,000	1.600	04/30/2021	561,197	04/24/2025	1,058	0.839	520,017	06406RAN7	27221	556,781
Federal Agricultural	USBGC	500,000	0.675	05/19/2020	500,000	05/19/2025	1,083	0.675	469,580	31422BA26	27004	500,000
Nashville Met Gov	USBGC	250,000	1.230	12/17/2020	250,000	08/01/2025	1,157	1.229	233,583	592090GC2	27133	250,000
City of El Paso TX	USBGC	500,000	4.346	12/07/2020	553,420	08/15/2025	1,171	1.950	507,630	283734TC5	27131	536,521
Califorina Infra & E	USBGC	130,000	0.765	12/17/2020	130,000	10/01/2025	1,218	0.765	120,188	13034AL65	27132	130,000
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,273	0.798	876,060	06048WK41	27121	1,000,000
Federal National Mtg	USBGC	500,000	0.650	12/17/2020	500,850	12/10/2025	1,288	0.615	464,190	3135G06J7	27136	500,602
JP Morgan	USBGC	500,000	0.825	12/22/2020	500,000	12/22/2025	1,300	0.825	438,825	48128GY53	27140	500,000
Federal National Mtg	USBGC	500,000	0.640	01/06/2021	501,550	12/30/2025	1,308	0.576	459,165	3135G06Q1	27148	501,114
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,352	0.530	456,310	3130AKWA0	27165	499,815
Federal Home Loan Ba	USBGC	500,000	0.500	02/25/2021	500,000	02/25/2026	1,365	0.500	458,740	3130AKXX9	27181	500,000
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,420	1.084	473,525	3130ALXR0	27214	500,000
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,444	1.082	460,560	91324PEC2	27231	501,345
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,538	0.875	462,970	3130ANGX2	27253	500,000
Federal Home Loan Ba	USBGC	500,000	1.050	08/24/2021	500,000	08/24/2026	1,545	0.967	463,305	3130ANFT2	27254	500,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,547	1.250	44,670	06048WN22	27257	50,000
TSMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,607	1.567	184,966	872898AA9	27332	201,536
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,622	1.475	229,168	74460DAG4	27338	250,262
Federal Home Loan Ba	USBGC	500,000	0.800	12/29/2021	500,000	12/29/2026	1,672	1.509	473,765	3130AQER0	27344	500,000
Fund Total and Average		\$ 21,224,995	0.964		\$ 21,226,848		647	1.027	\$ 20,520,335			\$ 21,253,628

Hydro Initial Facilities

U.S. Treasury	USBT	4,240,000	0.175	01/05/2022	4,236,372	06/30/2022	29	0.177	4,237,668	912796R50	27355	4,239,402
Fund Total and Average		\$ 4,240,000	0.175		\$ 4,236,372		29	0.178	\$ 4,237,668			\$ 4,239,402



Northern California Power Agency
Treasurer's Report
05/31/2022

Hydro Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Hydro Debt Service												
U.S. Treasury	USBT	26,000	0.579	05/27/2022	25,986	06/30/2022	29	0.588	25,986	912796R50	27407	25,988
Federal Home Loan Ba	USBT	102,000	0.600	04/27/2022	101,890	07/01/2022	30	0.608	101,918	313385YU4	27390	101,949
Fund Total and Average		\$ 128,000	0.596		\$ 127,876		30	0.605	\$ 127,904			\$ 127,937

Hydro 2018A Debt Service

U.S. Treasury	USBT	1,146,000	0.080	11/30/2021	1,145,496	06/16/2022	15	0.081	1,145,725	912796J42	27316	1,145,962
Federal Home Loan Ba	USBT	1,146,000	0.750	05/27/2022	1,145,188	06/30/2022	29	0.760	1,145,244	313385YT7	27408	1,145,308
U.S. Treasury	USBT	1,147,000	0.200	12/30/2021	1,145,840	06/30/2022	29	0.202	1,146,369	912796R50	27352	1,146,815
U.S. Treasury	USBT	3,638,000	0.175	01/05/2022	3,634,887	06/30/2022	29	0.177	3,635,999	912796R50	27358	3,637,487
U.S. Treasury	USBT	2,295,000	0.409	02/28/2022	2,291,811	06/30/2022	29	0.416	2,293,738	912796R50	27369	2,294,242
U.S. Treasury	USBT	1,147,000	0.519	03/29/2022	1,145,459	06/30/2022	29	0.527	1,146,369	912796R50	27379	1,146,520
Federal Home Loan Ba	USBT	1,147,000	0.599	04/27/2022	1,145,757	07/01/2022	30	0.608	1,146,082	313385YU4	27391	1,146,427
Fund Total and Average		\$ 11,666,000	0.347		\$ 11,654,438		28	0.352	\$ 11,659,526			\$ 11,662,761

Hydro 2019A Debt Service

U.S. Treasury	USBT	813,000	0.080	11/30/2021	812,642	06/16/2022	15	0.081	812,805	912796J42	27317	812,973
Federal Home Loan Ba	USBT	814,000	0.749	05/27/2022	813,423	06/30/2022	29	0.760	813,463	313385YT7	27409	813,508
U.S. Treasury	USBT	815,000	0.200	12/30/2021	814,176	06/30/2022	29	0.202	814,552	912796R50	27353	814,869
U.S. Treasury	USBT	2,699,000	0.175	01/05/2022	2,696,691	06/30/2022	29	0.177	2,697,516	912796R50	27359	2,698,620
U.S. Treasury	USBT	1,629,000	0.410	02/28/2022	1,626,737	06/30/2022	29	0.416	1,628,104	912796R50	27370	1,628,462
U.S. Treasury	USBT	844,000	0.519	03/29/2022	842,866	06/30/2022	29	0.527	843,536	912796R50	27380	843,646
Federal Home Loan Ba	USBT	814,000	0.599	04/27/2022	813,118	07/01/2022	30	0.608	813,349	313385YU4	27392	813,593
Fund Total and Average		\$ 8,428,000	0.345		\$ 8,419,653		28	0.350	\$ 8,423,325			\$ 8,425,671

Hydro 2022A Debt Service

Federal Home Loan Ba	USBT	648,000	0.750	05/27/2022	647,541	06/30/2022	29	0.760	647,572	313385YT7	27410	647,609
U.S. Treasury	USBT	27,000	0.544	04/28/2022	26,974	06/30/2022	29	0.553	26,985	912796R50	27397	26,988
Federal Home Loan Ba	USBT	283,000	0.699	05/11/2022	282,719	07/01/2022	30	0.710	282,774	313385YU4	27400	282,835
Fund Total and Average		\$ 958,000	0.729		\$ 957,234		29	0.740	\$ 957,331			\$ 957,432

Hydro 2022B Debt Service

Federal Home Loan Ba	USBT	1,496,000	0.750	05/27/2022	1,494,940	06/30/2022	29	0.760	1,495,013	313385YT7	27411	1,495,096
Fund Total and Average		\$ 1,496,000	0.750		\$ 1,494,940		29	0.761	\$ 1,495,013			\$ 1,495,096



Northern California Power Agency
Treasurer's Report
05/31/2022

Hydro 2012A Rebate 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
Hydro 2012A Rebate Account												
U.S. Treasury	USBT	50,000	0.595	05/11/2022	49,959	06/30/2022	29	0.603	49,973	912796R50	27401	49,976
Fund Total and Average		\$ 50,000	0.595		\$ 49,959		29	0.604	\$ 49,973			\$ 49,976

Hydro Special Reserve

First American Govt.	USBGC	5,000	0.620		5,000		1	0.620	5,000	SYS70016	70016	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,255	0.460	1,382,606	3135G06G3	27166	1,497,031
Fund Total and Average		\$ 1,500,000	0.500		\$ 1,502,796		1251	0.461	\$ 1,387,606			\$ 1,502,031

Hydro 2012 DSRA

U.S. Treasury	USBT	1,875,000	1.750	04/27/2022	1,843,359	06/30/2024	760	2.551	1,844,756	9128286Z8	27388	1,844,752
Fund Total and Average		\$ 1,875,000	1.750		\$ 1,843,359		760	2.551	\$ 1,844,756			\$ 1,844,752
GRAND TOTALS:		\$ 51,565,995	0.661		\$ 51,513,475		345	0.717	\$ 50,703,437.			\$ 51,558,686

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Callable Dates:

Inv #		
26950	WMT	Anytime starting 10/15/2024
27004	FAMCA	Semi-annually
27131	ELPASO	Callable annually starting 8/15/2023
27132	FFCB	Anytime
27135	CASDEV	Anytime
27136	FNMA	Quarterly
27140	JPM	Quarterly starting 12/22/2023
27161	JPGETY	Anytime starting 10/1/2023
27165	FHLB	Anytime
27214	FHLB	4/21/2023
27221	BK	3/24/2025
27253	FHLB	Quarterly starting 8/17/2022
27254	FHLB	Monthly
27257	BAC	Semi-annually starting 8/26/2022
27344	FHLB	12/29/2023



Northern California Power Agency
 Treasurer's Report
 05/31/2022

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		461,113	0.315		461,113		1	0.315	461,113	SYS70046	70046	461,113
Fund Total and Average		\$ 461,113	0.315		\$ 461,113		1	0.315	\$ 461,113			\$ 461,113

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	6,457,108	0.010		6,457,108		1	0.010	6,457,108	SYS79004	79004	6,457,108
Federal Home Loan Ba	USBT	130,000	0.419	04/27/2022	129,947	06/01/2022	0	0.425	130,000	313385XN1	27394	130,000
Fund Total and Average		\$ 6,587,108	0.018		\$ 6,587,055		1	0.018	\$ 6,587,108			\$ 6,587,108

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	7,904,228	0.010		7,904,228		1	0.010	7,904,228	SYS79012	79012	7,904,228
Federal Home Loan Ba	USBT	550,000	0.419	04/27/2022	549,775	06/01/2022	0	0.426	550,000	313385XN1	27395	550,000
Fund Total and Average		\$ 8,454,228	0.037		\$ 8,454,003		1	0.037	\$ 8,454,228			\$ 8,454,228

LEC Issue#1 2017A DS Fund

Federal Home Loan Ba	USBT	667,000	0.420	04/27/2022	666,728	06/01/2022	0	0.426	667,000	313385XN1	27396	667,000
Fund Total and Average		\$ 667,000	0.420		\$ 666,728		0	0.426	\$ 667,000			\$ 667,000

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	63,704	0.010		63,704		1	0.010	63,704	SYS79005	79005	63,704
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	9	1.760	4,101,435	313379Q09	26463	4,100,357
U.S. Treasury	USBT	509,000	0.035	07/23/2021	508,835	06/16/2022	15	0.036	508,878	912796J42	27244	508,992
U.S. Treasury	USBT	18,000	0.947	05/11/2022	17,946	09/01/2022	92	0.963	17,948	912796T66	27402	17,956
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	1,370	0.840	4,113,521	3133EMSK9	27199	4,430,000
Federal Home Loan Ba	USBT	150,000	0.875	08/27/2021	150,528	06/12/2026	1,472	0.799	138,810	3130AN4T4	27270	150,444
Fund Total and Average		\$ 9,270,704	1.359		\$ 9,339,319		683	1.197	\$ 8,944,296			\$ 9,271,453

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	2,242,035	0.010	07/01/2021	2,242,035		1	0.010	2,242,035	SYS79006	79006	2,242,035
Fund Total and Average		\$ 2,242,035	0.010		\$ 2,242,035		1	0.010	\$ 2,242,035			\$ 2,242,035

LEC Issue #2 2010B DSR BABS



Northern California Power Agency
Treasurer's Report
05/31/2022

LEC Issue #2 2010B DSR BABS

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	152,948	0.010		152,948		1	0.010	152,948	SYS79013	79013	152,948
Fund Total and Average		\$ 152,948	0.010		\$ 152,948		1	0.010	\$ 152,948			\$ 152,948

LEC O & M Reserve

Local Agency Investm		2,194,654	0.315		2,194,654		1	0.315	2,194,654	SYS70047	70047	2,194,654
First American Govt.	USBGC	72,436	0.620		72,436		1	0.620	72,436	SYS70041	70041	72,436
Caterpillar Financia	USBGC	465,000	3.250	02/03/2020	496,569	12/01/2024	914	1.776	468,492	14912L5G1	26952	481,348
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,126	0.610	464,790	592112UB0	27176	500,000
Federal National Mtg	USBGC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	1,154	0.579	934,820	3136G4D75	27047	1,000,633
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,174	0.600	933,740	3136G4G72	27057	1,000,000
Federal Farm Credit	USBGC	750,000	0.530	09/29/2020	750,000	09/29/2025	1,216	0.530	694,905	3133EMBH4	27083	750,000
Federal Farm Credit	USBGC	670,000	0.530	09/29/2020	670,000	09/29/2025	1,216	0.530	619,710	3133EMBJ0	27084	670,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,348	0.699	461,270	037833EB2	27170	500,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,429	1.200	450,220	48128G3G3	27222	500,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,506	1.050	909,710	57629WDE7	27250	1,006,010
Bank of America Corp	USBGC	100,000	1.250	08/26/2021	100,000	08/26/2026	1,547	1.250	89,340	06048WN22	27259	100,000
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	1,566	1.227	454,730	14913R2Q9	27290	498,401
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,607	1.567	786,106	872898AA9	27335	856,529
Public Storage	USBGC	515,000	1.500	11/15/2021	515,242	11/09/2026	1,622	1.490	472,085	74460DAG4	27310	515,216
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	1,622	1.475	975,337	74460DAG4	27341	1,065,114
Fund Total and Average		\$ 11,681,090	0.964		\$ 11,727,762		1096	0.876	\$ 10,982,345			\$ 11,710,341
GRAND TOTALS:		\$ 39,516,226	0.626		\$ 39,630,963		485	0.562	\$ 38,491,073.			\$ 39,546,226

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Callable Dates:

Inv #		
27047	FHLMC	Quarterly starting 7/29/2022
27057	FNMA	Quarterly starting 8/18/2022
27083	FFCB	Anytime
27084	FFCB	Anytime
27170	APPL	Anytime starting 1/8/2026
27189	FFCB	Anytime
27222	JPM	Annually starting 4/30/2023
27259	BAC	Semi-annually starting 8/26/2022



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

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"/>	
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:

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

- Scrap metal from Lodi Energy Center

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,

A handwritten signature in blue ink that reads "Randy Howard for".

RANDY S. HOWARD
General Manager

Attachments: Declarations of Surplus
Receipts of disposal



NORTHERN CALIFORNIA POWER AGENCY
DECLARATION OF EXCESS

Date: 5/10/2022

	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	LOT	SCRAP METAL	S				CT2/LEC
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								

JUSTIFICATION FOR EXCESS/DISPOSAL: SCRAP METAL

RECOMMENDED DISPOSITION: SCRAP

PREPARED BY: Melissa Philpot / Michael DeBortoli
 ORG. PELLETIER
 APPROVED BY: (Signature) CODE: _____
 (ASST. GEN. MANAGER)
 AUTHORIZATION TO PROCEED: (Signature) DATE: 5/16/22
 (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



Date: 5/18/2022

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

- Scrap Metal

To the following:

Vendor Name: V&E Hauling / Vincente Gonzales

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

Signature: *Vincente Gonzales*

Northern California Power Agency

Employee Name: Melissa Philpot

Signature: *Melissa Philpot*

Monies Received for this?

YES (\$ 176.00) (50% of total, rounded)

NO

Universal Service Recycling Inc.
 3200 South El Dorado Street
 Stockton, CA 95206
 Phone: 209-944-9555
 Fax: 209-944-5562
 Web: www.usrscrap.com
 RC 13349
 PR 147249.001



WEIGHMASTER CERTIFICATE

N7545685
 VICENTE SANTANA GONZALEZ
 525 E HAROLD ST
 LODI/CA/95240-0000

5/17/2022

Ticket # 1171055

Ticket # 1171055

9:22:53 5/17/2022

<u>Material</u>	<u>Gross</u>	<u>Tare</u>	<u>Net</u>	<u>UM</u>	<u>Unit Price</u>	<u>Amount</u>
500 - #1 Prepared HMS (ISRI 200)	6,600.00	6,020.00	580.00	LB	\$0.1300	\$75.40
					Total	\$75.40

PAID

WEIGHMASTER CERTIFICATE:

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

DEPUTY WEIGHMASTER SIGNATURE: **Anthony Bonilla**
 Weighed at 3200 South El Dorado Street
 Stockton, California 95260

BILL OF SALE

I hereby state that I am the lawful owner of the material described hereon, that I have a right to sell same, and that all State redemption material listed is in fact valid State redemption material and that for payment received in full, hereby acknowledged, I sell and convey title of same to: Universal Service Recycling Inc. I warrant that this material does not contain any hazardous substance as defined by the federal and/or state law, and I agree to indemnify Purchaser / Payer if this is untrue. I declare under penalty of perjury that the foregoing is true and correct.

HOLD HARMLESS AGREEMENT AND WAIVER OF LIABILITY Seller, customer, and driver will indemnify and hold buyer harmless from any and all liabilities, damages, and demands, including reasonable attorney's fees, resulting from breach of any warrant, to person and property hereunder and seller, customer and driver agrees to be responsible for damage to vehicle while loading or unloading scrap materials.

Seller's Signature X

5/17/2022 9:22:53AM Page 1 of 1

Universal Service Recycling Inc.
 3200 South El Dorado Street
 Stockton, CA 95206
 Phone: 209-944-9555
 Fax: 209-944-5552
 Web: www.usrscrap.com
 RC 13349
 PR 147249.001



WEIGHMASTER CERTIFICATE

N7545685
 VICENTE SANTANA GONZALEZ
 525 E HAROLD ST
 LODI/CA/95240-0000
 8J84881

5/17/2022

Ticket # 1171086

Ticket # 1171086

10:15:34 5/17/2022

Material	Gross	Tare	Net	UM	Unit Price	Amount
700 - Stainless Steel - Sabot	726.5	360.0	366.5	LB	\$0.7500	\$274.88
142 - Aluminum Turnings - Telic	17.0	13.0	4.0	LB	\$0.5800	\$2.32
Total						\$277.20

PAID

WEIGHMASTER CERTIFICATE:

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

DEPUTY WEIGHMASTER SIGNATURE: **Jose Padilla**
 Weighed at 3200 South El Dorado Street
 Stockton, California 95260

BILL OF SALE

I hereby state that I am the lawful owner of the material described hereon, that I have a right to sell same, and that all State redemption material listed is in fact valid State redemption material and that for payment received in full, hereby acknowledged, I sell and convey title of same to: Universal Service Recycling Inc. I warrant that this material does not contain any hazardous substance as defined by the federal and/or state law, and I agree to indemnify Purchaser / Payer if this is untrue. I declare under penalty of perjury that the foregoing is true and correct.

HOLD HARMLESS AGREEMENT AND WAIVER OF LIABILITY Seller, customer, and driver will indemnify and hold buyer harmless from any and all liabilities, damages, and demands, including reasonable attorney's fees, resulting from breach of any warrant, to person and property hereunder and seller, customer and driver agrees to be responsible for damage to vehicle while loading or unloading scrap materials.

Seller's Signature X _____

5/17/2022 10:15:34AM Page 1 of 1



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Caltrol, Inc. – Five Year Multi-Task General Services Agreement for Machining 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:	Marc Pelletier <i>MRP</i> Acting Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Combustion Turbines	

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

RECOMMENDATION:

Approve Resolution 22-67 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Caltrol, Inc. for machining services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Machining 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Bay Valve Service, Custom Valve Solutions and Martech.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,500,000 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 June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On June 6, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

Walter Howard for

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 22-67
- Multi-Task General Services Agreement with Caltrol, Inc.

RESOLUTION 22-67

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

(reference Staff Report 178:22)

WHEREAS, machining 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, Caltrol, Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Caltrol, 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 a Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,500,000 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 _____, 2022 by the following vote on roll call:

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
CALtrol, 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 Caltrol, Inc., a Delaware Corporation, with its office located at 1385 Pama Lane Suite 111, Las Vegas, NV 89119 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 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 FIVE HUNDRED THOUSAND** dollars (\$1,500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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.
- 5.3 Transfer of Title.** Not Applicable.

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

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

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

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

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

- 8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 **Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 **Confidential Information and Disclosure.**
 - 9.4.1 **Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to

Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

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

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

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

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

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

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

Section 10. PROJECT SITE.

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.
- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.
- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. WARRANTY.

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in

whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 13.7 Contract Administrator.** This Agreement shall be administered by 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:

Caltrol, Inc.
Attn: Brad Frehner, Director of Finance
1385 Pama Lane, Suite111
Las Vegas, NV 89119

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

CALTROL, INC.

Date _____

Date _____

RANDY S. HOWARD,
General Manager

BRAD FREHNER,
Director of Finance

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF WORK

Caltrol, Inc. ("Contractor") shall provide machining services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) and by SCPPA Members.

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

- Machining
- Balancing (vibration analysis and monitoring)
- Rebuild or Re-Manufacturing of Equipment
- Maintenance
- Valve and Actuator Maintenance
- PRV/PSV Testing and Maintenance
- Instrument Calibration and Maintenance
- MOV Service and Maintenance
- Predictive 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:

Pricing for services to be performed 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

Caltrol, Inc.

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ 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.

EXHIBIT E

**ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Universal Protection Service, LP dba Allied Universal Security Services – First Amendment to Five Year Multi-Task General Services Agreement for Security 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:	Marc Pelletier <i>MP</i> Acting 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"/>	
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 22-68 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services for security related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$750,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Security 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 entered into a five year Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services effective July 22, 2020 for an amount not to exceed \$225,000, for use at all NCPA, NCPA Member, SCPPA, and SCPPA Member facilities.

Allied Universal Security Services recently completed services during the Lodi Energy Center's Spring 2022 Outage. In addition, they provide NCPA's Geothermal facility with ongoing daily security guard gate services, and it is anticipated they will also provide 24-hour security during the Geo Plant 2 Unit 4 Overhaul Project scheduled to start in November 2022. As a result, this agreement is running low on funds. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$225,000 to \$750,000 to ensure there are sufficient funds available for these services, as well as through the remainder of the contract term. NCPA has an agreement in place for similar services with Securitas Security Services USA, Inc.

FISCAL IMPACT:

Upon execution, the total cost of the agreement will be not to exceed \$750,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On June 6, 2022 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 22-68
- Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services
- First Amendment to Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services

RESOLUTION 22-68

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT
WITH UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY
SERVICES

(reference Staff Report #179:22)

WHEREAS, security 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, NCPA and Universal Protection Service, LP dba Allied Universal Security Services entered into a Multi-Task General Services Agreement effective July 22, 2020, to provide such services; and

WHEREAS, Allied Universal Security Services recently completed services during Lodi Energy Center's Spring 2022 Outage. In addition, they provide NCPA's Geothermal facility with ongoing daily security guard gate services, and it is anticipated they will also provide 24-hour security during the Geo Plant 2 Unit 4 Overhaul Project scheduled to start in November 2022. As a result, this agreement is now running low on funds; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$225,000 to \$750,000 to ensure there are sufficient funds available for these services, as well as through the remainder of the contract term; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services, with any non-substantial changes as approved by the NCPA General Counsel, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ___ day of ___, 2022 by the following vote on roll call:

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY SERVICES**

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 Universal Protection Service, LP (parent company is Allied Universal Topco, LLC) d/b/a Allied Universal Security Services, a limited partnership with its office located at 8950 Cal Center Drive, Suite 115, Sacramento, CA 95826 ("Contractor") (together sometimes referred to as the "Parties") as of July 22, 2020 ("Effective Date") in Roseville, California.

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

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

not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED TWO HUNDRED TWENTY FIVE THOUSAND** dollars (\$225,000) 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. Except as hereinafter provided, Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement. Contractor's fees and charges do not include any sales, use, excise or similar taxes, levies or duties ("Sales Taxes"). Agency is responsible for paying for all such Sales Taxes in respect of Contractor's Work or in respect of amounts payable by Agency hereunder. If Contractor has the legal obligation to pay or collect Sales Taxes for

which Agency is responsible under this section, the appropriate amount shall be promptly paid by Agency to Contractor unless Agency provides Contractor with either a valid and current tax exemption certificate or direct pay certificate, authorized by the appropriate taxing authority

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.

2.6 Fee Increases.

2.6.1 Annual Fee Increases. The Billing Rates set forth in Exhibit B are valid for the first 12 months in which this Agreement is in effect. The Billing Rates thereafter will be increased annually, effective as of the anniversary date of the Effective Date in an amount equal to three percent (3%).

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. Agency, Agency member, SCPPA and/or SCPPA shall

be covered as an additional insured on Contractor's Commercial General Liability Insurance to the extent of the Contractor's indemnification obligations under this Agreement and up to the required insurance coverage amount.

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. 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/Excess Insurance. The coverage amounts set forth above may be met by a combination of underlying and excess 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 including the Agency as an additional insured where required by written contract 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 [RESERVED]

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, including the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed where required by written contract.

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 to the extent caused by the negligent acts or omissions of Contractor, its officers, officials, agents, and employees, except as caused by the active, sole or gross negligence of Agency. Anything to the contrary notwithstanding, under no circumstances will Contractor be liable to any indemnified party for consequential, incidental, indirect or punitive damages, or for lost profits.

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.** Not Applicable
- 7.5 Registration with DIR.** Not Applicable
- 7.6 Prevailing Wage Rates.** Not Applicable

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. Company may cancel this Agreement at any time and without cause upon ninety (90) days prior written notice to Agency.

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** [RESERVED]
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 13.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Erik Homan
Government Business Development Manager
Allied Universal Security Services
8950 Cal Center Drive, Suite 115

Sacramento, CA 95826

Any written notice to Agency shall be sent to:

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

With a copy to:

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.

13.16 Force Majeure. No failure or omission by either party in the performance of any obligation under this contract (except for payment obligations) will be deemed a breach of this contract by such party or create any liability on the part of such party for damages or otherwise, if the same shall arise from any cause or causes beyond the control of such party, including but not limited to the following: acts of God, war, riot, insurrection, rebellion, fire, earthquake, flood, storm, disease, epidemic, pandemic, quarantine or governmental orders, acts or restrictions. The afflicted party shall notify the other party of such force majeure circumstances as soon as reasonably practical and shall promptly undertake all commercially reasonable efforts necessary to cure such force majeure circumstances.

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

NORTHERN CALIFORNIA POWER AGENCY

UNIVERSAL PROTECTION SERVICE, LP
DBA ALLIED UNIVERSAL SECURITY
SERVICES

Date 7/22/20

Date 7/17/20


RANDY S. HOWARD, General Manager


MIKE SMIDT, Regional President

Attest:


Assistant Secretary of the Commission

Approved as to Form:


Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Universal Protection Service, LP dba Allied Universal Security Services ("Contractor") shall provide security services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

LOCATIONS FOR SECURITY SERVICES PROVIDED BY

Allied Universal
134 Lystra Ct., Ste. A
Santa Rosa, CA 95403
707-575-6909
Michael.kinane@aus.com

<u>Location</u>	<u>Specify for each location: Armed Unarmed</u>	<u>Schedule of Coverage</u>	<u>Hours</u>
1. 12000 Ridge Road, Middletown, CA 95461	Unarmed	Mon - Fri: 6:30a – 4:30pm (With every other Friday and Holidays off)	50 & 40

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:

Pricing for Geothermal Plant Facility:



Pricing

Option I - Standard Security Professional

Position	Bill Rate
Security Professional	\$23.99
Security Professional - Overtime	\$35.98

Rate Increases:

Billing rates will increase annually by 3%.

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, Michael Smidt, President NW Region

(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 Universal Protection Service LP

(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.

Michael Smidt
(Signature of officer or agent)

Dated this 17th day of July, 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.

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**

Not applicable as contractor will not be performing Covered Work as defined in Section 1.2 and 2.1 of the Maintenance Labor Agreement.



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY SERVICES**

This First Amendment (“Amendment”) to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Universal Protection Service, LP (parent company is Allied Universal Topco, LLC) dba Allied Universal Security Services (“Contractor”) (collectively referred to as “the Parties”) as of _____, 2022.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective July 22, 2020, (the “Agreement”) for Universal Protection Service, LP to provide security guard services at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a “NOT TO EXCEED” amount of \$225,000 to a “NOT TO EXCEED” amount of \$750,000; and

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

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

NOW, THEREFORE, the Parties agree as follows:

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

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND** dollars (\$750,000) 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.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
3. **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.

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

UNIVERSAL PROTECTION SERVICE, LP
DBA ALLIED UNIVERSAL SECURITY
SERVICES

MICHAEL KINANE, Branch Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

Universal Protection Service, LP dba Allied Universal Security Services ("Contractor") shall provide security services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

LOCATIONS FOR SECURITY SERVICES PROVIDED BY

Allied Universal
134 Lystra Ct., Ste. A
Santa Rosa, CA 95403
707-575-6909
Michael.kinane@aus.com

<u>Location</u>	<u>Specify for each location: Armed Unarmed</u>	<u>Schedule of Coverage</u>	<u>Hours</u>
1. 12000 Ridge Road, Middletown, CA 95461	Unarmed	Mon - Thurs: 5:30am – 4:30pm (With every Friday and Holidays off)	44

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

2022 Pricing for Geothermal Plant Facility:



Pricing

Option I - Standard Security Professional

Position	Bill Rate
Security Professional	\$27.00
Security Professional - Overtime	\$40.50

Rate Increases:

Billing rates will increase annually by 3%.

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: June 23, 2022

SUBJECT: 2022 Steam Field Operation and Generation Forecast, Applicable to the following: NCPA Geothermal Facility

AGENDA CATEGORY: Consent

FROM:	Marc Pelletier <i>MPD</i> Acting Assistant General Manager	METHOD OF SELECTION:	N/A
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"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input checked="" type="checkbox"/>	City of Lompoc	<input checked="" type="checkbox"/>	City of Ukiah	<input checked="" type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input checked="" type="checkbox"/>
City of Biggs	<input checked="" type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input checked="" type="checkbox"/>	City of Roseville	<input checked="" type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input checked="" type="checkbox"/>	City of Santa Clara	<input checked="" type="checkbox"/>	Other	<input checked="" type="checkbox"/>
		<i>If other, please specify</i>		Turlock	

RECOMMENDATION:

Approve Resolution 22-69 authorizing the 2022 Steam Field Operations and Forecast Report dated April 2022 as the Geothermal Operating Protocol effective July 1, 2022. This Operating Protocol is to remain in effect until replaced by the Commission.

BACKGROUND:

The Steam Field Operations Forecast Report is an in-depth study of The Geysers reservoir relative to the operation of NCPA's Geothermal facility and provides a generation forecast of the facility. This report will act as the Operating Protocol for NCPA's Geothermal facility, with the goal of maximizing the generation output.

The Operating Protocol currently uses a two-zone strategy with wells on the west side of the NCPA lease producing to both Plant #1, Units #1 and #2. Wells on the east side of the NCPA lease produce to Plant #2, Unit #4. This Protocol will maximize generation while allowing for scheduling flexibility and reduction of load under the proper economic conditions. For 2022, NCPA proposes that the current Operating Protocol remains in effect. As a reminder, the proper economic conditions under the current Protocol are as follows:

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response.
- Duration of the curtailment is to be a minimum of 4 hours.
- Curtailments are limited to once per calendar day.

This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW.

FISCAL IMPACT:

The approved FY 2023 Geothermal budget covers the proposed action.

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 June 1, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

June 23, 2022
Page 3

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 22-69
- 2022 Steam Field Operations and Forecast Report

RESOLUTION 22-69

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE 2022 STEAM FIELD OPERATIONS FORECAST REPORT AS THE 2022 GEOTHERMAL OPERATING PROTOCOL

(reference Staff Report #180:22)

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains on behalf of the project owners a Geothermal Facility near Middletown, CA, consisting of two power plants with containment areas, and 79 steam production and injection wells connected by roads; and

WHEREAS, the 2022 Steam Field Operations Forecast Report is an in-depth study of The Geysers reservoir relative to the operation of NCPA's Geothermal facility and provides a generation forecast of the facility; and

WHEREAS, this report will act as the Operating Protocol for NCPA's Geothermal facility, with the goal of maximizing the generation output. The Operating Protocol currently uses a two-zone strategy with wells on the west side of the NCPA lease producing to Plant 1, Units #1 and #2. Wells on the east side of the NCPA lease produce to Plant #2, Unit #4. This Protocol will maximize generation while allowing for scheduling flexibility and reduction of load under the proper economic conditions; and

WHEREAS, for 2022, NCPA proposes that the current Operating Protocol remains in effect. As a reminder, the proper economic conditions under the current Protocol are as follows:

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response.
- Duration of the curtailment is to be a minimum of 4 hours.
- Curtailments are limited to once per calendar day; and

WHEREAS, the Operating Protocol establishes a 2022 annual peak generation target of 102.9 gross MW; and

WHEREAS, the approved FY 2023 Geothermal budget covers the proposed action; 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 2022 Steam Field Operations and Forecast Report dated April 2022 as the Geothermal Operating Protocol effective July 1, 2022, to remain in effect until replaced by the Commission.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022, by the following vote on roll call:

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

 DAVID HAGELE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY



Steam Field Operations & Forecast Report – April 2022



NCPA
Generation Services – Geothermal Facilities
Steam Field Operations and Forecast Report

April 2022
Table of Contents

<u>EXECUTIVE SUMMARY</u>	1
<u>I. STEAM FIELD OPERATIONS</u>	2
A. Overview Of 2021 Production and Injection	2
B. Water Injection Program	3
C. Geothermal Operating Plan	7
<u>II. 2021 RESERVOIR PERFORMANCE & 2022 GENERATION FORECAST</u>	7
A. Reservoir Pressure Distribution	8
B. Reservoir Pressure and Flowrate Decline	8
C. 2021 Generation Review	8
D. 2022 Generation Forecast	8
<u>SUMMARY</u>	9
<u>List of Figures & Tables</u>	
<u>Figures 1-15</u>	10-24
<u>Table 1 - Annual Report of NCPA Injection at The Geysers 2021</u>	25
<u>Table 2 - Geothermal Facilities Summary</u>	26
<u>Table 3 – Reservoir Pressure</u>	27
<u>Table 4 – NCG Concentration</u>	28
<u>Table 5 - 2022 Generation Forecast – 25 Years</u>	29
<u>Table 5A - 2022 Average Generation Capacity – 25 Years</u>	30
<u>Table 5B - 2022 Scheduled Outages – 25 Years</u>	31
<u>Table 6 – 2022 Generation Forecast – 5 Years</u>	32
<u>Table 6A – 2022 Average Generation Capacity – 5 Years</u>	33
<u>Table 7 – 2022 Forecast of Geothermal Production and Injection</u>	34

NCPA
Generation Services Business Unit
Steam Field Operations and Forecast Report

April 2022

Executive Summary

This report provides an update on the status of the NCPA Geothermal Project. There are two main sections:

- I. A review of steam field operations, the water injection program, and the Geothermal Operating Plan.
- II. A review of 2021 reservoir performance with a generation forecast for 2022.

Analysis of geothermal reservoir during 2021 shows that steam production has moderated further and is now estimated at an 0.8% harmonic decline rate going forward. The peak generating capacity for 2021 was 108.8 MW gross or 100.5 MW net. Net generation for the year was 786.1 GWhrs.

Water injection continues to be essential in maintaining reservoir pressure and mitigating steam production decline rates. In 2021, the average water injection rate was 1,253 gpm. This water was composed of wastewater from the Southeast Geysers Effluent Pipeline (SEGEP) and steam condensate from the power plants. The SEGEP wastewater that is piped to the Geysers is shared between NCPA and a nearby power producer, Calpine. NCPA received 20.7% of the wastewater delivered in 2021. The amount of wastewater injected into the NCPA lease has been intentionally reduced over the last two years. Numerical modeling of the field indicated that reduced injection would result in higher steam production. The reduced steam decline rate appears to be evidence of this effect.

In 2022, water injection will continue to operate at reduced levels since California is still experiencing drought conditions. The drought conditions have impacted the amount of available wastewater from the SEGEP pipeline. The water piped to the lease is composed of approximately 50% freshwater from Clearlake and 50% secondary treated wastewater from Lake County Sanitation District. While Clearlake is located in Lake County, the water rights are owned by Yolo County and during drought conditions, the freshwater component is withheld from the SEGEP pipeline. The earliest this water will become available is May 1, 2023. In spite of the reduced amount of water, there have been no detrimental effects observed in the steam field. The field will continue to be closely monitored for any changes in decline rate.

The 2022 generation forecast projects the peak generating capacity to be 102.9 MW gross or 95.2 MW net for the year. NCPA geothermal facilities are forecast to generate 734.1 GWhrs net in 2022. For FY 2023, the net generation is forecast to be 734 GWhrs. The estimated 25 year projected net reserves are 16,840 GWhrs.

I. STEAM FIELD OPERATIONS

In This Section

- ▶ Overview of Annual Production and Injection
- ▶ Water Injection Program
- ▶ Geothermal Operating Plan

A. Overview of 2021 Production and Injection

NCPA continued to operate the Geothermal Project as a base load facility in 2021. Steam production for the year was 14.13 Glbs with water injection of 5.48 Glbs for an annual mass replacement ratio of 38.8%. Water injection on the NCPA lease is a combination of steam condensate recovered from the cooling towers and wastewater from the Southeast Geysers Effluent Pipeline (SEGEP). The water from the SEGEP pipeline is shared between NCPA and a nearby power producer. NCPA received 20.8% of the wastewater in 2021. The average total injection rate for NCPA decreased from 1,589 gpm in 2020 to 1,253 gpm in 2021.

The reduction in water injection was both intentional and unavoidable. Reservoir modeling studies indicated that reduced injection would lead to increased steam production and higher reservoir pressures. As a result, water injection was curtailed starting in August 2020 with the intent of improving reservoir conditions by causing a higher boil off rate and recovery of existing reserves.

Further, drought conditions due to lack of rainfall existed for most of the 2021 year. The SEGEP pipeline lost access to freshwater from Clearlake due to the drought conditions and operated at roughly one third its normal capacity.

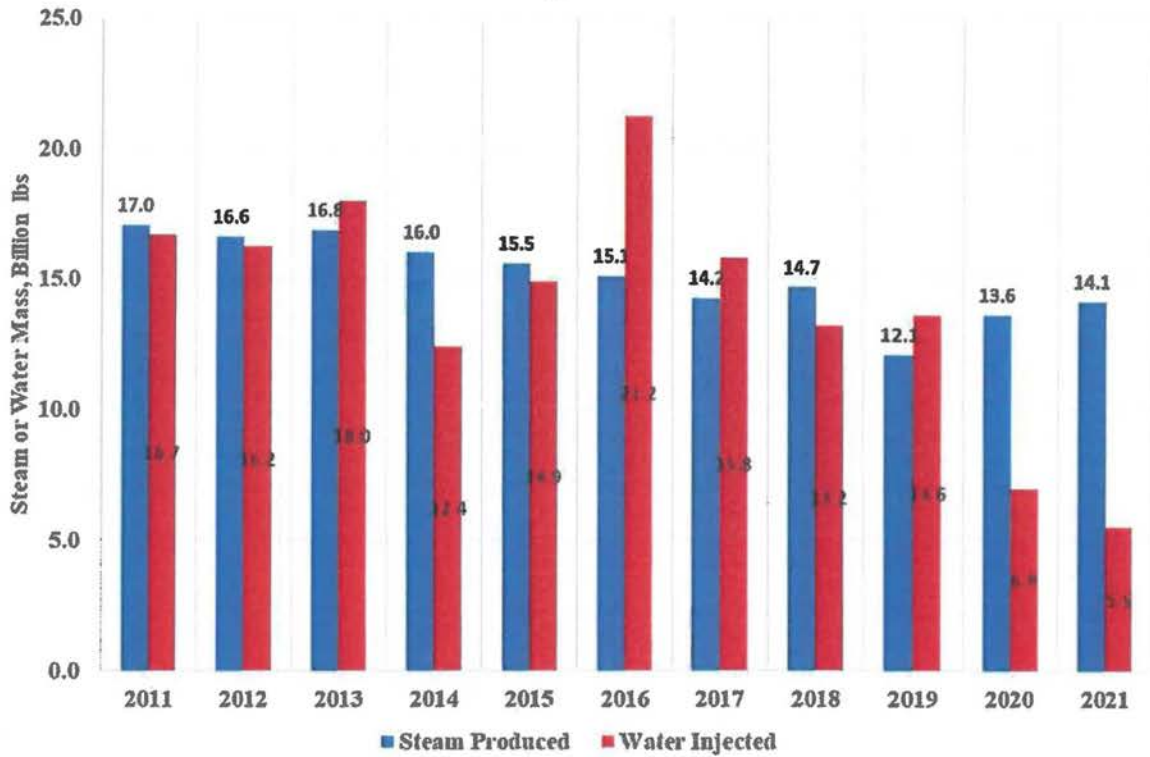
The cumulative mass replacement ratio from plant startup in 1983 through 2021 was 66.7% (*Figure 1*). The net mass withdrawal of steam from the reservoir (Mass Produced less Mass Injected) through 2021 is 237 billion lbs.

The average generation capacity level for 2021 was 96.1 MW gross or 89.7 MW net. These values were higher than forecast capacity of 93 MW gross or 82.9 MW net. The higher capacity values are attributed to higher steam production as a result of reduced water injection.

Production Highlights during 2021 include:

- ▶ The 2021 peak gross generation level was 108.8 MW or 100.5 MW net.
- ▶ Average annual mass replacement in the reservoir or the percentage of steam production replaced by water injection was 38.8% in 2021. The 2021 average injection rate was 1,253 gpm.

Historical NCPA Steam Production and Water Injection Levels
Figure 2



B. Water Injection Program

NCPA continues to operate the steam field in the manner intended to maximize the recovery of injected water. In order to maximize recovery, it is important to have sufficient water and distribute it over the widest possible area of the field. It is also necessary to inject water at the lowest possible rate to maximize the heat transfer between the reservoir rock and water. Other factors that weigh into water injection strategy are targeting hotter zones of the field and higher gas concentrations within the reservoir. The water injection program discusses NCPA’s supplemental water source, the Southeast Geysers Effluent Pipeline (SEGEP), current injection operations, micro-earthquake activity and non-condensable gas trends.

1. Southeast Geysers Effluent Pipeline (SEGEP)

The Southeast Geysers Effluent Pipeline (SEGEP) project is a pipeline bringing water to The Geysers for the purpose of supplementing water injection in the field. During normal years, NCPA receives an average 2,700 gpm out of 5,600 gpm water that is delivered. Injection of this water into The Geysers reservoir helps mitigate reservoir pressure declines and increases steam reserves. *Figure 6* shows the historical SEGEP deliveries for NCPA and the total for the project.

California has experienced drought conditions over the last two years and as result, the water available from SEGEP has been severely restricted. During normal years, SEGEP wastewater is comprised a combination of secondary treated wastewater and freshwater taken from Clearlake. In 2021, this composition of water was 73% secondary treated wastewater and 27% freshwater taken from Clearlake. Note that even though Clearlake is located in Lake County, the water rights are owned by Yolo County. Those water rights expire in December 2026 and efforts are being made to ensure the freshwater component will remain available for future operation of the SEGEP pipeline.

The freshwater component of SEGEP is the main variable in determining how much water is available for injection and subject to an annual restriction if the water level in Clearlake gets too low. The Rumsey gauge in Lakeport is the official device measuring the lake level and if it drops below 3.5 ft on May 1 of each year, the SEGEP pipeline loses access to any freshwater. The lake level was 0.85 ft on May 1, 2021 and as of April 15, 2022 is 0.24 ft. Freshwater from Clearlake won't be available to supplement the secondary treated wastewater until at least May 1, 2023.

In spite of the reduced water injection, it has not negatively impacted the reservoir. In 2020, numerical modeling studies indicated that reduced water injection would increase recovery of reserves by increasing the boil off rate of previous injected water. As a result, overall injection was intentionally reduced to approximately 40% of the pre-drought level and steam production increased about 100 kph above expected levels. Numerical modeling results indicate that another year of reduced injection should continue to facilitate increased steam production along with a rebound of reservoir pressures and temperatures.

2. Injection Operations

With reduced injection, there were seven different wells used for injection in 2021. The injection strategy continues to be an effort to spread water over large geographic area and limit injection rates down individual wells as much as possible. The 2021 overall injection rate of combined steam condensate and wastewater was 1,253 gpm and is a decrease from the 2020 rate of 1,589 gpm.

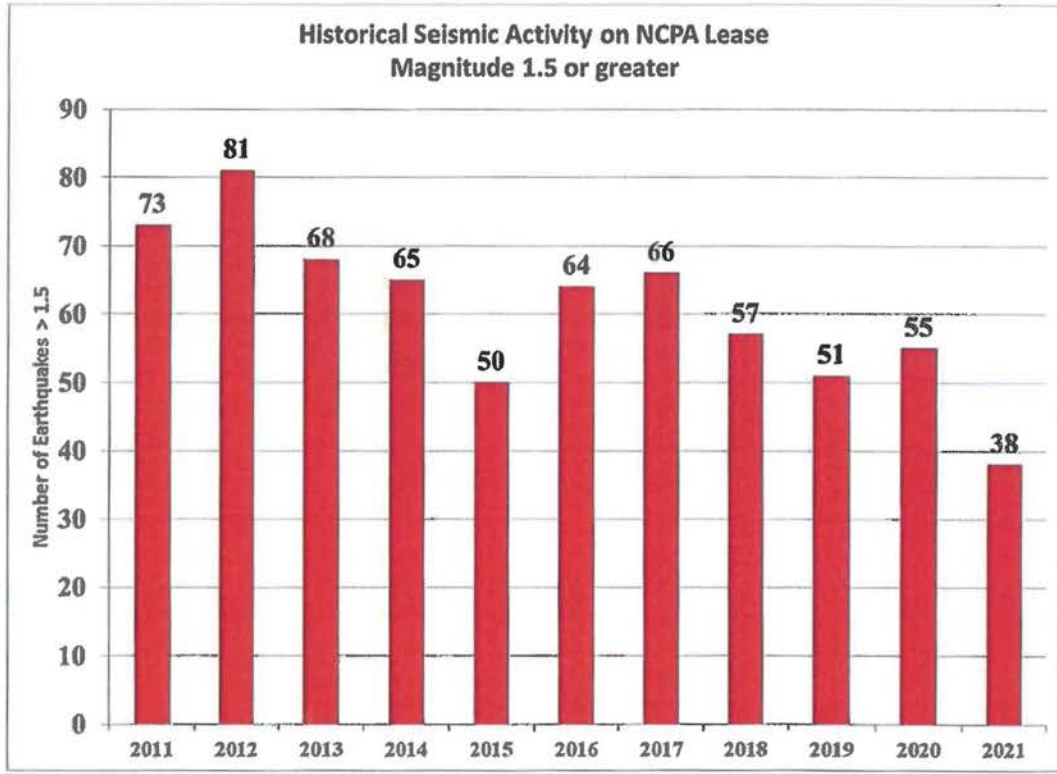
Figure 7 shows the relative location of the seven injection wells on the NCPA lease. Three of these wells, E-8, P-7, and Q-10, are only connected to the SEGEP pipeline and therefore receive only effluent or wastewater. The remaining four wells received a combination of condensate and wastewater. *Figure 8* and *Table 1* show the relative amounts and type of water each well received in 2021.

3. Micro-earthquake Activity

Studies by the United States Geological Survey (USGS) and others have demonstrated that the steam production and water injection at The Geysers can cause frequent micro seismic events to occur. As a result, NCPA and the other operators are required to continuously monitor and report on the earthquakes that occur within The Geysers geothermal field. *Figure 9* is a map showing the locations of the 637 seismic events of magnitude 1.5 and larger that occurred within The Geysers field during 2021. Ten of

these events had an earthquake magnitude of 3.0 or greater. The three largest seismic events were all a magnitude 3.98. Two of the events occurred on the neighboring operator's lease. One event was on the NCPA lease.

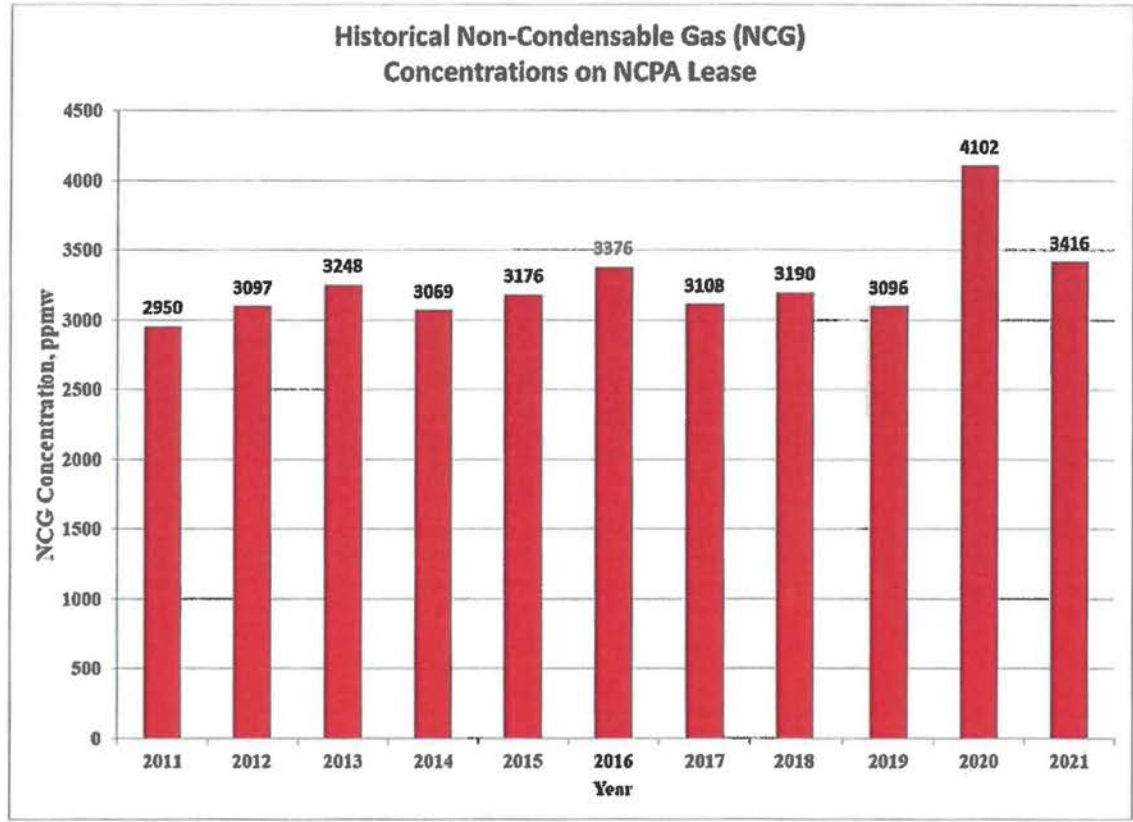
On the NCPA lease, there were 38 events of M=1.5 or greater. The figure below shows the historical seismic activity for the NCPA lease from 2011 through 2022. The seismic activity for 2021 was significantly lower than in 2020.



4. Non-condensable Gas (NCG) Trends

Non-Condensable Gas (NCG) is a natural product of the reservoir and may be present in varying concentrations within the steam that is produced at The Geysers. NCG production reduces plant efficiency and increases chemical treatment costs. The values vary significantly based on operating guidelines for the field, plant outages, or injection strategy. Water injection in areas of high gas concentration generally reduces NCG production and improves plant efficiency.

As shown in the graph below, NCG concentrations were down in 2021. Efforts to reduce NCG production continue to require either increased injection or a more targeted approach in places to inject water. Since the SEGEP pipeline will be operating at a reduced level in 2022 again, any available water should be directed toward the highest NCG production areas. A review of *Table 4* indicates that well pads E, P, and Q are likely targets. The figure below shows the overall NCG levels while Figure 10 shows the relative changes throughout the field.



Injection Highlights during 2020 include:

- ▶ Water injection continues at a reduced level and is approximately 40% of the pre-drought level.
- ▶ Starting in year 2020, the reduction in water injection was intentional as numerical modeling results indicated that reduced injection would eventually lead to increase steam production and a rebound in reservoir pressures and temperatures.
- ▶ California continues to experience drought conditions. The SEGEP pipeline will again lose access to freshwater from Clearlake until May 1, 2023. The reduced injection has resulted in increased steam production and this trend is expected to continue into 2023.
- ▶ Non-condensable gas production was down in 2021. Targeted injection will be necessary to keep the NCG level from rising in 2022.

C. Geothermal Operating Plan

The Geothermal Project Operating Agreement requires the NCPA Commission to establish an Operating Plan and an annual operating level for the Geothermal Units. The purpose of the plan is to maximize the efficient use of the geothermal resource, protect the power plants and equipment, and meet all regulatory and permitting requirements.

The current 2021 Geothermal Operating Protocol was recommended by the Coordinated Operating Group (COG), the Generation Services Business Unit, and the NCPA Commission and approved by the NCPA Commission during the May 27, 2021 meeting. The Protocol used a two-zone strategy with wells on the west side of the NCPA lease producing to Plant #1, Units #1 and #2 while the wells on the east side of the NCPA lease produced to Plant #2, Unit #4. The 2021 Protocol also allowed for reduction of load under the economic conditions listed below.

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response.
- Duration of the curtailment is to be a minimum of 4 hours.
- Curtailments are limited to once per calendar day.

In 2022, the recommended Operating Protocol is to continue using the two-zone strategy, operate Plants #1 and #2 at baseload conditions with the goal of maximizing generation, and only reduce generation load under the conditions described above. This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW.

2021 RESERVOIR PERFORMANCE REVIEW

In This Section

- ▶ Reservoir Pressure Distribution
- ▶ Reservoir Pressure and Flowrate Decline
- ▶ 2021 Generation Review
- ▶ 2022 Generation Forecast

Reservoir performance can be affected by a number of factors such as changes in the location or amount of water injected, the operating pressure of the field, gain or loss of production wells, or changes in the operation of nearby competitor leases. The effects of these changes on the reservoir are normally monitored by conducting pressure build-up tests on production wells, tracer tests on injection wells, and a continuous review of pressure, temperature, and flowrate data from the field. This section will discuss recent changes in reservoir pressure distribution, reservoir pressure decline, and steam field flowrate decline.

A. Reservoir Pressure Distribution

One of the most important parameters in predicting and explaining reservoir performance is static reservoir pressure. *Figure 11* shows areal pressure distributions of static reservoir

pressures for January 2021 and January 2022. In general, wells on the west side of the field have the lowest reservoir pressures (< 80 psig) and the east side of the field continues to be the higher pressure area.

B. Reservoir Pressure and Flowrate Decline

Changes in reservoir pressure over time are a function of the mass-replacement ratio. By injecting steam condensate and supplementing it with wastewater from the Southeast Geysers Project, the decline in reservoir pressures has moderated or slowed with time.

In 2022, shut-in pressures were either recorded or estimated for 60 wells. The estimated average wellhead shut-in pressure is 72.6 psig. The average well on the NCPA lease flows 28,800 lb/hr at 42.1 psig.

The projected flowrate decline is shown in *Figure 13*. In 2021, the overall steam production rate averaged 1,734 klbs/hr. The flow rate in 2022 is projected to be 1,717 klbs/hr. The overall steam field decline has moderated further due to the reduced injection and is now projected to be a harmonic 0.8% going forward. Reservoir parameters of steam flow, pressure and temperature will be closely monitored in the upcoming year to determine if the impact of reduced water injection continues to match the numerical modeling results.

C. 2021 Generation Review

Net generation for the NCPA Geo Facilities in 2021 was 786.1 GWhr. For FY 2022, it is estimated that net generation will be around 800.9 GWhrs. The 2021 peak gross generation level was 108.8 MW while peak net generation level was 100.5 MW.

D. 2022 Generation Forecast

The updated forecast of future reservoir performance, and the resulting energy generation forecast for the NCPA geothermal plants, was developed using decline curve analysis. Included in the forecast are:

1. Operation of the steam field in a two-zone operation.
2. The continued benefits from the Southeast Geysers Effluent Pipeline Project.

The most recently developed forecast of steam field operations is illustrated in *Figure 12*. This graph shows NCPA's 39-year historical data for both steam production and water injection, and forecasts of production and injection out to year 2046. While total water injection is capable of replacing 100% of the annual steam production, water injection has been intentionally reduced to stimulate steam production. With drought conditions continuing through 2022 and no negative effects to the reservoir from reduced injection rate, it's not certain when water injection will be increased again. Additional numerical modeling is recommended to study the long-term effects.

The total amount of steam capable of being produced by NCPA through year 2046 is currently estimated at 335.4 billion pounds. Remaining net generation reserves are estimated to be 16,840 GWhr. *Figures 14 and 15* respectively show the projected net generation capacity and total net generation amount for 2021 through 2046. *Table 5* details the annual gross and net generation. A more detailed monthly five year forecast can be found in *Table 6*.

In 2022, it is estimated that the Geo Facilities will generate 734.1 GWhrs net. The peak gross and net generation capacity for the year are respectively projected to be 102.9 MW gross and 95.2 MW net. For FY 2023, the net generation amount is projected to be 734 GWhrs.

SUMMARY

Steam Field Operations

- The NCPA lease produced 14.13 Glbs steam while injecting 5.48 Glbs of water resulting in an average mass replacement of 38.8% for the year.
- The peak gross generation level for 2021 was 108.8 MW gross while the net generation level was 100.5 MW net.
- The average water injection decreased from 1,589 gpm in 2020 to 1,253 gpm in 2021.

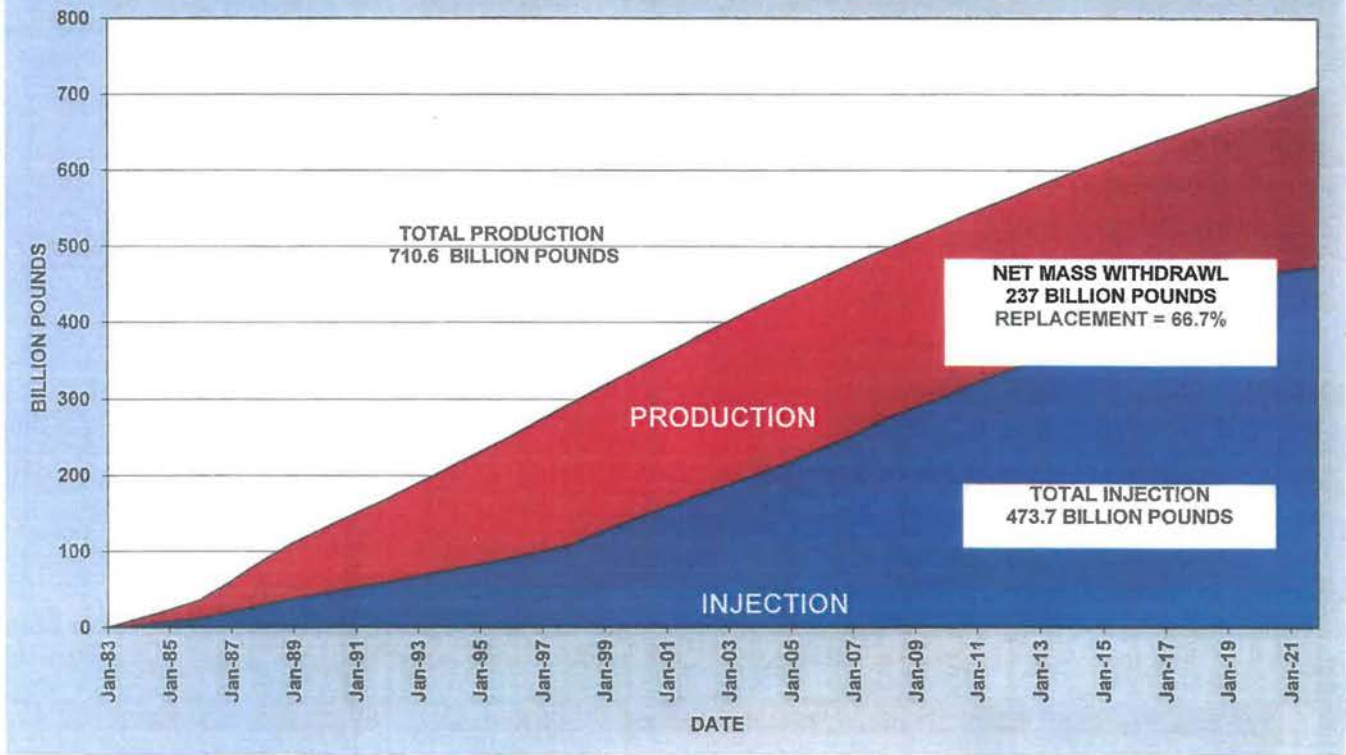
2021 Reservoir Performance Review

- Average shut-in wellhead pressure for the NCPA lease was 72.6 psig. The average well produces 28.8 kph at 42.1 psig.
- The steam field deliverability was 1,734 klbs/hr in 2021. The projected 2022 deliverability is 1,717 klbs/hr. The projected harmonic decline rate going forward is 0.8%.

2021 Generation Review and 2022 Generation Forecast

- Net generation for 2021 was 786.1 GWhrs. For FY 2022, net generation is projected to be 800.9 GWhrs.
- The generation forecast covers the period from 2021-2046. Recoverable steam reserves are 335.4 billion pounds with the total amount of remaining net generation estimated at 16,840 GWhr.
- The peak gross generation capacity for 2022 is expected to be 102.9 MW or 95.2 MW net.
- The net generation forecast for year 2022 is 734.1 GWhr net. For FY 2023, the net generation amount is projected to be 734 GWhrs.

**FIGURE 1
NCPA STEAMFIELD
CUMULATIVE PRODUCTION AND INJECTION**



Historical NCPA Steam Production and Water Injection Levels
Figure 2

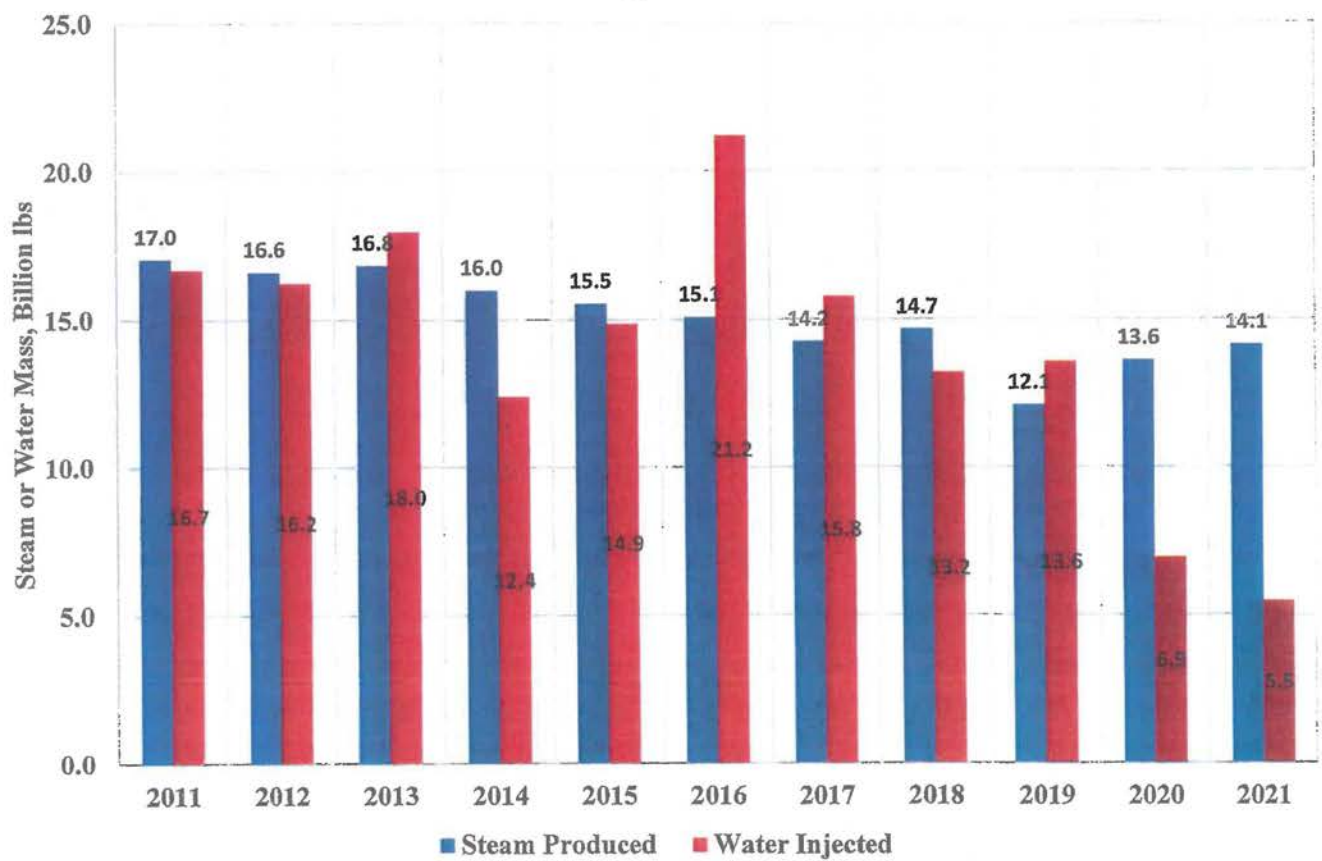
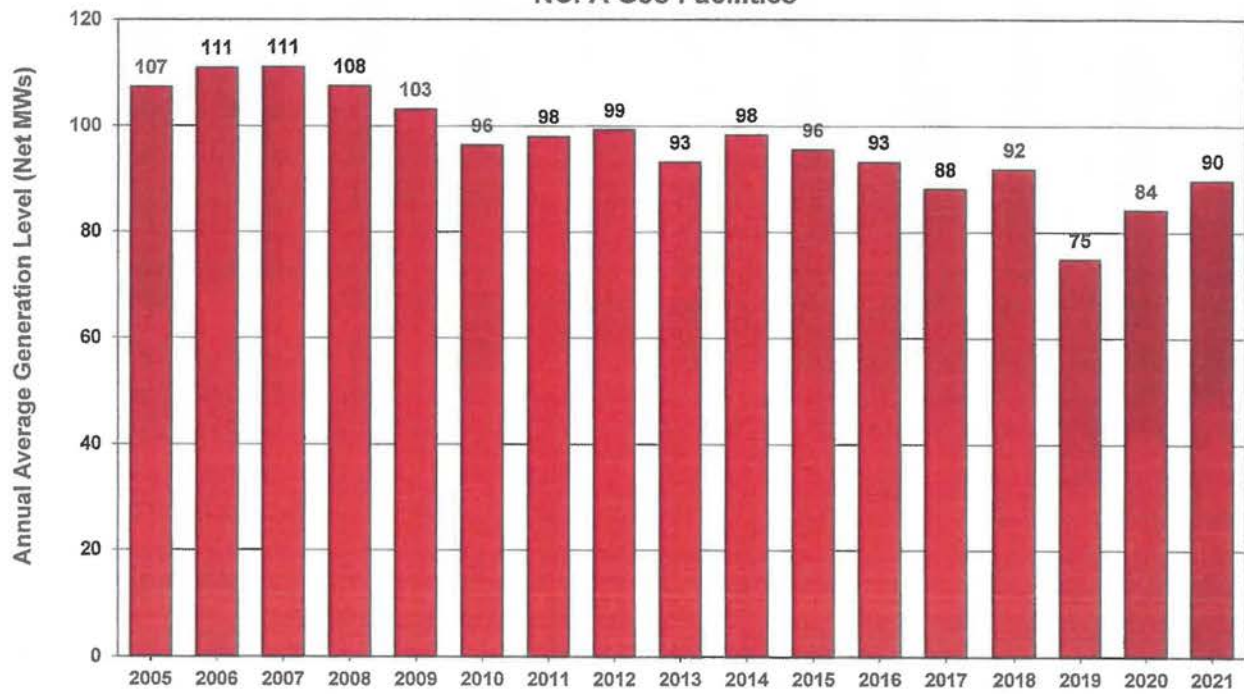


Figure 3. Historical Power Generation Levels
NCPA Geo Facilities



*Generation levels include downtime for unit outages and overhauls

2021 Gross Steam Utilization
Figure 4

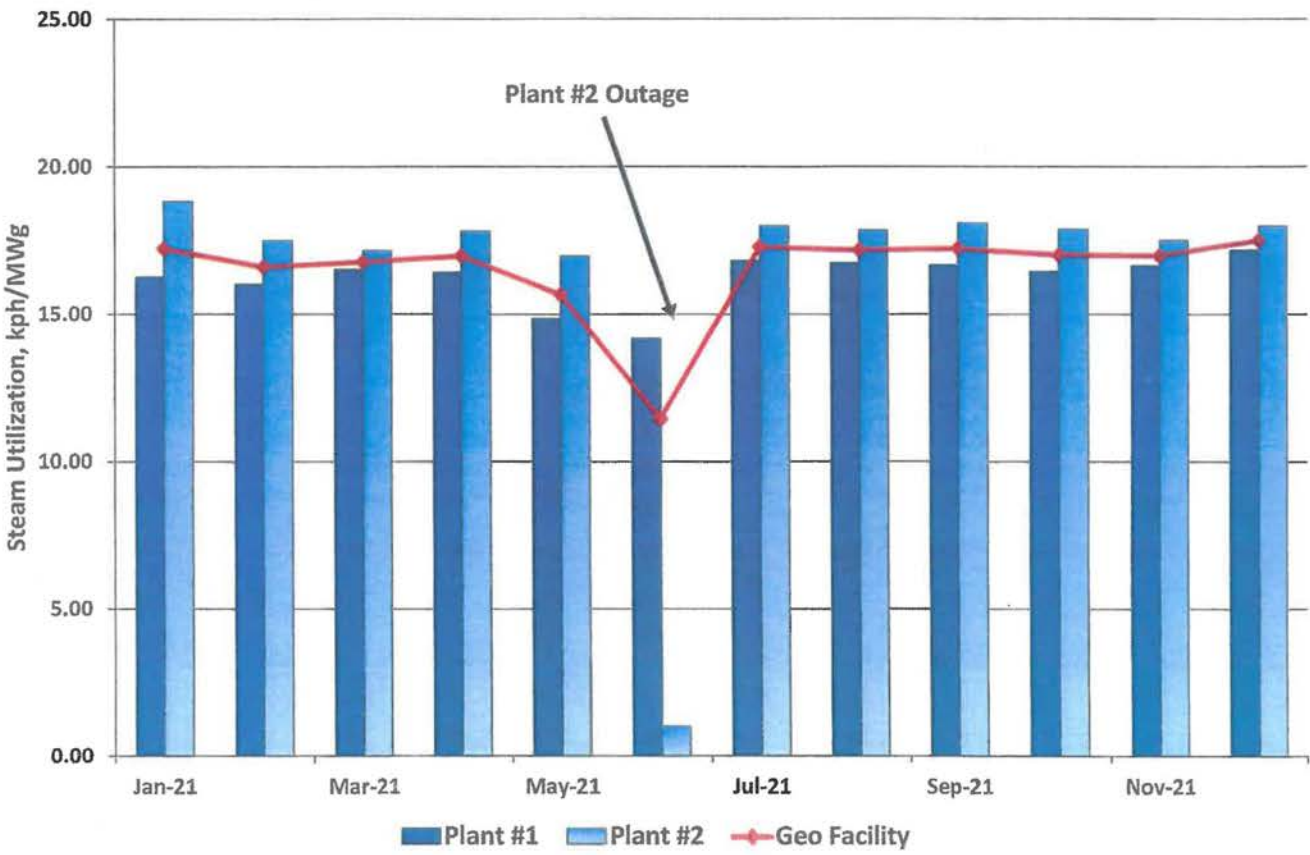


Figure 5. GEOTHERMAL OPERATIONAL PLAN 2022

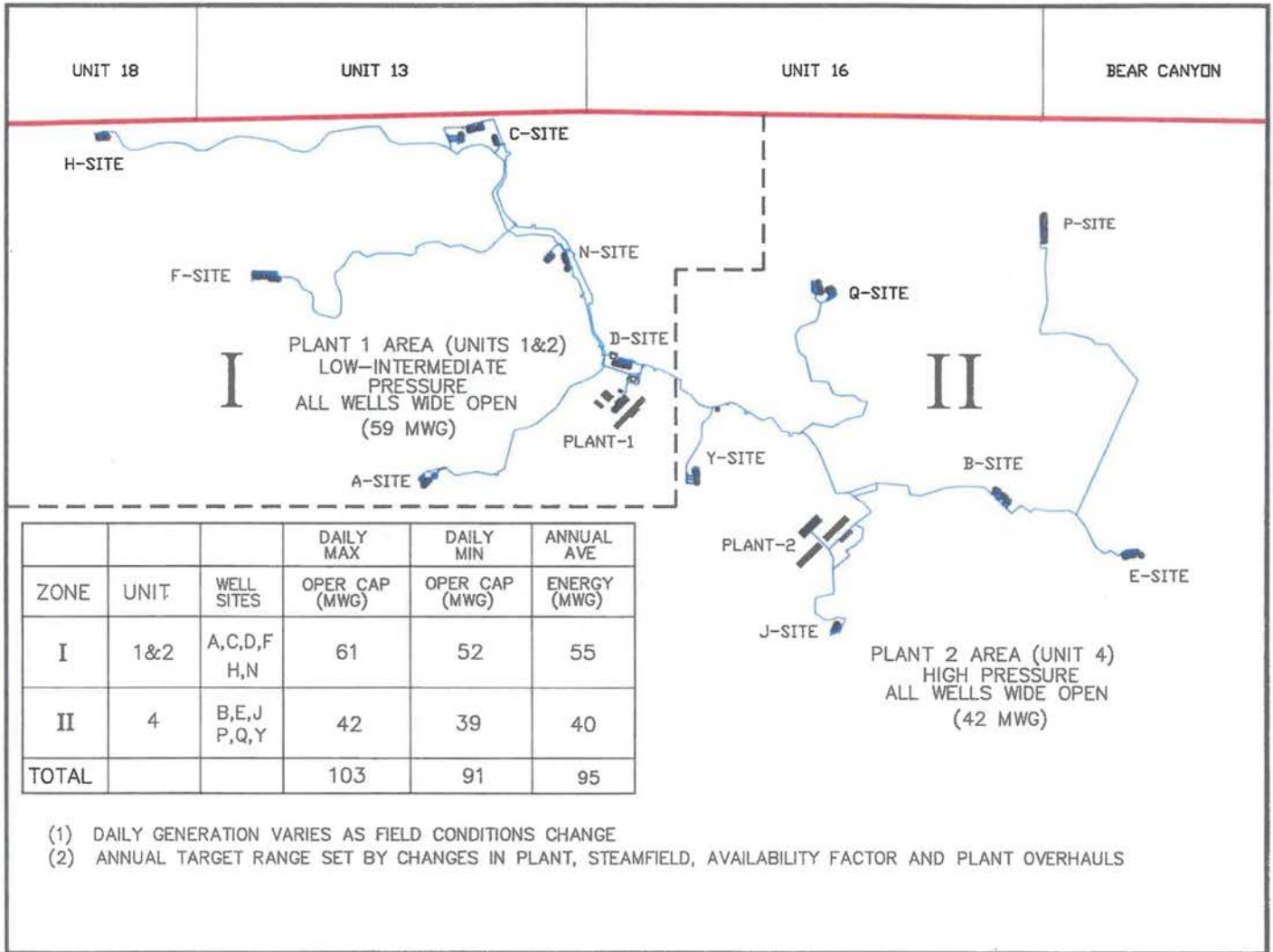


Figure 6. History of SEGEP Deliveries Total and NCPA (Annual Average GPM)

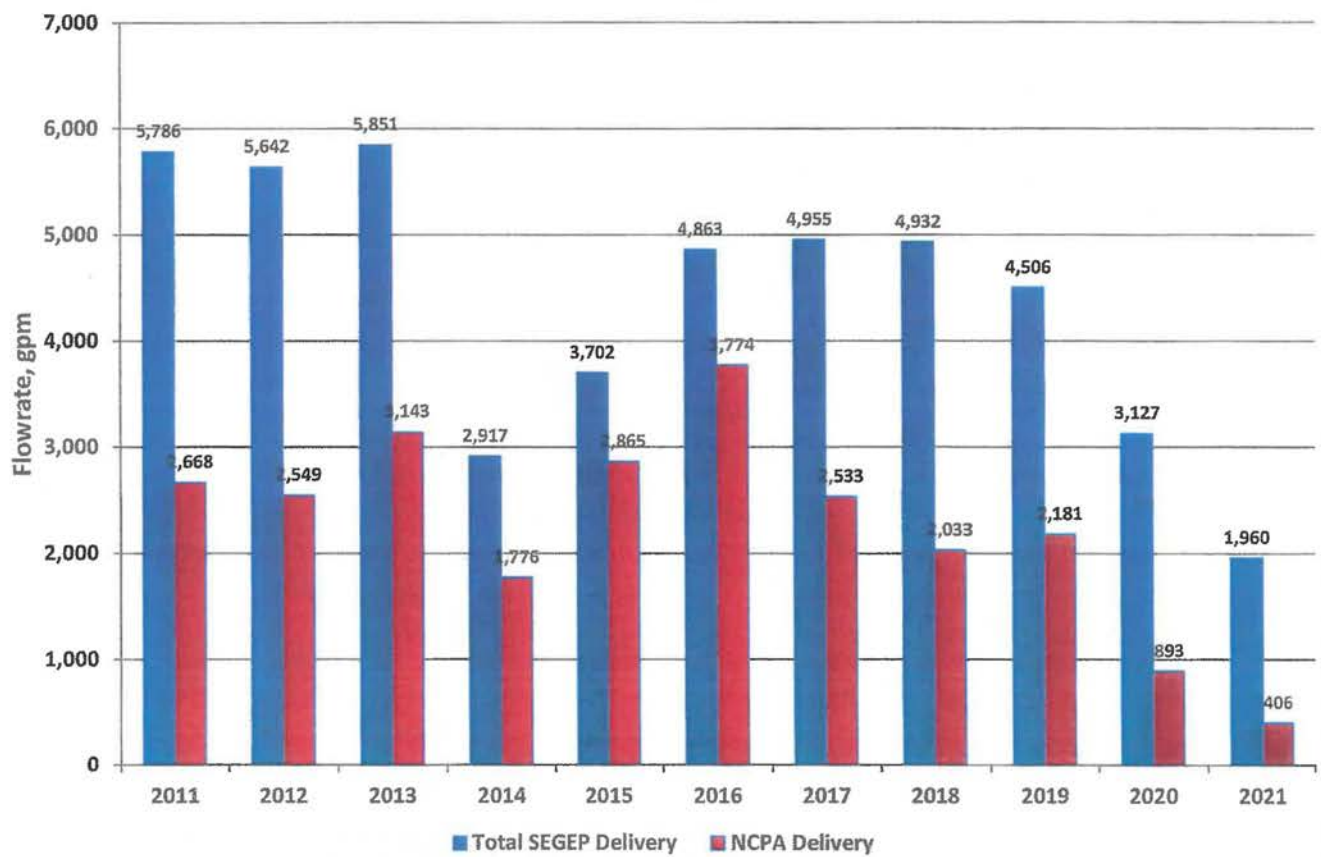
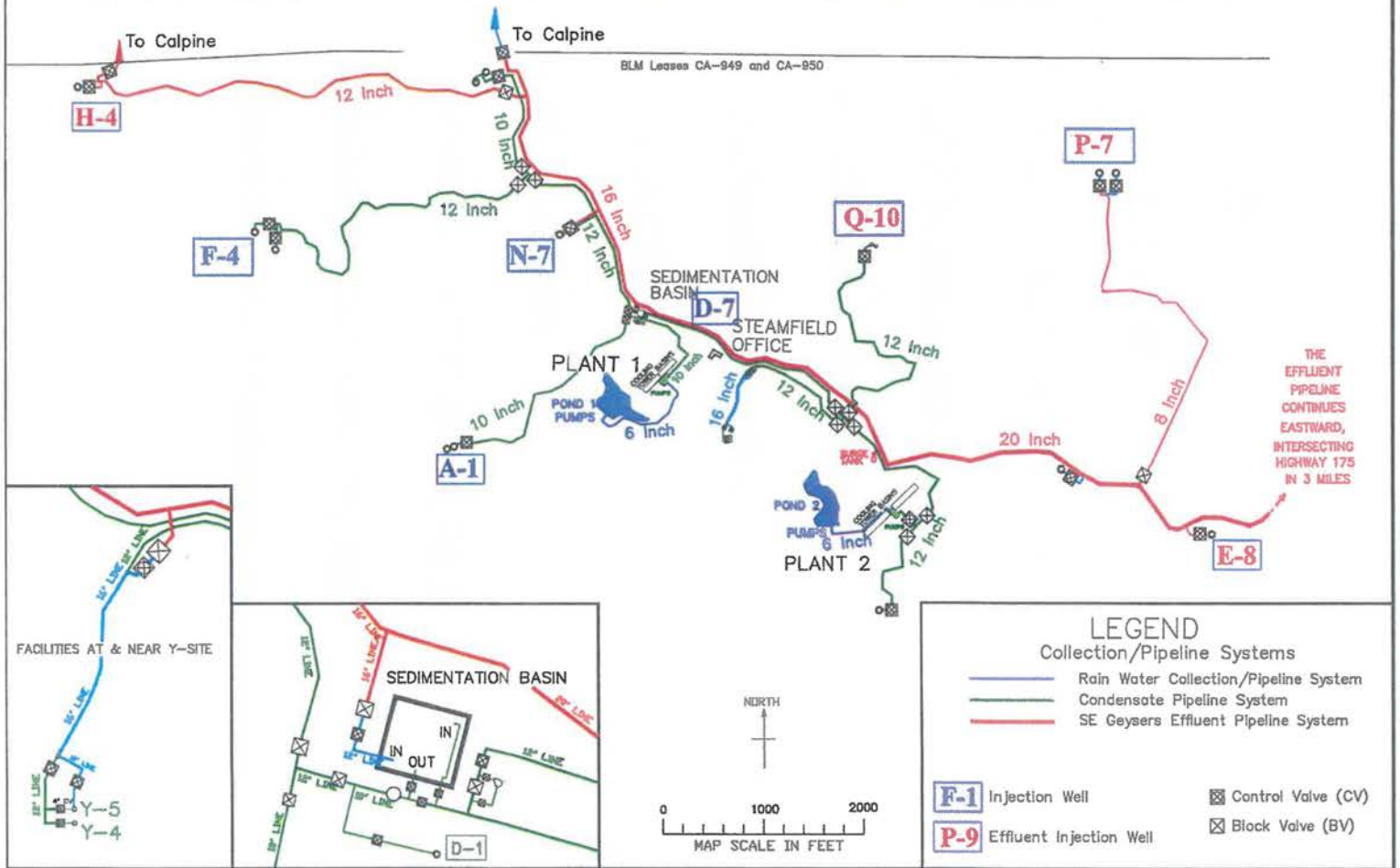
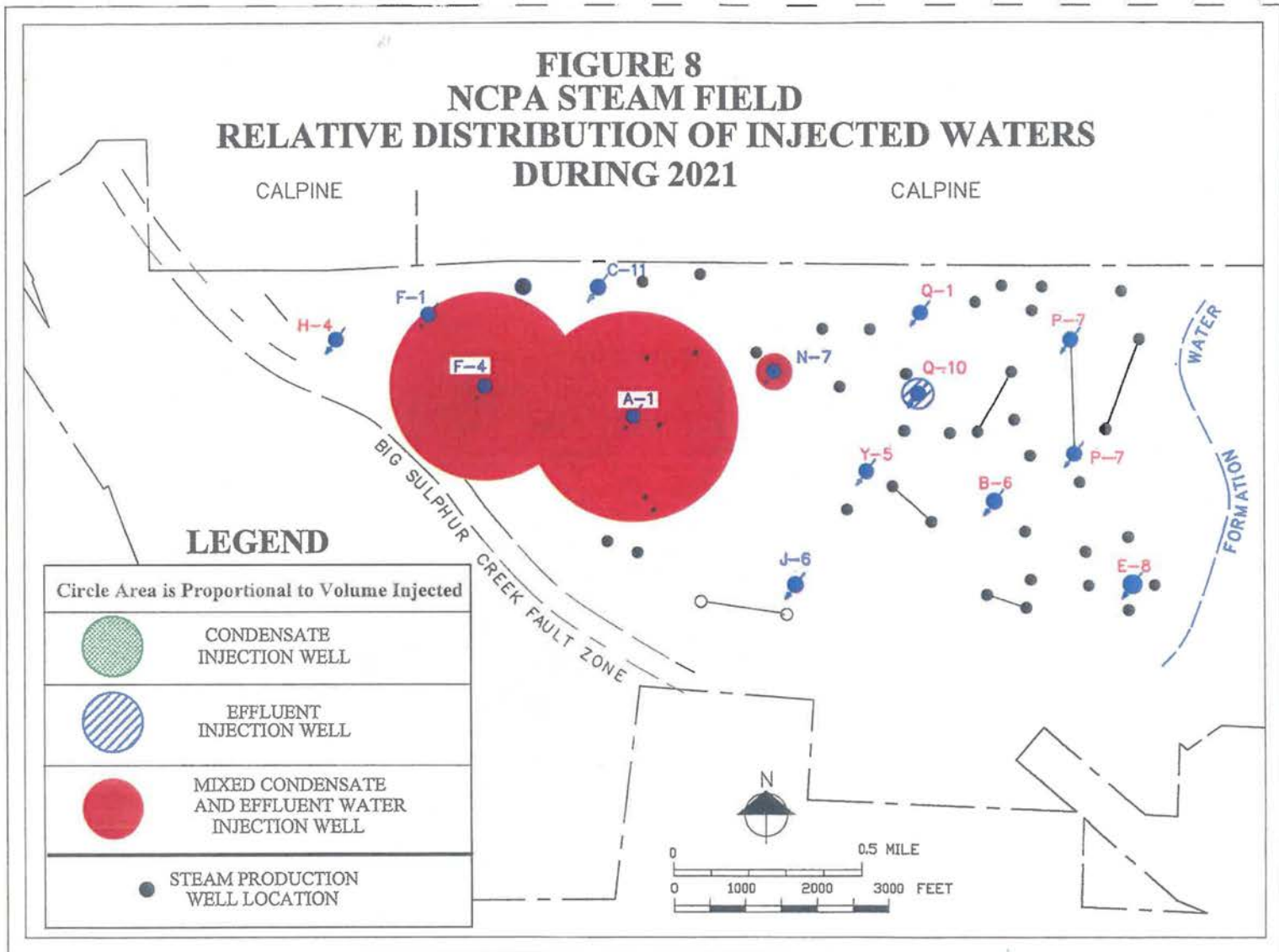


FIGURE 7 MODIFIED PLAN OF INJECTION



**FIGURE 8
NCPA STEAM FIELD
RELATIVE DISTRIBUTION OF INJECTED WATERS
DURING 2021**



LEGEND

Circle Area is Proportional to Volume Injected	
	CONDENSATE INJECTION WELL
	EFFLUENT INJECTION WELL
	MIXED CONDENSATE AND EFFLUENT WATER INJECTION WELL
	STEAM PRODUCTION WELL LOCATION

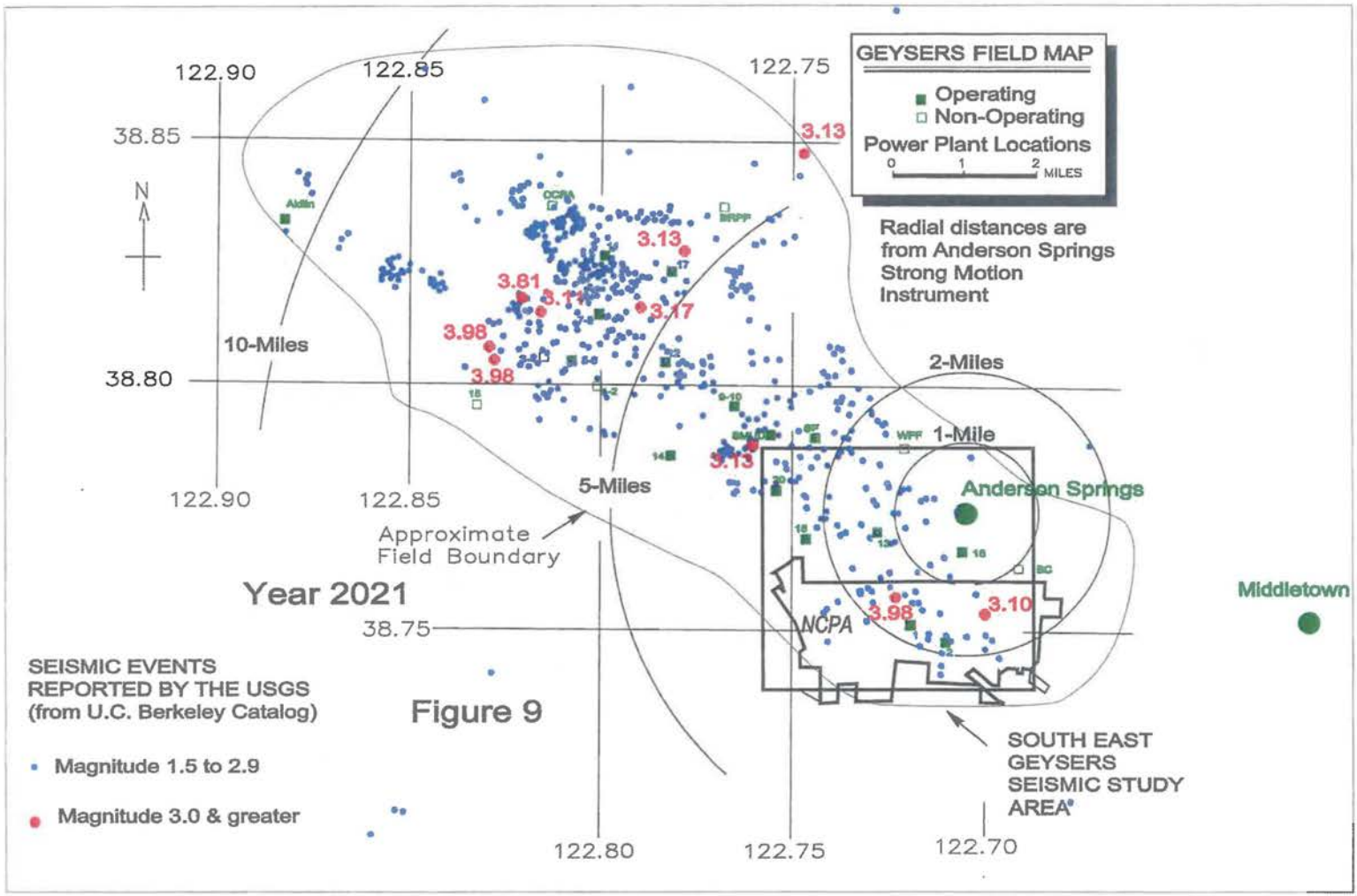


FIGURE 10
NONCONDENSABLE GAS CONCENTRATIONS
IN NCPA STEAM (ppm)

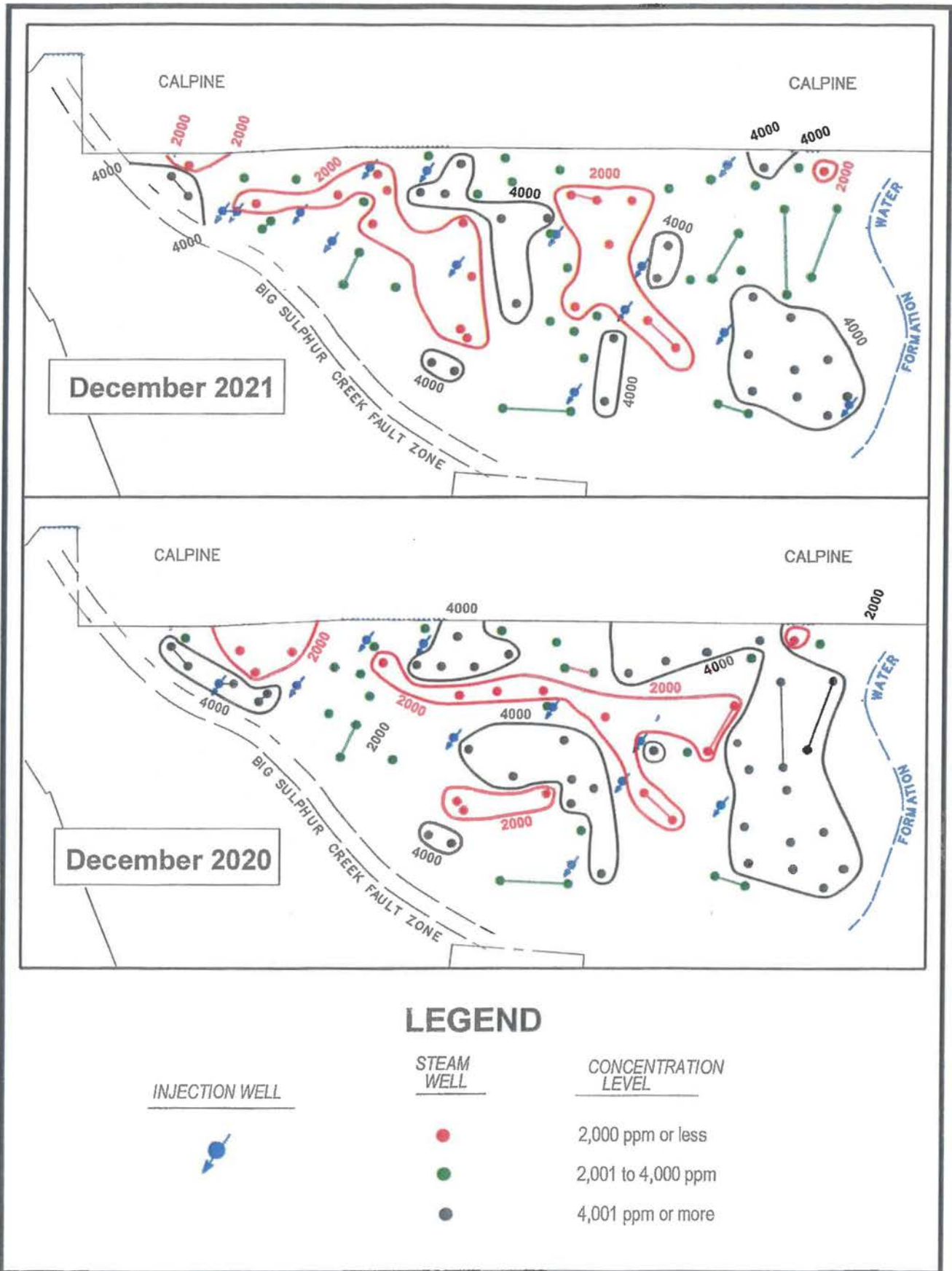
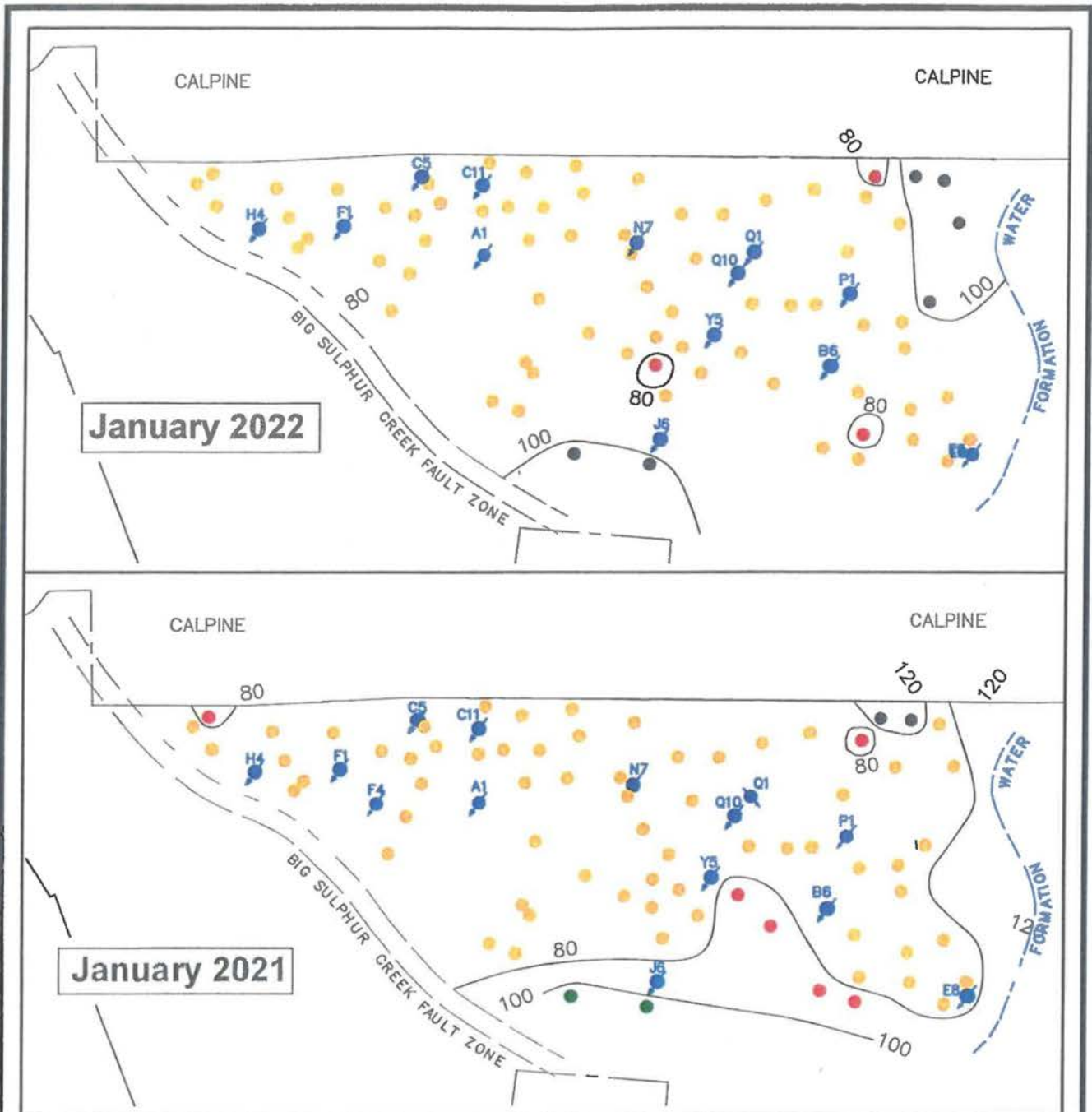


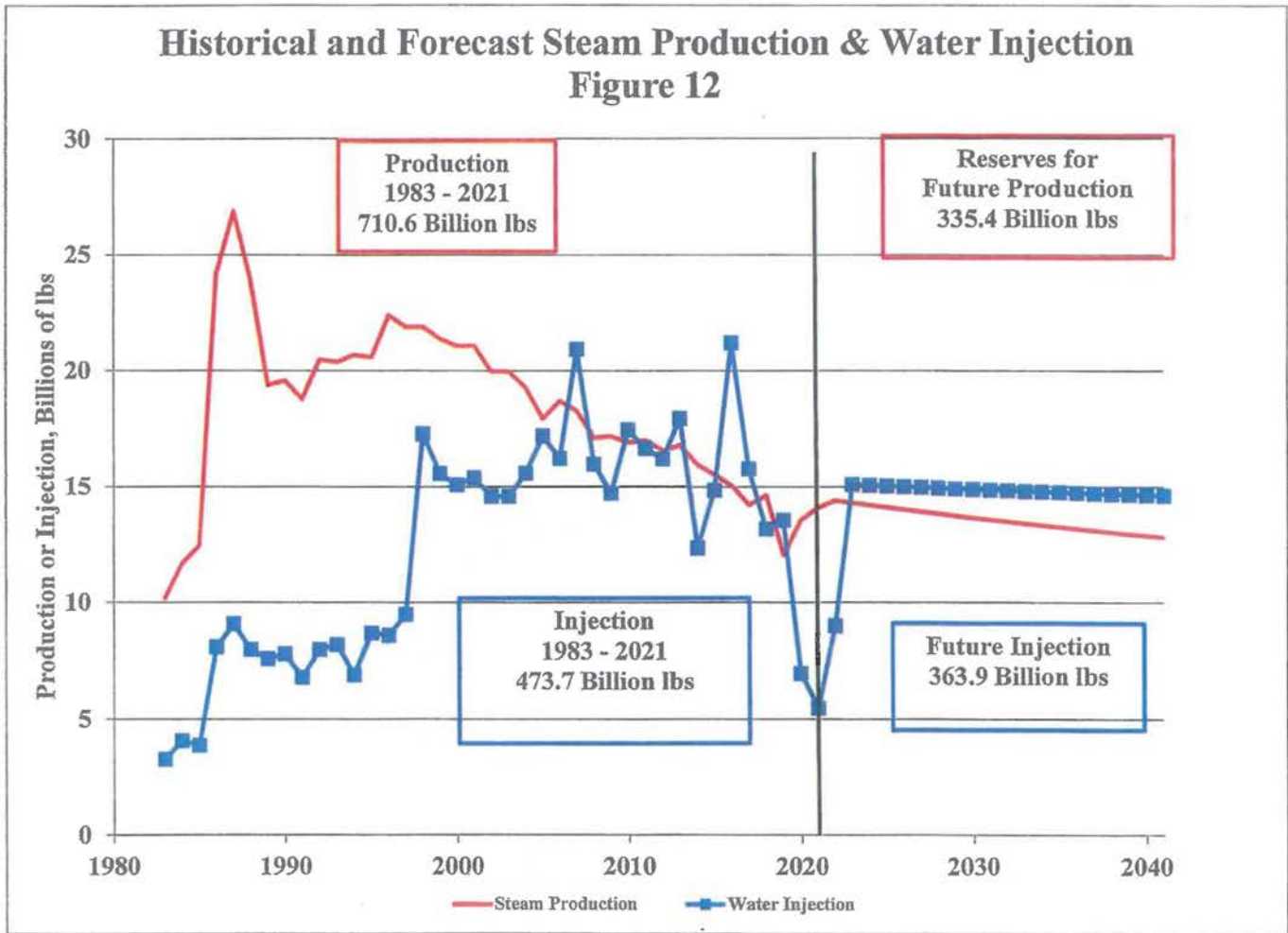
FIGURE 11
NCPA STEAM FIELD RESERVOIR PRESSURE



LEGEND

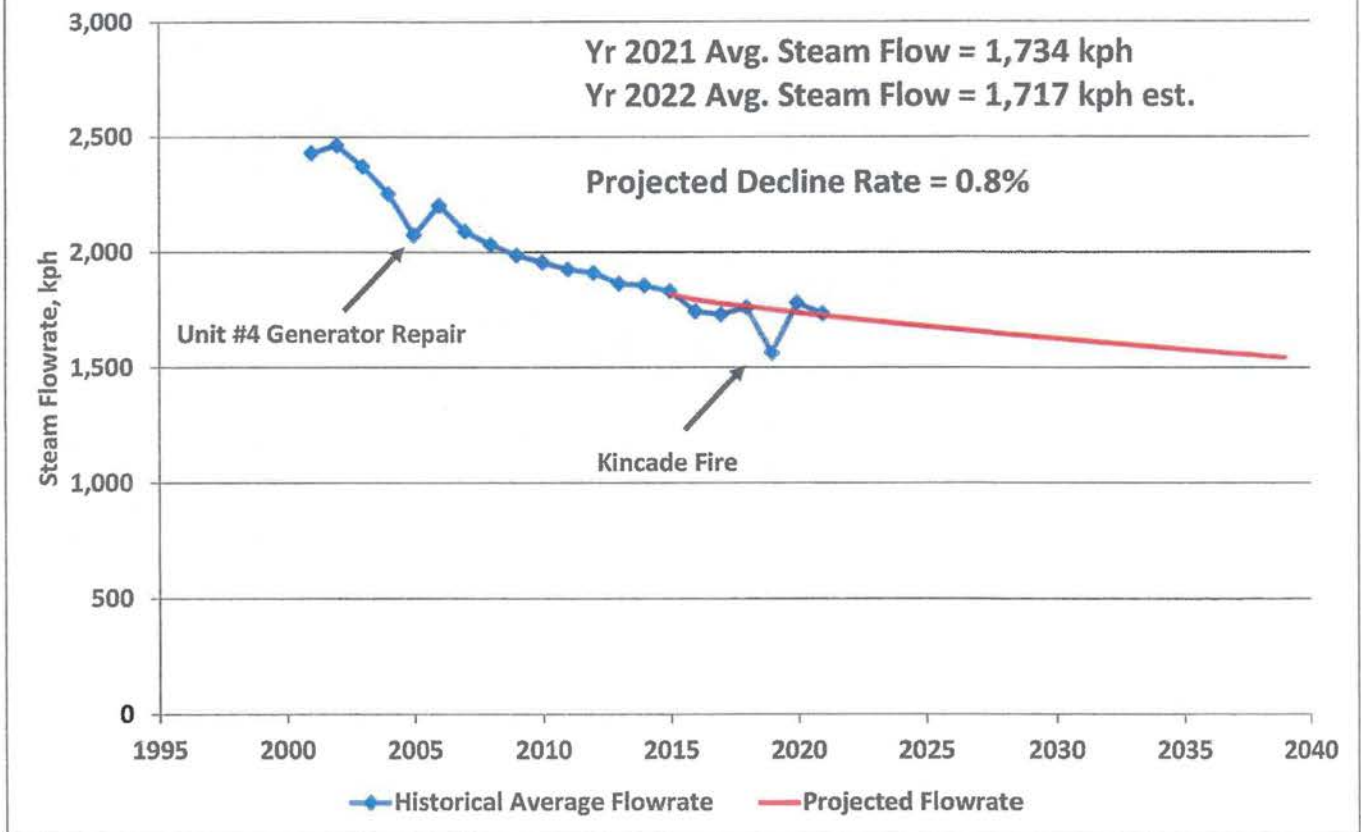
<u>ISOBARIC CONTOUR</u>	<u>AREA</u>	<u>STEAM WELL LOCATION</u>	<u>RESERVOIR PRESSURE (PSIG)</u>
	LOW	●	< 80
	MEDIUM LOW	●	80 - 100
	MEDIUM HIGH	●	101 - 120
	HIGH	●	> 120

Historical and Forecast Steam Production & Water Injection
Figure 12



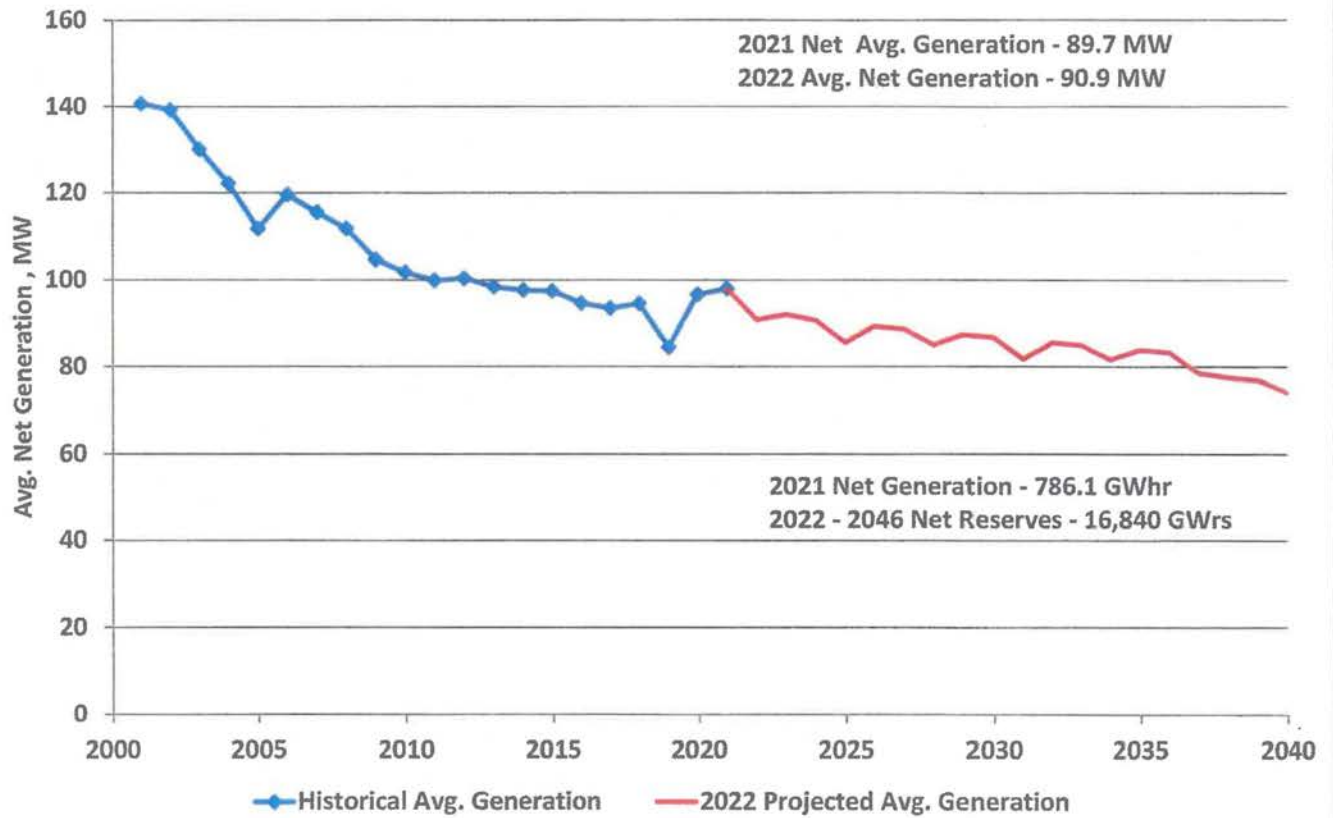
Historical and Projected Steam Flowrates Combined NCPA Plant #1 & #2

Figure 13



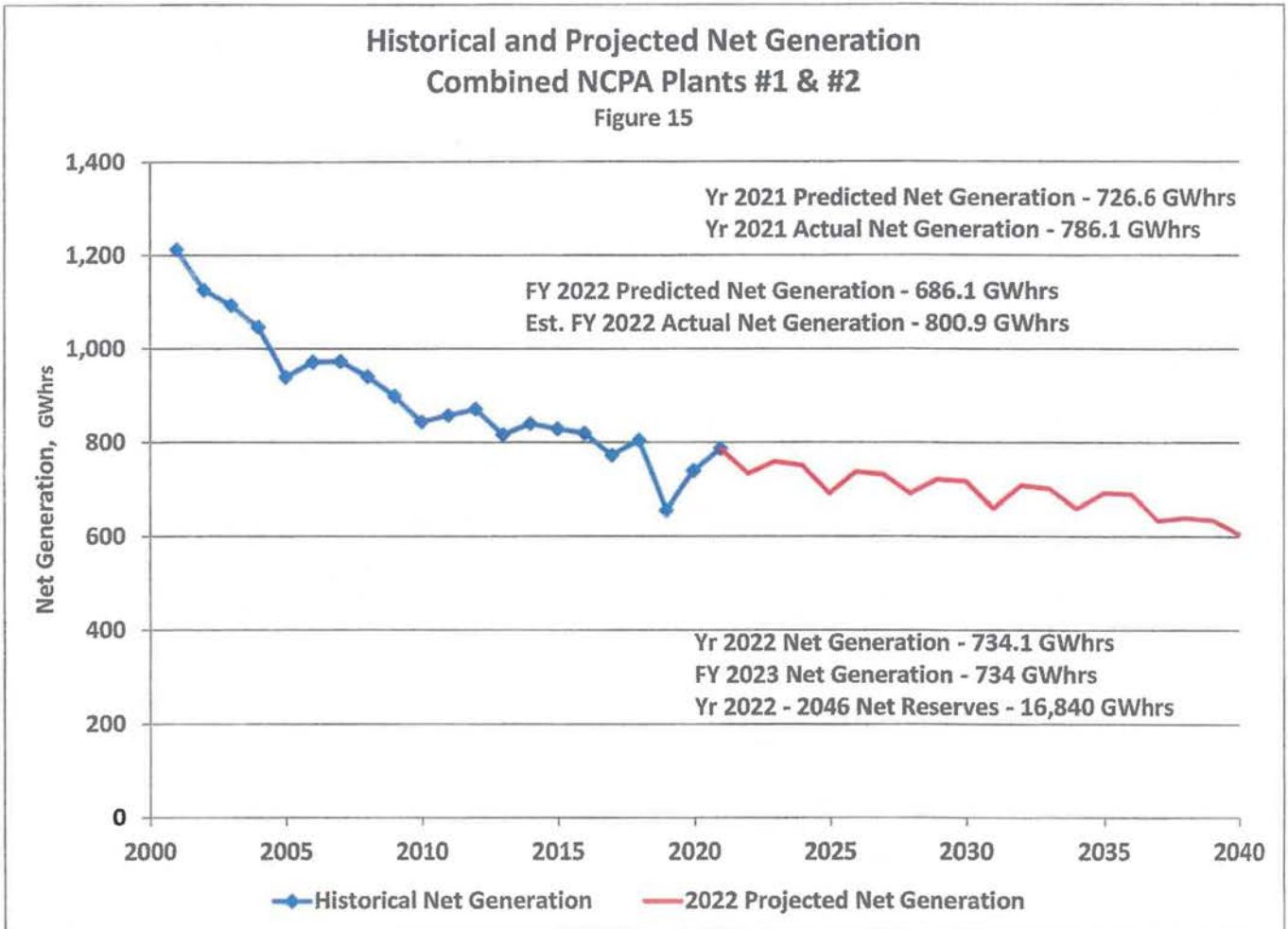
Historical and Projected Average Net Generation Level Combined NCPA Plants #1 & #2

Figure 14



Historical and Projected Net Generation Combined NCPA Plants #1 & #2

Figure 15



**Table 1. ANNUAL REPORT OF NCPA INJECTION AT THE GEYSERS STEAM FIELD
for Year 2021 (in 1000 Gallons)**

Well		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Condensate ⁽¹⁾	Effluent ⁽²⁾	Well Total
A-1	Condensate	14,082	17,591	22,682	8,518	16,350	17,013	16,660	21,223	20,678	26,485	11,771	29,439	225,501		278,789
	Effluent	2,188	6,606	5,420	4,386	5,536	6,259	1,182	486	11,161	6,807	192	3,064		53,288	
B-6	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
C-5	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
C-11	Condensate	-	-	-	-	-	-	-	-	-	-	-	-		-	-
	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
E-8	Effluent	7,404	16,731	-	-	-	-	-	-	-	-	-	-		24,135	24,135
D-7	Condensate	-	-	-	-	-	-	-	-	-	-	3,217	6,057	6,274		8,809
	Effluent	-	-	-	-	-	-	-	-	-	-	-	535		535	
F-4	Condensate	29,330	22,226	25,564	11,609	12,043	8,209	-	-	5,742	23,568	29,959	29,528	197,778		249,549
	Effluent	3,574	8,413	5,775	5,286	4,835	4,127	-	-	9,744	6,467	229	3,521		51,771	
H-1	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
H-4	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
J-6	Condensate	-	-	-	-	-	-	-	-	-	-	-	-		-	-
N-2	Condensate	-	-	-	-	-	-	-	-	-	-	-	-		-	-
	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
N-7	Condensate	10,580	9,826	1,109	-	-	-	-	-	-	2,693	-	1,089	25,396		46,920
	Effluent	11,069	7,347	1,451	-	744	-	-	-	412	390	-	111		21,524	
P-7	Effluent	-	-	-	-	-	-	-	-	-	6,130	4,320	-		10,450	10,450
P-9	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Q-10	Effluent	8,416	1,014	4,411	3,178	2,112	-	-	-	9,715	8,684	-	2,222		39,752	39,752
Q-3	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Q-4	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Q-7	Condensate	-	-	-	-	-	-	-	-	-	-	-	-		-	-
	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Q-1	Effluent	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Y-5		-	-	-	-	-	-	-	-	-	-	-	-		-	-
Totals		86,653	89,854	86,412	32,977	41,420	35,608	20,842	21,709	57,451	81,224	49,688	74,566	Condensate(1)	Effluent(2)	Total
														456,950	201,454	658,404
		During each month the % of Effluent Pipeline water that was fresh water withdrawn from Clear Lake:										27%				
		56.3%	0.0%	88.9%	37.9%	0.0%	44.5%	99.5%	0.0%	0.0%	0.0%	0.0%	0.0%			
Notes: 1. "Effluent" (pipeline) volumes are water from Clear Lake together with LACOSAN and Clearlake Oaks treated wastewater.																
2. The 9 Bold well names in <i>italics</i> are located in Lake County (Central Valley Region), the 10 others are in Sonoma County (North Coast Region).																

**TABLE 2. GEOTHERMAL FACILITIES
Summary Table**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Generation (gross)										
(MWh)	936,868	886,004	922,995	903,299	887,299	833,211	874,403	711,902	833,866	841,946
(MW)	106.7	101.1	105.4	103.1	101.0	95.1	99.8	81.3	94.9	96.1
Generation (net)										
(MWh)	872,422	816,824	862,842	837,379	819,149	772,398	804,425	655,796	739,049	786,098
(MW)	99.3	93.2	98.5	95.6	93.3	88.2	91.8	74.9	84.1	89.7
Protocol										
(MW gross)	108	108	107	107	107	105	105	102	101	104
Steam Conversion										
(Lbs / Kw Gross)	17.72	18.99	17.33	17.20	17.00	17.10	16.76	16.97	16.31	16.78
Steam Delivered										
(Billion Lbs)	16.6	16.83	16.00	15.54	15.08	14.24	14.65	12.08	13.60	14.13
Load Flexibility (gross)										
Monthly High (MW)	110	109	110	110	110	103	105	110	107	109
Monthly Low (MW)	105	82	104	104	103	77	83	68	67	55
Injection										
Total (Billion Lbs)	16.22	17.96	12.39	14.86	21.21	15.78	13.19	13.57	6.95	5.48
Condensate (Billion Lbs)	5.00	4.21	4.62	4.20	4.94	4.64	4.36	3.86	3.29	3.80
Effluent (Billion Lbs)	11.18	13.75	7.77	12.50	16.27	11.13	8.83	9.71	3.67	1.68
Mass Replacement										
Annual (%)	97.7%	106.7%	77.5%	95.6%	140.6%	110.8%	90.0%	112.3%	51.1%	38.8%
Cumulative (%)	60.9%	62.2%	62.6%	63.4%	65.2%	66.2%	66.7%	67.5%	67.1%	
Wells Used For Injection										
	15	13	12	13	11	10	10	8	6	6
NCPA Micro-seismic Activity M>= 1.5										
	81	68	58	50	64	66	57	51	55	38
NCPA Micro-seismic Activity Maximum Magnitude Event										
	2.91	3.76	4.38	2.99	3.37	2.92	3.09	2.84	2.86	3.98
NCG Concentration (ppmw)										
	3,097	3,248	3,069	3,176	3,376	3,108	3,190	3,096	4,102	3,416

Table 3
RESERVOIR PRESSURE
BY WELL 2022

WELL	PRESS	WELL	PRESS	WELL	PRESS	WELL	PRESS
A-3	67.8	D-1	67.2	H-1	64.4	P-1	
A-4	72.4	D-2	81.3	H-2	79.7	P-2	98.9
A-5	69.3	D-6	77.1	H-3	72.7	P-4	72.7
A-6	71.7	D-7	67.8	H-4	63.6	P-5	129.7
A-SITE	70.3	D-8		H-5	63.9	P-6	123.9
		D-SITE	73.4	H-SITE	68.9	P-7	73.5
B-2						P-8	132.7
B-3	75.7	E-1	74.3	J-2		P-9	75.3
B-4	72.3	E-2	74.8	J-3	61.2	P-SITE	101.0
B-5		E-3	80.7	J-4	69.9		
B-6		E-4	74.6	J-5	142.8	Q-1	
B-SITE	74.0	E-5	70.2	J-SITE	91.3	Q-3	
		E-6	73.7			Q-4	67.9
C-1	59.6	E-8	70.0			Q-5	69.9
C-2	59.0	E-SITE	74.7			Q-6	70.2
C-4	61.1			N-1	64.0	Q-7	68.7
C-5	54.4	F-1	62.6	N-2	58.5	Q-8	69.6
C-6	55.8	F-2	67.6	N-3	67.4	Q-9	79.4
C-7	55.9	F-3	68.6	N-4	65.7	Q-SITE	71.0
C-8	65.3	F-4	67.8	N-5	59.9		
C-9		F-5	70.9	N-6	65.1	Y-1	71.5
C-10	39.1	F-6	67.0	N-SITE	63.4	Y-2	65.7
C-SITE	56.3	F-7	65.0			Y-3	
		F-SITE	67.1			Y-4	
						Y-5	
						Y-SITE	68.6

VALUES ARE FROM PRESSURE BUILD- UP TESTS
SHADED NUMBERS ARE FOR DATA OBTAINED FROM OTHER STATIC
PRESSURE OBSERVATIONS

60 WELLS TESTED AVE. SHUT-IN WELL PRESS EQUALS 72.6 psig
AVE SITE PRESS EQUALS 73.3 psig
AVE. FLOWRATE = 28.8 kph at 42.1 psig

**TABLE 4 NCG CONCENTRATIONS (PPMW) 2020
BY WELL, AND SITE AND PROJECT**

WELL	NCG	WELL	NCG	WELL	NCG	WELL	NCG
A-3	5989	D-1	3412	H-1	2343	P-1	
A-4	2898	D-2	2456	H-2	901	P-2	17802
A-5	2307	D-6	2241	H-3	5105	P-4	2838
A-6	1945	D-7		H-4		P-5	
A-SITE	3285	D-8	3319	H-5	3205	P-6	1814
		D-SITE	1805	H-SITE	2889	P-7	
B-2	5460					P-8	3002
B-3	5871	E-1	12669	J-2	5149	P-9	
B-4	3897	E-2	6007	J-3	1538	P-SITE	6364
B-5	3216	E-3	4817	J-4	2835		
B-6		E-4	7707	J-5	2347	Q-1	
B-SITE	4611	E-5	11218	J-SITE	2967	Q-3	4450
		E-6	5360			Q-4	995
C-1	2616	E-SITE	7963	N-1	2319	Q-5	2186
C-2	5012			N-2	1238	Q-6	1844
C-4	3468	F-1	2287	N-3	1010	Q-7	14297
C-5	13186	F-2	1413	N-4	4559	Q-8	2321
C-6	6207	F-3	1509	N-5	2685	Q-9	3315
C-7	5494	F-4		N-6	2819	Q-A	
C-8	2881	F-5	3009	N-SITE	2438	Q-SITE	4201
C-9		F-6	420				
C-A	1495	F-7	1924			Y-1	1939
C-SITE	5045	F-SITE	1760			Y-2	4724
						Y-3	7060
						Y-4	5405
						Y-5	4338
						Y-SITE	4782

VALUES ARE FROM NCPA CHEM LAB ANALYSIS

Number of wells samples wells sampled= 61

AVG. WELL NCG = 4231

AVG. SITE NCG = 4009

NCG Flow Weighted Avg. = 3416

2022 Generation - 25 Year Forecast

Table 5

Year	Total Geo Facilities		Plant #1		Plant #2	
	Gross	Net	Gross	Net	Gross	Net
	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr
2022	796.5	734.1	496.3	452.7	300.2	281.4
2023	838.4	760.2	503.0	446.1	335.5	314.1
2024	834.9	751.4	503.1	441.0	331.8	310.4
2025	768.2	692.2	441.7	387.0	326.5	305.1
2026	821.4	738.1	499.2	437.3	322.2	300.8
2027	816.0	732.7	498.0	436.1	318.1	296.7
2028	759.8	692.4	498.1	436.0	261.7	256.4
2029	805.5	722.2	495.5	433.6	310.0	288.6
2030	801.8	718.3	495.6	433.5	306.1	284.8
2031	737.5	661.5	435.1	380.5	302.4	281.0
2032	792.7	709.2	493.2	431.1	299.5	278.1
2033	785.7	702.4	490.6	428.7	295.1	273.7
2034	741.7	661.3	489.4	427.5	252.3	233.8
2035	776.4	693.1	488.2	426.3	288.2	266.8
2036	773.9	690.4	488.3	426.3	285.6	264.2
2037	710.3	634.3	428.7	374.1	281.5	260.2
2038	724.1	640.8	484.6	422.7	239.5	218.1
2039	719.1	635.8	483.5	421.5	235.7	214.3
2040	687.0	606.1	483.6	421.5	203.3	184.6
2041	709.5	626.2	481.1	419.2	228.4	207.0
2042	706.1	622.7	481.3	419.2	224.9	203.5
2043	644.0	568.0	422.6	367.9	221.5	200.1
2044	697.8	614.2	479.0	416.9	218.8	197.3
2045	691.5	608.2	476.5	414.6	215.0	193.6
2046	705.6	624.5	475.4	413.5	230.3	211.0

Notes:

1. Assumes 3 unit operation.
2. Steam Reserves: 335.4 Billion lb.
3. Gross Reserves: 18,845 GWhr
4. Net Reserves: 16,840 GWhr
5. Plant #1 Auxiliary Load is varies from 5.6 MW to 7.5 MW
depending on SEGEP Pump Operation
Plant #2 Auxiliary Load is fixed at 2.58 MW.
6. See Table 5B for scheduled outages.

2022 Scheduled Outages - 25 Year Forecast
Table 5B

Year	Plant #1		Plant #2
	Unit 1 Scheduled Outages hrs	Unit 2 Scheduled Outages hrs	Unit 4 Scheduled Outages hrs
2022	72	72	1008
2023	72	72	72
2024	72	72	72
2025	672	672	72
2026	72	72	72
2027	72	72	72
2028	72	72	1008
2029	72	72	72
2030	72	72	72
2031	672	672	72
2032	72	72	72
2033	72	72	72
2034	72	72	1008
2035	72	72	72
2036	72	72	72
2037	672	672	72
2038	72	72	72
2039	72	72	72
2040	72	72	1008
2041	72	72	72
2042	72	72	72
2043	672	672	72
2044	72	72	72
2045	72	72	72
2046	72	72	1008

2021 Generation Capacity - 5 Year Forecast*

Table 6A

Year	Plant #1		Plant #2		Total	
	Avg. Gross Gen.	Avg. Net Gen.	Avg. Gross Gen.	Avg. Net Gen.	Avg. Gross Gen.	Avg. Net Gen.
	MW	MW	MW	MW	MW	MW
Jan-22	59.7	55.5	41.0	38.4	100.7	94.0
Feb-22	60.3	56.0	41.7	39.2	102.0	95.2
Mar-22	61.1	55.5	41.4	38.8	102.5	94.3
Apr-22	61.1	55.5	41.3	38.7	102.5	94.3
May-22	61.1	55.5	41.3	38.7	102.4	94.2
Jun-22	61.1	55.5	41.2	38.6	102.3	94.1
Jul-22	61.1	55.5	41.2	38.6	102.3	94.1
Aug-22	61.1	55.5	41.1	38.5	102.2	94.0
Sep-22	61.1	55.5	41.1	38.5	102.1	94.0
Oct-22	61.1	55.5	41.0	38.4	102.1	93.9
Nov-22	61.0	55.4	0.0	0.0	61.0	55.4
Dec-22	61.0	55.4	40.9	38.4	102.0	93.8
Jan-23	61.0	55.4	40.9	38.3	101.9	93.7
Feb-23	61.0	55.4	40.8	38.3	101.8	93.7
Mar-23	61.0	55.4	40.8	38.2	101.8	93.6
Apr-23	61.0	55.4	40.8	38.2	101.7	93.5
May-23	61.0	53.5	40.7	38.1	101.7	91.6
Jun-23	60.9	53.4	40.7	38.1	101.6	91.5
Jul-23	60.9	53.4	40.6	38.0	101.6	91.5
Aug-23	60.9	53.4	40.6	38.0	101.5	91.4
Sep-23	60.9	53.4	40.5	37.9	101.4	91.3
Oct-23	60.9	53.4	40.5	37.9	101.4	91.3
Nov-23	60.9	53.4	40.4	37.8	101.3	91.2
Dec-23	60.9	53.4	40.4	37.8	101.3	91.2
Jan-24	60.9	53.4	40.3	37.8	101.2	91.1
Feb-24	60.8	53.3	40.3	37.7	101.1	91.1
Mar-24	60.8	53.3	40.3	37.7	101.1	91.0
Apr-24	60.8	53.3	40.2	37.6	101.0	90.9
May-24	60.8	53.3	40.2	37.6	101.0	90.9
Jun-24	60.8	53.3	40.1	37.5	100.9	90.8
Jul-24	60.8	53.3	40.1	37.5	100.9	90.8
Aug-24	60.8	53.3	40.0	37.4	100.8	90.7
Sep-24	60.8	53.3	40.0	37.4	100.7	90.6
Oct-24	60.7	53.2	39.9	37.3	100.7	90.6
Nov-24	60.7	53.2	39.9	37.3	100.6	90.5
Dec-24	60.7	53.2	39.8	37.3	100.6	90.5
Jan-25	60.7	53.2	39.8	37.2	100.5	90.4
Feb-25	60.7	53.2	39.8	37.2	100.4	90.4
Mar-25	60.7	53.2	39.7	37.1	100.4	90.3
Apr-25	0.0	0.0	39.7	37.1	39.7	37.1
May-25	60.7	53.2	39.6	37.0	100.3	90.2
Jun-25	60.6	53.1	39.6	37.0	100.2	90.1
Jul-25	60.6	53.1	39.5	36.9	100.2	90.1
Aug-25	60.6	53.1	39.5	36.9	100.1	90.0
Sep-25	60.6	53.1	39.4	36.9	100.1	90.0
Oct-25	60.6	53.1	39.4	36.8	100.0	89.9
Nov-25	60.6	53.1	39.4	36.8	99.9	89.8
Dec-25	60.6	53.1	39.3	36.7	99.9	89.8
Jan-26	60.6	53.1	39.3	36.7	99.8	89.7
Feb-26	60.5	53.0	39.2	36.6	99.8	89.7
Mar-26	60.5	53.0	39.2	36.6	99.7	89.6
Apr-26	60.5	53.0	39.1	36.6	99.7	89.6
May-26	60.5	53.0	39.1	36.5	99.6	89.5
Jun-26	60.5	53.0	39.1	36.5	99.6	89.5
Jul-26	60.5	53.0	39.0	36.4	99.5	89.4
Aug-26	60.5	53.0	39.0	36.4	99.4	89.4
Sep-26	60.5	53.0	38.9	36.3	99.4	89.3
Oct-26	60.4	52.9	38.9	36.3	99.3	89.2
Nov-26	60.4	52.9	38.8	36.3	99.3	89.2
Dec-26	60.4	52.9	38.8	36.2	99.2	89.1

* Average generation levels plants are capable of achieving.

**TABLE 7
2021 FORECAST OF GEOTHERMAL PRODUCTION AND
INJECTION**

TIME STEP	DATE	STEAM	COND	WATER
		PROD. BLBS	INJ BLBS	INJ BLBS
1	2022	14.4	4.6	9.0
2	2023	14.3	4.6	15.1
3	2024	14.2	4.6	15.1
4	2025	14.1	4.5	15.0
5	2026	14.1	4.5	15.0
6	2027	14.0	4.5	15.0
7	2028	13.9	4.4	14.9
8	2029	13.8	4.4	14.9
9	2030	13.7	4.4	14.9
10	2031	13.6	4.4	14.9
11	2032	13.5	4.3	14.8
12	2033	13.5	4.3	14.8
13	2034	13.4	4.3	14.8
14	2035	13.3	4.3	14.8
15	2036	13.2	4.2	14.7
16	2037	13.1	4.2	14.7
17	2038	13.1	4.2	14.7
18	2039	13.0	4.2	14.7
19	2040	12.9	4.1	14.6
20	2041	12.9	4.1	14.6
21	2042	12.8	4.1	14.6
22	2043	12.7	4.1	14.6
23	2044	12.7	4.1	14.6
24	2045	12.6	4.0	14.5
25	2046	12.5	4.0	14.5

NOTES :

- | | | |
|-------------------------------------------------------|----------------|----------------------------------------|
| 1. CUM. PRODUCTION AND INJECTION 1983-2021 | 710.6
473.7 | Billion Lbs Steam
Billion Lbs Water |
| 2. TOTAL WATER IS CONDENSATE + EFFLUENT + LAKE + POND | | |
| 3. FUTURE STEAM PRODUCTION 2022-2046 = | 335.4 | Billion Lbs |
| 4. FUTURE WATER INJECTION 2022-2046 = | 363.9 | Billion Lbs |



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Admission of the City of Redding as a new Amended and Restated Market Purchase Program Agreement Participant

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 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:

Staff is recommending the Northern California Power Agency (NCPA) Commission approve Resolution 22-70 authorizing the City of Redding to become a Participant as defined under the Amended and Restated Market Purchase Program Agreement (MPP Agreement), upon the City of Redding's execution of the MPP Agreement.

BACKGROUND:

Pursuant to the MPP Agreement, NCPA may act on behalf of MPP Agreement Participants to transact energy and energy related commodities. The City of Redding has expressed its desire to become a MPP Agreement Participant.

DISCUSSION:

Section 11.1 of the MPP Agreement states that a Member may execute the MPP Agreement and become a MPP Agreement Participant provided that such joinder is approved by the NCPA Commission. Upon becoming a MPP Participant, the City of Redding will participate in the program pursuant to the terms and conditions as set forth in the MPP Agreement.

FISCAL IMPACT:

NCPA's administrative costs for development and administration of the MPP Agreement will be allocated to 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 June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 22-70

RESOLUTION 22-70

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING ADMISSION OF THE CITY OF REDDING AS A NEW AMENDED AND
RESTATED MARKET PURCHASE PROGRAM AGREEMENT PARTICIPANT**

(reference Staff Report #181:22)

WHEREAS, pursuant to the Amended and Restated Market Purchase Program Agreement (MPP Agreement), Northern California Power Agency (NCPA) may act on behalf of MPP Agreement Participants to transact energy and energy related commodities; and

WHEREAS, the City of Redding has expressed its desire to become a MPP Agreement Participant; and

WHEREAS, Section 11.1 of the MPP Agreement states that a Member may execute the MPP Agreement and become a MPP Agreement Participant provided that such joinder is approved by the NCPA Commission; and

WHEREAS, upon becoming a MPP Participant, the City of Redding will participate in the program pursuant to the terms and conditions as set forth in the MPP Agreement; and

WHEREAS, NCPA's administrative costs for development and administration of the MPP 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 the California Environmental Quality Act. No environmental review is necessary.

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts and approves the City of Redding as a new Participant as defined under the Amended and Restated Market Purchase Program Agreement, upon the City of Redding's execution of the Amended and Restated Market Purchase Program Agreement.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022, by the following vote on roll call:

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

 DAVID HAGELE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Quest Media and Supplies Inc. – Five Year Multi-Task Consulting Services Agreement for Network Infrastructure Design, Engineering, Troubleshooting, Telecom Consulting, Data Center Administrative and Architectural Services, Application Design and Development Services, and Security Consulting Services, Applicable to Northern California Power Agency (NCPA), NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Monty Hanks <i>N/A</i> Chief Financial Officer/Assistant General Manager	METHOD OF SELECTION:	N/A
Division:	Administrative Services		
Department:	Information Services		

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

RECOMMENDATION:

Approve Resolution 22-74 authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc. for network infrastructure design, engineering, troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, and security consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not to exceed of \$1,500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or SCPPA Members.

BACKGROUND:

Quest Media and Supplies Inc. (Quest) is a corporation with over 30 years of experience assisting companies with network infrastructure design, engineering and troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, and security consulting services. They work seamlessly with staff, systems, policies, and procedures helping companies achieve their IT goals.

NCPA has a good working relationship with the vendor and wishes to continue that relationship. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Katama Technologies and IEC Corporation.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place (other enabling agreements) for similar services and seeks bids from as many qualified providers as possible. NCPA will issue purchase orders based on the 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 June 1, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On June 6, 2022, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

for

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 22-74
- Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc.

RESOLUTION 22-74

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIVE-YEAR MULTI-TASK CONSULTING SERVICES AGREEMENT WITH
QUEST MEDIA AND SUPPLIES INC.

(reference Staff Report #186:22)

WHEREAS, network infrastructure design, engineering, troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, and security consulting 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, Quest Media and Supplies Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc. to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, 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 a Multi-Task Consulting Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022 by the following vote on roll call:

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
QUEST MEDIA and SUPPLIES 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 Quest Media and Supplies Inc. (Quest), a corporation with its office located at 9000 Foothills Blvd. Ste. 100, Roseville, CA 95747 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2022 ("Effective Date") in Roseville, California.

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

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

Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** ONE MILLION FIVE HUNDRED THOUSAND dollars (\$1,500,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when 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. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

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 effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that 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 Agency confidential, proprietary, trade secret, critical energy/electricity infrastructure information (CEII)¹, or

¹ CEII is specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that:

- A. Relates details about the production, generation, transmission, or distribution of energy;
- B. Could be useful to a person planning an attack on critical infrastructure;
- C. Is exempt from mandatory disclosure under the Freedom of Information Act; and
- D. Gives strategic information beyond the location of the critical infrastructure.

Critical energy/electric infrastructure means a system or asset of the bulk-power system, (physical or virtual) the incapacity or destruction of which would negatively affect:

- national security,
- economic security,
- public health or safety, or
- any combination of such matters.

<https://www.ferc.gov/ceii>

physical or cyber security information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression. Confidential Information shall not include information that: (a) was already known to the Consultant or is otherwise a matter of public knowledge, (b) was disclosed to Consultant by a third party without violating any confidentiality agreement, or (c) was independently developed by Consultant without reverse engineering, as evidenced by written records thereof.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, Agency may disclose confidential Information to Consultant. Consultant: (a) shall hold the Agency'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. Consultant shall endeavor to provide prior written notice to Agency of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Agency may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Agency 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 Consultant 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, Consultant shall return to Agency or destroy Confidential Information (including all copies thereof),. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information in its legal department files where such copies are necessary to comply with applicable law. Consultant shall not disclose the Agency's Confidential Information to any person other than those of the Consultant's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 10.7 Contract Administrator.** This Agreement shall be administered by Monty Hanks, 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:

Kathy Campbell
Quest Media and Supplies, Inc.
PO Box 430
Roseville, CA 95678

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.

SIGNATURES ON NEXT PAGE

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

NORTHERN CALIFORNIA POWER AGENCY

QUEST MEDIA AND SUPPLIES, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

MIKE DILLON, CTO

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Quest shall provide the following services as requested by the Agency at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA), or SCPPA members. Services to include the following:

- Network Infrastructure Design, Engineering, and Troubleshooting, including, but not limited to:
 - Local Area Network (LAN)
 - Wide Area Network (WAN)
 - Wireless Network (WLAN)
- Telecom Consulting Services
 - PBX
 - VoIP
 - Video Conferencing
 - Call Center
- Data Center Administrative and Architectural Services
 - Virtualization
 - Storage/Server
 - Backup/Recovery
 - Disaster Recovery
- Application Design and Development Services
 - Web Design and Development
 - Database Administration and Performance
 - Custom App Design and Deployment
 - (API) App Integration
- Security Consulting Services
 - Network Security
 - Endpoint Security
 - Data Security
 - Host Security
 - Physical Security
 - Compliance Services

○

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,500,000. The hourly rates and or compensation break down and an estimated amount of expenses is as follows.

Technical Support Rates

Remote (Quest NOC) Support (billed in 15-minute increments)

Cable Plant at Quest Data Center	\$88 per hr.
Desktop/Printer	\$95 per hr.
Project Coordinator	\$98 per hr.
Video Surveillance, Access Control	\$120 per hr.
Audio/Video, Video Conferencing	\$120 per hr.
Router, Switch, Server, or Storage	\$210 per hr.
Program or Project Manager	\$175 per hr.
SQL, .NET, SharePoint	\$245 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$245 per hr.
DevOps/SSO/Orchestration Engineer	\$260 per hr.
Security Incident Emergency Response Resource	\$295 per hr.

On-Site Scheduled Support (4 hr. min, scheduled 24 hrs. in advance)

Data Cabling	\$95 per hr.
Travel	\$75 per hr.
Desktop/Printer	\$98 per hr.
Project Coordinator	\$145 per hr.
Video Surveillance, Access Control	\$145 per hr.
Audio/Video, Video Conferencing	\$145 per hr.
Router, Switch, Server, or Storage	\$250 per hr.
Program or Project Manager	\$195 per hr.
SQL, .NET, SharePoint	\$275 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$275 per hr.
DevOps/SSO/Orchestration Engineer	\$295 per hr.
Security Incident Emergency Response Resource	\$295 per hr.

After Hours Technical Support (4 hr. min, less than 24 hr. notice and/or after hrs./weekends)

Data Cabling	\$110 per hr.
Travel	\$85 per hr.
Desktop/Printer	\$130 per hr.
Video Surveillance, Access Control	\$160 per hr.
Audio/Video, Video Conferencing	\$195 per hr.
Router, Switch, Server, or Storage	\$275 per hr.
SQL, .NET, SharePoint	\$295 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$295 per hr.
DevOps/SSO/Orchestration Engineer	\$325 per hr.

- Emergency Incident Threat Response Services - billed per hour with minimum amounts determined at time of incident:
 - Immediate response to threat
 - Assess your security posture against the threat
 - Determine the level of effort required to protect Client assets
 - Work to prevent, detect, and respond to incidents
 - Identify and mitigate complex security vulnerability
 - Provide risk analyses and recommendations for threat eradication
 - Provide forensic analysis to determine extract threat vector

- Rates for professional service arrangements and/or projects will be quoted at the time Quest receives the request for such services from Agency.

- Quest reserves the right to adjust technical support rates with 30 days' advance written notice given to Agency.

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(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.



18

Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: AESI-US, Inc. – Five Year Multi-Task Consulting Services Agreement for consulting services related to NERC CIP, or Operations and Planning Standards; 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:	Marty Hostler <i>MHA</i>	METHOD OF SELECTION:
	Compliance Manager	N/A
Division:	Executive Services	<i>If other, please describe:</i>
Department:	Compliance	

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 22-75 authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with AESI-US, Inc., for consulting services related to NERC CIP, or Operations and Planning Standards, 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:

NERC CIP or Operations and Planning Standards related tasks 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 issued a RFP for NERC Cyber Security Supply Chain Management Services on January 19, 2022. AESI-US, Inc. submitted a proposal for this RFP, and was a successful bidder. NCPA now desires to enter into an agreement with this vendor for NERC CIP or Operations and Planning Standards related tasks. NCPA has other agreements in place for similar services with Utility Services of Vermont, LLC and Utility System Efficiencies, Inc., but these services are not specific to NERC CIP-013 evaluation. NCPA is also entering into an agreement with Archer Energy Solutions, LLC for similar services.

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 June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 22-75
- Multi-Task Consulting Services Agreement with AESI-US, Inc.

RESOLUTION 22-75

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH AESI-US, INC**

(reference Staff Report #187:22)

WHEREAS, NERC CIP or Operations and Planning Standards related tasks, 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, AESI-US, Inc., is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Consulting Services Agreement with AESI-US, 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 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 Multi-Task Consulting 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 _____, 2022 by the following vote on roll call:

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND AESI-US, 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 AESI-US, Inc., a corporation with its office located at 5055 Memorial Drive, Suite A#204, Stone Mountain, GA 30083 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2022 ("Effective Date") in Roseville, California.

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

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

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

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** Five Hundred Thousand dollars (\$500,000.00) 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 Cyber Risk Liability Insurance. Contractor shall maintain cyber risk liability insurance with an aggregate limit of not less than \$3,000,000, with a self-insured retention or deductible of no more than \$100,000. Such insurance shall cover any and all errors, omissions or negligent acts arising in or connected with the performance of the Scope of Work under this Agreement. Such cyber risk liability insurance shall include, but not be limited to, coverage of claims and losses with respect to network risks (such as data breaches, unauthorized access/use, ID theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, spread of virus, denial of service, etc.), failure to supply, and intellectual property infringement (such as copyrights, trademarks, service marks and trade dress). No exclusions shall be listed within the policy for unencrypted, media or portable devices. Notwithstanding any other provision of this Agreement, if coverage is provided on a claims-made form, Contractor shall purchase and maintain a two year extended reporting period coverage following termination of this Agreement only in the event that the policy is canceled or non-renewed.

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, with the exception of the Cyber Risk Liability Insurance policy, 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, with the exception of the Cyber Risk Liability Insurance policy. 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.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that 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 Agency confidential, proprietary, critical energy infrastructure information or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression. Confidential Information shall not include information that: (a) was already known to the Consultant or is otherwise a matter of public knowledge, (b) was disclosed to Consultant by a third party without violating any confidentiality agreement, or (c) was independently developed by Consultant without reverse engineering, as evidenced by written records thereof,
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, Agency may disclose confidential Information to Consultant. Consultant: (a) shall hold Agency'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.

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

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.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Consultant shall return to Agency or destroy Confidential Information (including all copies thereof), Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Consultant shall not disclose Agency's Confidential Information to any person other than those of the Consultant'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 Tony Zimmer, 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:

Joel Charlebois
Vice President, Regulatory Compliance
AESI-US, Inc.
5055 Memorial Drive, Suite A#204
Stone Mountain, GA 30083

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-signatory third parties. However, should Consultant provide Services to an Agency member, SCCPA and/or a SCPA 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

AESI-US, INC.

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

JOEL CHARLEBOIS, VICE PRESIDENT
REGULATORY COMPLIANCE

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF SERVICES

AESI-US, Inc. ("Consultant") shall provide the following services, as requested by the 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.

On an as-needed basis and upon request by NCPA, Members, SCPPA, or SCPPA Members, AESI-US, Inc. shall perform NERC CIP or Operations and Planning Standards related tasks.

AESI-US, Inc.'s professional staff have extensive utility industry experience and in-house experience and capabilities for both the CIP and O&P standards. Upon request for NERC CIP or O&P tasks, AESI will provide NCPA the following information for their approval before proceeding with any tasks:

1. The scope of work and approach to perform the task.
2. A list of the deliverables that will be associated with the task.
3. The cost estimate, which could a Fixed Cost or T&M using AESI-US, Inc.'s hourly rates.

The deliverables will be a function of the specific NERC CIP or O&P tasks that are requested by NCPA. The deliverables will be identified by AESI and approved by NCPA before proceeding with the tasks. Depending on execution of the assigned task, the deliverable maybe changed with the approval of NCPA.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

The cost estimate, is dependent on the requested tasks and could be a Fixed Fee or T&M using AESI-US, Inc.'s hourly rates as noted in the following table:

Staff	2022 Hourly Rate
Principal Consultant	\$370
Senior Executive	\$315
Executive Consultant	\$295
Director/Specialist	\$275
Senior Consultant II	\$250
Senior Consultant I	\$230
Consultant II	\$215
Consultant I	\$195
Sr. Analyst	\$170
Sr. Admin	\$105

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 Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I,

(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.



19 and 20 A&B

Commission Closed Session

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: CLOSED SESSION ITEMS 19 and 20 A&B

AGENDA CATEGORY: Closed Session

FROM:	Jane Luckhardt	METHOD OF SELECTION:
	General Counsel	N/A
Division:	Executive Services	
Department:	Legal	

19. CONFERENCE WITH LEGAL COUNSEL – pursuant to Government Code Section 54956.9(d)(2) – Anticipated Litigation – one (1) case.

20. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1) - Existing Litigation, two (2) cases:

- A. Case Name: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States*, Court of Federal Claims No. 14-817C.
- B. Case Name: *In Re PG&E Corporation and Pacific Gas and Electric Company: United States District Court, Northern District of California*, Case No. 22-cv-02833-HSG.



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: 5034 Sunrise Blvd Acquisition

AGENDA CATEGORY: Discussion/Action

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve Resolution 22-73 authorizing the General Manager to:

- (1) Authorize the purchase of 5034 Sunrise Blvd in Fair Oaks, CA
- (2) Authorize a FY2023 budget augmentation to the Disaster Recovery Center Budget in an amount not-to-exceed \$2,200,000 to acquire real property and pay for one-time expenses on the terms and conditions described herein;
- (3) Authorize a FY2023 budget augmentation to the Disaster Recovery Center Budget for \$37,000 upon closing of the Property purchase to pay for O&M related expenses;
- (4) Accept a professional property appraisal; and
- (5) Issue Purchase Orders, sign contracts, and take all other actions needed to carry out the Property purchase and one-time, professional service expenses for the Property.

BACKGROUND:

The Disaster Recovery Center (DRC) is a backup site for our mission-critical, 24/7 Scheduling and Dispatch operations and includes replicated software, hardware, and data to provide a seamless transfer of personnel to this site in case of an emergency. Today, the Agency schedules 59 different generating units (15 of which are NCPAs) that are owned by members and/or business partners making a DRC crucial for business resiliency and continuity.

Although not a NERC requirement, the DRC was developed in the early 2000s as a matter of good utility practice. Today, the DRC is housed in a leased building owned by Consolidated Communications (CCI) in Citrus Heights, CA, and has been located there since 2009. The latest amendment to the Lease Agreement was signed in 2021 extending the term through April 2024, but CCI added language not providing NCPA the option to extend the lease beyond the termination date. Without the option to extend the lease, the Agency must relocate to a new premise.

At the April 28, 2022 Commission meeting, the Commission authorized Resolution 22-47 for NCPA staff to;

- 1) Obtain an appraisal of fair market value for the property;
- 2) Enter into negotiations to purchase property to serve as the disaster recovery center;
- 3) Complete initial due diligence; and
- 4) Enter into a Purchase Agreement to carry out the purchase.

The owner, Ethan Conrad, listed the selling price at \$1,596,000 while the appraisal estimated the building at \$1,495,000. Since the April 2022 Commission meeting, the Agency and Seller exchanged multiple offers and counters before NCPA accepted the Seller's Last, Best, and Final offer of \$1,512,500. While this is slightly more than the appraisal, the Agency feels this building offers something that's rare to find. The building has two metered panels (400 and 225-amp panels) which are needed for the backup generator/UPS and will help reduce tenant improvement costs shortening the time to occupy.

Both parties executed the Purchase and Sales Agreement (PSA) on June 9th and NCPA made a refundable deposit of \$25,000 into an escrow account with Placer Title. Over the next 45 days, staff will begin the process of completing the necessary inspections and obtaining certain reports to fulfill the contingencies identified in the PSA. The Agency is expecting to close

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- 3) Complete initial due diligence; and
- 4) Enter into a Purchase Agreement to carry out the purchase.

The owner, Ethan Conrad, listed the selling price at \$1,596,000 while the appraisal estimated the building at \$1,495,000. Since the April 2022 Commission meeting, the Agency and Seller exchanged multiple offers and counters before NCPA accepted the Seller's Last, Best, and Final offer of \$1,512,500. While this is slightly more than the appraisal, the Agency feels this building offers something that's rare to find. The building has two metered panels (400 and 225-amp panels) which are needed for the backup generator/UPS and will help reduce tenant improvement costs shortening the time to occupy.

Both parties executed the Purchase and Sales Agreement (PSA) on June 9th and NCPA made a refundable deposit of \$25,000 into an escrow account with Placer Title. Over the next 45 days, staff will begin the process of completing the necessary inspections and obtaining certain reports to fulfill the contingencies identified in the PSA. The Agency is expecting to close

escrow on or around August 8th. Over the next year and a half, architectural design, tenant improvements, buildout, and testing will be completed prior to the expiration of the current lease with CCI.

About the Property: 5034 Sunrise Blvd, Fair Oaks, CA (“Property”)

The property is located approximately seven miles or 15-20 minutes (depending on traffic) from the Roseville headquarters building. The building is 7,286 sq. ft. and presents a largely open shell for three-quarters of the building, which is well suited for Physical Security Perimeter (PSP) for NERC CIP compliance. The established offices, conference room, break room, and restrooms along the northside of the building could serve as additional office space to allow NCPA members ‘Hoteling’ office options. Utilities are SMUD for electric and Comcast fiber for data. The electrical room has two metered panels one 400 amp and one 225 amp for adequate power of the DRC and is rare to find in most buildings. The existing roof report and HVAC survey indicate systems are approximately 10 yrs. old and in good repair. The property would require some tenant improvements such as an emergency generator, UPS, walls, floor coverings, etc.

FISCAL IMPACT:

Upon review with Legal, it was determined the most efficient solution is requesting a FY2023 budget augmentation of \$2,237,000 to the Disaster Recovery Center budget for NCPA to purchase the Property (\$1,512,500), pay for one-time expenses related to tenant improvements (\$687,500), and costs for O&M (\$37,000).

The DRC budget allocates costs as follows:

1. 80% to Power Management through the Nexant allocation
2. 10% to Generation
3. 10% to Administration

Staff is recommending that NCPA Members fund the acquisition of the Property and tenant improvements and that all members and non-member project participants be allocated costs associated with O&M. The 2023 O&M budget of \$37,000 includes a rental/lease assessment of \$8,107 that would be allocated to non-members in lieu of their allocation of lease payments. Future assessments would have a 2% annual escalator. The \$8,107 budget assessment would be credited to the member-owners to ensure non-members are paying their fair share of the DRC facilities costs. In addition, any year-over-year changes in Power Management services would be reflected in annual allocated costs for both members and non-members.

See the attached tables for FY2023 budget augmentation cost allocations.

ENVIRONMENTAL ANALYSIS:

Staff has evaluated the potential environmental impacts of the acquisition by considering NCPA’s intended use of the building and improvements needed to accommodate NCPA’s use. The Property is located in Fair Oaks Village in the County of Sacramento. The Property is zoned BP (PDC) – Business and Professional Office/Planned Development (Planned Development Subzone 76-PD-1). Government and local agency buildings and uses are permitted within the BP zone. (See Sacramento County Zoning Code §§ 3.1.2.A, 3.2.2.A, and Table 3.1

As described above, the Property contains an existing building and parking lot. To suit NCPA's purposes, NCPA would conduct typical tenant improvements within the building envelope including building out improvements such as office space, server rooms, meeting rooms, security systems, and the addition of a backup generator to support NCPA's operations in the event of a power outage to the building. NCPA may staff this building full time for the purposes of 24/7 scheduling and operations, locate temporarily or permanently staff offices and hold meetings in this location. None of these events would exceed the expected number of workers and visitors normally associated with a building of this size in the business and professional office zone.

As a result of the proposed minor modifications to the existing facilities on the Property, NCPA's acquisition and improvements to the existing facilities would qualify for all of the following categorical exemptions to the California Environmental Quality Act:

- Class 1 – Operation, repair, maintenance, or minor alteration of existing structures or facilities;
- Class 2 – Replacement or reconstruction of existing structures or facilities;
- Class 3 – New construction, installation, or conversion of limited number of small structures, facilities, or equipment;
- Class 4 – Minor alternations to land, water, or vegetation; and
- Class 11 – Construction or placement of accessory structures. (14 Cal Code of Regs §§ 15301, 15302, 15303, 15304 and 15311.)

COMMITTEE REVIEW:

On May 10, 2022, the Finance Committee reviewed and approved the budget augmentation recommendation above for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 22-73
- Property Appraisal
- Purchase and Sales Agreement
- DRC Acquisition and TI Allocation
- DRC O&M Allocation

RESOLUTION 22-73

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY AUTHORIZING THE PURCHASE OF 5034 SUNRISE BLVD, APPROVAL OF A FY2023 BUDGET AUGMENTATION TO THE DISASTER RECOVERY CENTER BUDGET, APPRAISAL ACCEPTANCE, AND ISSUANCE OF PURCHASE ORDERS, SIGN CONTRACTS AND OTHER RELATED ACTIONS

(reference Staff Report #184:22)

WHEREAS, the Disaster Recovery Center (DRC) is a backup site for our mission-critical, 24/7 Scheduling and Dispatch operations and includes replicated software, hardware, and data to provide a seamless transfer of personnel to this site in case of an emergency; and

WHEREAS, the current Disaster Recovery Center (DRC) is housed in a leased building owned by Consolidated Communications (CCI) in Citrus Heights, CA with the Lease Agreement set to expire on April 2024, without an option to renew beyond the lease date requiring the Agency to locate a new property; and

WHEREAS, Resolution 22-47 authorized staff to obtain a property appraisal, enter into negotiations with the seller, complete initial due diligence, and enter into a Purchase and Sales Agreement; and

WHEREAS, the purchase of 5034 Sunrise Blvd, Fair Oaks, CA ("Property") in Sacramento County consisting of 7,286 sq. ft. on .67 AC (parcel number 233-0281-033-0000) and listed at \$1,596,000 would replace the existing DRC prior to the expiration of the Lease Agreement; and

WHEREAS, the Agency and Seller exchanged multiple offers and counters before NCPA accepted the Seller's Last, Best, and Final offer of \$1,512,500;

WHEREAS, authorizing a FY2023 budget augmentation for \$2,237,000 to the DRC budget is required for the Property acquisition, tenant improvements, and O&M expenses; and

WHEREAS, acceptance of a fair market value appraisal for the Property; and

WHEREAS, authorizing the issuance of purchase orders, signing contracts, and other related actions are needed to carry out the purchase of the Property and one-time, professional service expenses; and

WHEREAS, as a result of the proposed minor modifications to the existing facilities on the Property, NCPA's acquisition and improvements to the existing facilities would qualify for all of the following categorical exemptions to the California Environmental Quality Act:

- Class 1 – Operation, repair, maintenance, or minor alteration of existing structures or facilities;
- Class 2 – Replacement or reconstruction of existing structures or facilities;
- Class 3 – New construction, installation, or conversion of limited number of small structures, facilities, or equipment;
- Class 4 – Minor alternations to land, water, or vegetation; and
- Class 11 – Construction or placement of accessory structures.

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approve Resolution 22-73 authorizing the General Manager to:

- (1) Authorize the purchase of 5034 Sunrise Blvd in Fair Oaks, CA
- (2) Authorize a FY2023 budget augmentation to the Disaster Recovery Center Budget in an amount not-to-exceed \$2,200,000 to acquire real property and pay for one-time expenses related to tenant improvements; and
- (3) Authorize a FY2023 budget augmentation to the Disaster Recovery Center Budget for \$37,000 upon closing of the Property purchase to pay for O&M-related expenses;
- (4) Accept a professional property appraisal;
- (5) Issue Purchase Orders, sign contracts, and take all other actions needed to carry out the Property purchase and one-time, professional service expenses for the Property.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022,
by the following vote on roll call:

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

DAVID HAGELE
CHAIR

ATTEST: _____
CARY A. PADGETT
ASSISTANT SECRETARY



APPRAISAL REPORT

SUBJECT PROPERTY

Office Building
5034 Sunrise Boulevard
Fair Oaks, California 95628

SUBMITTED TO

NORTHERN CALIFORNIA POWER AGENCY
Jonathan Ashcraft
651 Commerce Drive
Roseville, California 95678

Appraisal Number: None

SUBMITTED BY

METROPOLITAN APPRAISAL GROUP
William B. Buenzli, MAI
746 Anna Place
El Dorado Hills, California 95762

Job Number: 2022-41

DATE OF VALUE

May 10, 2022

DATE OF REPORT

May 17, 2022

REAL ESTATE APPRAISAL REVIEW CONSULTATION



May 17, 2022

NORTHERN CALIFORNIA POWER AGENCY

Jonathan Ashcraft
651 Commerce Drive
Roseville, California 95678

RE: Appraisal of Office Building
5034 Sunrise Boulevard
Fair Oaks, California 95628

Dear Client:

In accordance with your request, I have made an examination of the above-referenced property, for the purpose of estimating the market value of the fee simple interest, as of May 10, 2022. Briefly described, the subject property is comprised of a 1-story 7,286 square foot office building constructed in 1987.

This appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Appraisal Practice (USPAP) of the Appraisal Foundation, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal requirements of the client, *Northern California Power Agency*. This appraisal report presents only summary descriptions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value.

As a result of this investigation and an analysis of matters pertinent to the property value, and subject to the definitions, assumptions, and limiting conditions expressed in the report, my opinion of value in the subject property is as follows:

VALUE CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	May 10, 2022	\$1,495,000

This letter of transmittal is not an appraisal report and is only intended to summarize the value estimate of the subject property, as detailed herein.

Your attention is invited to the accompanying report, where is set out the assumptions, limiting conditions, descriptions, factual data, computations, photographs, analyses, and discussions, from which the valuation conclusion was derived. If you have any questions or comments, please contact the undersigned.

Respectfully submitted,
METROPOLITAN APPRAISAL GROUP



William B. Buenzli, MAI
Principal
California State Certificate #AG010643

Letter of Transmittal
 Table of Contents
 Certification
 Photographs of the Subject Property
 Property Summary & Salient Facts 1
 Hypothetical Conditions 2
 Extraordinary Assumptions 2
 General Assumptions & Limiting Conditions 2

PREMISE OF THE APPRAISAL

Identification of the Property 5
 Property Ownership & History 5
 Purpose of the Appraisal 5
 Intended User of the Appraisal 5
 Intended Use of the Appraisal 6
 Effective Date of Value and Date of the Report 6
 Definition of Significant Terms 6
 Property Rights Appraised 6
 Marketing/Exposure Time 7
 Scope of Appraisal 7

PRESENTATION OF DATA

Area and Neighborhood Overview 8
 Market Overview 16
 Description of Site 22
 Assessed Valuation and Taxes 25
 Description of Improvements 26
 Highest & Best Use 29

ANALYSIS OF DATA AND CONCLUSIONS

Appraisal Process 31
 Sales Comparison Approach 32
 Reconciliation and Final Value Conclusion 38
 Market Rent Analysis 39

CONTENTS OF THE ADDENDA

EXHIBIT A: Qualifications of the Appraiser
 EXHIBIT B: Engagement Letter

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results. Nor was this appraisal assignment based on a requested minimum valuation, a specific valuation, or the approval of a loan.
6. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the clause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the current requirements of the *Appraisal Institutes Code of Professional Ethics and Standards of the Professional Appraisal Practice*, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*, and all current state of California and federal regulations. The report also conforms to *Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA)* updated in 1994 and further updated by the *Interagency Appraisal and Evaluation Guidelines* promulgated in 2010.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report.
11. I have the knowledge and experience to complete this assignment competently and have previously appraised this property type.
12. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
13. I have completed the Appraisal Institute course Fundamentals of Separating Real Property and Intangible Business Assets.
14. As of the date of this report, I, William B. Buenzli, MAI have completed the requirements of the continuing education program of the Appraisal Institute, and I am a California State Certified General Real Estate Appraisers (#AG010643 exp. 11/8/2022).

Respectfully submitted,
METROPOLITAN APPRAISAL GROUP



William B. Buenzli, MAI
Principal
California State Certificate #AG010643

SUBJECT PROPERTY PHOTOGRAPHS

Exterior Subject Photographs



View of Subject Property



View of East Side of Building (Main Entrance)



View of North Side of Building & Parking



View of South Side of Building



View of Parking On East Side

Interior Subject Photographs



View of Reception Area



View of Hallway



View of Open Area



View of Open Area



View of Lunch Room



View of Restroom

SUBJECT PROPERTY PHOTOGRAPHS



View of Restroom Area



View of Conference Room



View of Hallway

Street Scenes



View West Along Sunrise Ridge



View North Along Sunrise Blvd



View South Along Sunrise Blvd

Aerial of Subject Property



Aerial Map

Property Summary & Salient Facts

Property Type:	Office Building
Property Address:	5034 Sunrise Boulevard Fair Oaks, California 95628
Apparent Owner:	Ethan Conrad
Thomas Bros Map Page:	260 A7
Census Tract Number:	0080.08
Assessors Parcel Number:	233-0281-033
Site Area:	0.65 acres or 28,314 square feet
Improvements:	7,286 square foot office building
Year Built:	1987
Effective Age:	15 years
Occupancy:	100% (vacant)
Zoning:	BP (PDC): Business Professional Planned Development County, Sacramento County
Flood Zone:	X
Date of Value:	May 10, 2022.
Date of Report:	May 17, 2022
Highest & Best Use	
As If Vacant:	Hold For Future Development
As Improved:	As office use
Property Rights Appraised:	Fee Simple Interest
Marketing/Exposure Time:	8 months

Value Indication & Conclusions

Cost Approach:	Not Applied
Income Capitalization Approach:	Not Applied
Sales Comparison Approach:	\$1,495,000
Final As Is Value Conclusion:	\$1,495,000

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at my opinion of value are fully discussed below. I advise the client to consider these issues carefully given the intended use of this appraisal, as this use might have affected the assignment results.

Hypothetical Conditions

None

Extraordinary Assumptions

No title policy was made available to the appraiser, and the appraiser assumed no responsibility for such items of record not disclosed by the appraiser's customary investigation. I have reviewed County Records, which properly identified the subject property. The appraiser recommends a Title Report be ordered prior to sale or transfer of subject property. Title is assumed to be good and marketable.

General Assumptions & Limiting Conditions

Standards Rule (S.R.) 2-1(c) of the *Standards of Professional Appraisal Practice of the Appraisal Institute* requires the appraiser to *clearly and accurately disclose any extraordinary assumption or limiting condition that directly affects the appraisal and indicate its impact on value*. In compliance with S.R. 2-1(c), and to assist the reader in interpreting the report, such assumptions and limiting conditions as related to the subject property, are set forth as follows:

1. The conclusions and opinions expressed in this report apply to the date of value. The dollar amount of any value opinion or conclusion rendered or expressed in this report is based upon the purchasing power of the United States Dollar existing on the date of value.
2. The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of the letter of transmittal accompanying this report. The appraiser is not obligated to predict future political, economic or social trends.
3. Disclosure of the contents of this appraisal report is governed by the *Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute* and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. It also conforms to *Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA)* updated in 1994 and further updated by the *Interagency Appraisal and Evaluation Guidelines* promulgated in 2010.
4. In preparing this report, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and/or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either express or implied, is given by the appraiser for the accuracy of such information and the appraiser assumes no responsibility for information relied upon and later found to have been inaccurate. No responsibility is assumed for errors or omissions, or for information not disclosed which might otherwise affect the valuation estimate. The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
5. No opinion as to the title of the subject property is rendered. Data related to ownership and legal description was obtained from public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
6. The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, ground water or structures that render the subject property more or less valuable. No responsibility is assumed for

ASSUMPTIONS & LIMITING CONDITIONS

- arranging for engineering, geologic or environmental studies that may be required to discover such hidden or unapparent conditions.
7. The appraiser has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property or improvements thereon, which material or substance possesses or may possess toxic, hazardous and/or other harmful and/or dangerous characteristics. Unless otherwise stated in the report, the appraiser did not become aware of the presence of any such material or substance during the appraiser's inspection of the subject property; however, the appraiser is not qualified to investigate or test for the presence of such materials or substances. The presence of such materials or substances may adversely affect the value of the subject property. The value estimated in this report is predicated on the assumption that no such material or substance is present on or in the subject property or in such proximity thereto that it would cause a loss in value. The appraiser assumes no responsibility for the presence of any such substance or material on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state, and local environmental laws, regulations and rules.
 8. Unless otherwise stated, the subject property is appraised assuming it to be in full compliance with all applicable zoning and land use regulations and restrictions.
 9. Unless otherwise stated, the property is appraised assuming that all required licenses, permits, certificates, consents or other legislative and/or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
 10. No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.
 11. Maps, plats, and exhibits included in this report are for illustration only to serve as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.
 12. No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
 13. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
 14. Possession of this report, or a copy of it, does not carry with it the right of publication. Without the written consent of the appraiser, this report may not be used for any purpose by any person other than the party to whom it is addressed. In any event, this report may be used only with proper written qualification and only in its entirety for its stated purpose. Neither all, nor any part, of the contents of this report (including any conclusions as to value, the identity of the appraisers, or the firm with which they are connected, or any reference to the Appraisal Institute, or the MAI designation) shall be disseminated to the public through advertising media, public relations, news media, sales media, or any other public means of communication without prior written consent and approval of the appraiser.
 15. The property which is the subject of this appraisal is within a geographic area prone to earthquakes and other seismic disturbances. Except as specifically indicated in the report, no seismic or geologic studies have been provided to the appraiser concerning the geologic and/or seismic condition of the subject property. The appraiser assumes no responsibility for the possible effect on the subject property of seismic activity and/or earthquakes.
 16. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance of said hearing. Further, unless otherwise indicated, separate arrangements shall be made concerning compensation for the appraiser's time to prepare for and attend any such hearing.
 17. The appraiser has personally inspected the subject property, and except as noted in this report, finds no obvious evidence of structural deficiencies in any improvements located on the subject property; however, the appraiser assumes no responsibility for hidden defects or non-conformity with specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, unless inspections by qualified independent professionals or governmental agencies were provided to the appraiser. Further, the appraiser is not a licensed engineer or architect and assumes no responsibility for structural deficiencies not apparent to the appraiser at the time of his inspection.
 18. No termite, dry rot, wet rot, pest or other infestation report was made available to the appraiser. It is

ASSUMPTIONS & LIMITING CONDITIONS

- assumed that there is no related damage or infestation, unless otherwise stated.
19. No consideration has been given in this appraisal as to the value of the property located on the premises considered by the appraiser to be personal property, nor has the appraiser given consideration to the costs of moving or relocating such personal property; only the real property has been considered in this appraisal. Additionally, the comparable data was of real property only, and no personal property was considered with any market data.
 20. Competitive institutional financing is assumed to be available.
 21. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable and no encroachment of the subject property is considered to exist.
 22. No soils or geological studies or reports were made available to the appraiser. As no soil or geologic reports were available for review, it is assumed that there are no soil conditions which negatively affect the subject property. As no hydrology studies were available for review, it is assumed that any drainage sheet flow through the subject property would be contained, and the property under appraisal would not be subject to inundation.
 23. No report was made available to the appraiser and, the appraiser has not considered the presence of asbestos as a factor in this appraisal.
 24. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of the subject improvements to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that an ADA compliance survey of the subject improvements could reveal that the subject property is not in compliance with one or more requirements of the Act. If so, this fact could have a negative effect upon the value of the subject property. Since the appraiser had no evidence relating to this issue, the compliance, or non-compliance, with ADA was not taken into consideration in the valuation of the subject property.
 25. This appraisal was performed following public awareness that COVID-19 was afflicting residents in the United States. The analyses and value opinion in this appraisal are based on the data available to the appraiser at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value.
 26. The appraiser has not identified any purchaser, borrower or seller as an intended user of this appraisal and such parties should not rely on the appraisal for their own purposes. Neither payment for the appraisal nor receipt of a copy of the appraisal by such a party or any other third party means that the party is an intended user of the appraisal. Such parties are advised to obtain an appraisal from an appraiser of their own choosing if they require an appraisal for their own use. This appraisal report should not serve as the basis for any property purchase decision or any appraisal contingency in a purchase agreement relating to the property.

Identification of the Property

Property Type:	Office Building
Property Address:	5034 Sunrise Boulevard Fair Oaks, California 95628
Thomas Bros Map Page:	260 A7
Census Tract Number:	0080.08
Assessors Parcel Number:	233-0281-033

Property Ownership & History

Apparent Owner:	Ethan Conrad
Previous Sale Date:	October 2013
Previous Sale Price::	\$885,000
Current Listing/Asking Price:	\$1,596,000 or \$219 per square foot
Other Sales Past 3 Years:	According to the listing broker, the subject property has been listed for sale for 2.4 years at an asking price of \$1,596,000 or for lease at \$1.55/SF/month, NNN. The long listing period was due to COVID.

Other than where noted herein, I am not aware of any other transactions, listings, options, etc. that involve the subject within the past three years. The above information related to the present and past ownership of the property is assumed to be correct. I have reviewed public records for verification purposes and the above appears to be accurate. However, no warranty is given or implied.

Purpose of the Appraisal

The purpose of this appraisal is to express an opinion of the as-is market value of the property located at 5034 Sunrise Boulevard, City of Fair Oaks, County of Sacramento, State of California, and more fully described elsewhere in this report.

Intended User of the Appraisal

The intended use of this appraisal is for use by the client for asset monitoring and assessment.

Intended Use of the Appraisal

The intended use of the appraisal is for asset monitoring and assessment.

Effective Date of Value and Date of the Report

The analysis, opinions and conclusions set forth in this report apply only to the date of value. The effective date of this appraisal is of May 10, 2022, or the date of inspection. The date of the report is *May 17, 2022*.

Definition of Significant Terms

Market Value Defined as: *The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

1. *Buyer and seller are typically motivated;*
2. *Both parties are well informed or well advised, and acting in what they consider their best interests;*
3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
5. *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Source: Office of the Comptroller of Currency under 12CFR, Part 34-42, Subpart C - Appraisals, 34.42 Definition (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g).

Market Value As Is

As Is Value is defined as: *The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal's effective date. The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago 2010.*

Property Rights Appraised

Real property consists of the interest, benefits, or rights in real estate. The interest in the property that is the subject of the valuation consists of the fee simple interest subject to any liens and/or encumbrances listed within this appraisal report.

Fee Simple Estate: *Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago 2010.*

Marketing/Exposure Time

Based on a review of recent sales transactions in the subject market area and interviews with market participants, along with my inspection and evaluation of the subject property, the "exposure time" and "marketing time" for the subject property are estimated to be the same at **8 months**.

Furniture, Fixture and Equipment (FF&E) - Personal Property

The value concluded in this appraisal report only recognizes real property which does not include items which may be construed as personal property (FF&E). No personal property or intangible items are included in this valuation.

Scope of Appraisal

In order to determine the appropriate scope of work for the assignment, I have considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. The appraiser has undertaken the following appraisal procedures:

Information on the subject property, land sales, rental rates, improved sales, and market conditions was obtained via:

- Owner, Client, Title Report, Subject Information
- Costar Inc. Sales Search, Broker Data
- Exterior and Interior Inspection conducted on May 10, 2022
- Interviews Brokers, Property Owners, Public Agencies/Governing Bodies
- MLS Information Search (Public Record)
- Highest and Best Use analysis and conclusions were drawn for the highest and best use of the subject property as-vacant and as-improved.

All three of the usual approaches to value Cost Approach, Income Approach, and Sales Comparison Approach were considered in the performance of this appraisal assignment. The cost approach was not considered applicable due to the age of the subject improvements and the attendant difficulty in reliably estimating accrued depreciation over an extended period of time and limited land sale activity. Additionally, the cost approach is not typically used by market participants except for new construction or recently constructed properties. The income approach was not considered applicable due to the lack of quality rental comparables, configuration and size of the subject property. Due to the lack of quality comparable rental data no income approach was applied. For these reasons, the cost and income approaches were omitted from the appraisal process. The sales comparison approach was considered applicable given the amount of sales data of similar type properties and probable buyer of the property. The sales comparison approach is considered to provide the best quality and quantity of data and are considered the most reliable. It is the appraisers opinion that the scope of research necessary for a credible result and analysis associated with this appraisal is adequate to produce a credible value conclusion that will serve the needs of the client.

Area and Neighborhood Overview

Sacramento County

The subject property is located in the unincorporated area of Fair Oaks in Sacramento County. The County is the major component of the Sacramento Metropolitan Statistical Area (MSA) which includes Sacramento, El Dorado, and Placer Counties. Sacramento County encompasses approximately 995 square miles. Sacramento County is bordered by El Dorado County to the east, Placer and Sutter Counties to the north, Yolo and Solano Counties to the west, and San Joaquin to the south. Sacramento County is part of the Sacramento Metropolitan Statistical Area (MSA), which includes the four counties of Sacramento, Placer, El Dorado and Yolo. Sacramento is the state capital and the major hub for this area. Sacramento MSA occupies the southern portion of the Sacramento Valley and is a rich agricultural area bounded on the west by the coastal ranges and on the east by the foothills of the Sierra Nevada. A significant advantage of the Sacramento MSA is its central location with respect to transportation. This area is strategically located at the nexus of several major freeways, including State Highways 50 and 99 and Interstates 5 and 80. These freeways provide access to a variety of important locations. In addition, the region is served by the Sacramento International Airport. Other modes of transportation for this area include the Port of Sacramento, a deep-water port.

Population: According to the most recent population data from the *Department of Finance*, Sacramento County has a population of 1,546,174 people and has increased 9.0% from 2010 to 2019 or an annual compound rate of growth of 1.0% per year. Sacramento County represents the eighth-largest populated county in the State of California and 73% of the total population of the Sacramento MSA. The City of Sacramento account for 483,303 people and is the sixth largest city in the State of California in regards to population and 33% of the County population and County Seat.

Sacramento County Population (2000 to 2019)							
Area	2000	2010	2015	2019	2010 to 2019		Population
					% Change	% Annual	% County
Citrus Heights	85,071	83,301	86,152	88,095	5.8%	0.6%	6%
Elk Grove	76,298	153,015	164,369	174,025	13.7%	1.5%	11%
Folsom	51,884	72,203	75,687	79,835	10.6%	1.2%	5%
Galt	19,472	23,647	24,856	26,489	12.0%	1.3%	2%
Isleton	828	804	826	871	8.3%	0.9%	0%
Rancho Cordova	54,979	64,776	70,006	74,471	15.0%	1.7%	5%
City of Sacramento	407,018	466,488	483,303	508,172	8.9%	1.0%	33%
Balance Of County	659,226	554,554	579,180	594,216	7.2%	0.8%	38%
Incorporated	564,273	864,234	905,199	951,958	10.2%	1.1%	62%
Sacramento County	1,223,499	1,418,788	1,484,379	1,546,174	9.0%	1.0%	

Source: Department of Finance May 2019

Sacramento County accounts from largest amount of housing units in the Sacramento MSA with 574,449 units. As noted on the table below, the City of Sacramento has a total of 499,485 households (33% of county) with 196,890 housing units, City of Elk Grove has

a total of 173,356 households (11% of county) with 54,541 housing units and the City of Citrus Heights has a total of 87,609 households (6% of county) with 35,158 housing units. The Sacramento County area is anticipated to experience continued growth, with future population estimates reflecting growth rates similar to those experienced in the past ten years. The primary elements driving the continued population growth are affordable housing, continued job creation, and geographic characteristics.

Sacramento County Households & Housing Units						
Area	2019 Population	2019 Households	HH % of County	Total 2019 Housing Units	HU % of County	Persons Per Household
Citrus Heights	88,095	87,609	6%	35,158	6%	2.70
Elk Grove	174,025	173,356	11%	54,541	9%	3.38
Folsom	79,835	74,064	5%	28,053	5%	2.78
Galt	26,489	26,340	2%	8,122	1%	3.44
Isleton	871	871	0%	433	0%	2.57
Rancho Cordova	74,471	74,146	5%	28,021	5%	2.93
City of Sacramento	508,172	499,485	33%	196,890	34%	2.79
Balance Of County	594,216	587,292	39%	223,231	39%	2.88
Incorporated	951,958	935,871	61%	351,218	61%	2.90
Sacramento County	1,546,174	1,523,163		574,449		2.89

Source: Department of Finance May 2019

Income Growth: As indicated on the table below, the median household income within Sacramento County was \$72,017 up 1.39% over the past year and per capita income was \$34,603 up 3.79% over the past year. This compares to the Sacramento MSA median household income at \$76,706 up 3.01% over past year and per capita at \$37,974 up 5.98% over the past year, California with a median household income of \$80,440 was up 4.96% and per capita income was \$39,393 up 4.22%. In general the median household income has been growing over the past three years in Sacramento County. The following is the income comparisons of County with State and US.

Historical Income Data				
Element	Sacramento MSA	Sacramento	California	US
Median Household Income (2019)	\$76,706	\$72,017	\$80,440	\$65,712
Median Income % Change 1 Year	3.01%	1.39%	4.96%	4.21%
Median Income % Change 3 Year	12.41%	13.08%	11.46%	7.05%
Per Capita Income (2019)	\$37,974	\$34,603	\$39,393	\$35,672
Per Capita Income % Change 1 Year	5.98%	3.79%	4.22%	3.57%
Per Capita Income % Change 3 Year	8.35%	8.18%	10.74%	7.57%

Source: Bureau of Economic Analysis, U.S. Census Bureau, FTB

Employment: According to *Employment Development Department*, Sacramento County had a labor force of 713,300 people with employment of 679,200 people and an unemployment rate of 4.8% as of December 2021 which compares to 8.5% a year ago. In general, the cities and towns within the county indicate unemployment rates of 0% to 8.3%. The city of Sacramento represents 33% of the total employment within the county with 238,600 people and indicated an unemployment rate of 5.0% which is trending downward.

The ten largest employers in the county are State of California (77,172), Kaiser Permanente (15,585), UC Davis Health (14,510), Sacramento County (12,360), Sutter Health (10,764), US Government (10,559), Dignity Health (7,821), Intel Corp (6,200), Elk Grove Unified School District (6,164), and San Juan Unified School District (5,350). Due to the fact Sacramento is the State Capital, there is a larger portion of jobs associated with the Government which has created stability with regards to job fluctuations as the ratio of Federal, State and Local Government has remained about the same over the past five years at 1.5% Federal; 12% State; and 10% Local of total jobs in the Sacramento MSA.

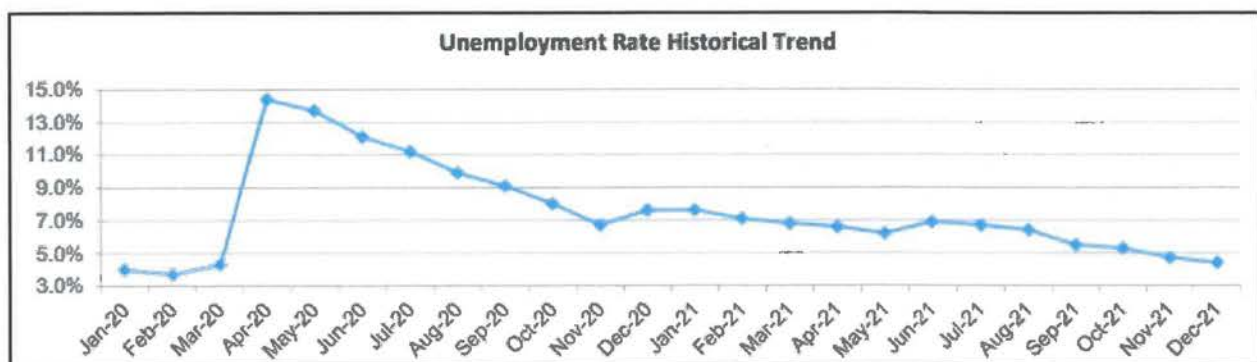
Sacramento County Employment December 2021				
Area Name	Labor		Unemployment	
	Force	Empoyment	Number	Rate
<i>Sacramento County</i>	713,300	679,200	34,000	4.8%
Arden Arcade	47,100	44,200	3,000	6.4%
Carmichael	30,600	29,300	1,300	4.2%
Citrus Heights City	43,300	41,400	2,000	4.6%
Elk Grove	83,200	80,000	3,200	3.8%
Fair Oaks	14,700	14,300	500	3.4%
Florin	19,300	17,700	1,600	8.3%
Folsom City	38,100	37,000	1,000	2.6%
Foothill Farms	16,000	15,100	900	5.6%
Galt City	11,800	10,900	800	6.8%
Gold River	3,500	3,300	200	5.7%
Isleton city	300	300	0	0.0%
La Riviera	5,900	5,600	300	5.1%
North Highlands CDP	20,400	19,700	800	3.9%
Orangevale CDP	17,000	16,400	700	4.1%
Rancho Cordova City	35,400	33,700	1,700	4.8%
Rancho Murieta CDP	2,400	2,300	100	4.2%
Rio Linda CDP	7,100	6,800	300	4.2%
Rosemont CDP	11,800	11,400	400	3.4%
Sacramento City	238,600	226,600	12,000	5.0%
Vineyard CDP	13,300	12,900	500	3.8%
Walnut Grove CDP	700	700	0	0.0%
Wilton	2,300	2,200	100	4.3%

Source: EDD Labor Market Information

The overall impact of the Corvid-19 on unemployment numbers within the region is shown on the following tables.

Unemployment Rate Comparison March 2020 vs Dec 2021							
Month	Sacramento	El Dorado	Placer	Yolo	Sac MSA	State	National
Mar-20	4.7%	4.7%	4.0%	4.8%	3.8%	4.3%	3.8%
Apr-20	14.7%	15.4%	13.3%	11.9%	14.2%	16.1%	14.4%
May-20	14.3%	15.1%	12.5%	10.6%	13.7%	16.4%	13.3%
Jun-20	13.6%	12.9%	11.2%	10.6%	12.8%	15.1%	11.2%
Jul-20	12.5%	10.3%	9.8%	9.5%	11.6%	13.9%	10.2%
Aug-20	9.9%	7.6%	7.4%	7.2%	9.0%	11.3%	8.4%
Sep-20	9.8%	7.5%	7.1%	7.1%	8.9%	10.8%	7.7%
Oct-20	8.1%	6.2%	5.8%	5.9%	7.3%	8.7%	6.9%
Nov-20	7.3%	5.7%	5.2%	5.8%	6.7%	7.9%	5.1%
Dec-20	8.5%	6.9%	6.2%	7.0%	7.9%	8.8%	6.7%
Jan-21	8.1%	6.9%	6.0%	7.0%	7.6%	9.2%	6.3%
Feb-21	7.7%	6.6%	5.7%	6.9%	7.1%	8.4%	6.2%
Mar-21	7.4%	6.3%	5.5%	10.4%	6.9%	8.2%	6.0%
Apr-21	7.1%	5.9%	5.2%	6.0%	6.6%	8.1%	6.1%
May-21	5.5%	5.5%	4.9%	5.5%	6.2%	7.5%	5.8%
Jun-21	7.4%	6.0%	5.4%	6.1%	6.8%	7.6%	5.9%
Jul-21	7.3%	5.8%	5.3%	5.9%	6.7%	7.6%	5.4%
Aug-21	6.4%	5.6%	5.1%	5.6%	6.4%	7.5%	5.2%
Sep-21	6.1%	4.9%	4.3%	4.7%	5.5%	7.5%	4.6%
Oct-21	5.8%	4.7%	4.1%	4.6%	5.3%	7.3%	4.6%
Nov-21	5.1%	4.1%	3.5%	4.2%	4.7%	6.9%	4.2%
Dec-21	4.8%	3.9%	3.3%	4.2%	4.4%	5.0%	3.7%

Source: EDD Labor Market Information



Historical Sacramento MSA Unemployment

The unemployment rate for the Sacramento MSA is 4.4% as of December 2021 which compares to 7.9% a year ago. The State of California unemployment is 5.0% currently which compares to 8.8% a year ago and the National unemployment is 3.7% which compares to 6.7% a year ago. It appears the economy is recovering as unemployment

numbers trend downward and each month shows positive job gains locally and nationally. According to the EDD between December 2020 and December 2021, total jobs in the Sacramento MSA increased by 38,300 jobs. The three largest categories to add job were Leisure & Hospitality adding 11,300 jobs, Government adding 5,000 jobs, and Educational & Health Services adding 5,000 jobs. Overall, all of the industry categories indicated positive job growth over the past year. Most economists agree the economy is improving as job growth comes back within the region.

Residential Housing: As noted on the following table, are the median home prices within the four County Region (Sacramento, Placer, El Dorado, and Yolo) as of December 2021, per the Zillow and DataQuick.

Median Home Sale Price By County		
County	Median Price	Percentage
	Dec-21	Change YTY
Sacramento County	\$523,804	21.3%
Placer County	\$684,019	21.1%
El Dorado County	\$671,344	24.4%
Yolo County	\$608,202	20.2%

Source: Zillow/CoreLogic

As noted on the table above, the median sale price on an existing home has been upward trending within all four of the main counties (Sacramento, Placer, El Dorado and Yolo) which is reflecting the strong demand for housing within the region. Most brokers stated there has been strong demand from Bay Area people relocating to the Sacramento region since the start of Covid-19.

Transportation: Sacramento County has an extensive network of freeways that provides access to all parts of the region. Interstate 80 connects Sacramento with San Francisco to the west and Reno to the east. U.S. Highway 50 connects Sacramento with Lake Tahoe to the east and intersects with Interstate 5/80 in downtown Sacramento to the west. Interstate 5 is the main north-south route through the interior of California and Highway 99 parallels Interstate 5 through central California.

Summary: Overall, Sacramento County represents an attractive location for both businesses and residents due to its diverse and desirable living environment and growing population. The Sacramento County market had been improving over the past several years with increased population, employment and income growth correspondingly the commercial and industrial markets have been improving with decreasing vacancy and rising rental rates and positive price appreciation coupled with new construction in the residential market. However, the impact the Covid-19 is anticipated create uncertainty in most sectors of the economy as well as the commercial/residential markets over the next 12 months.

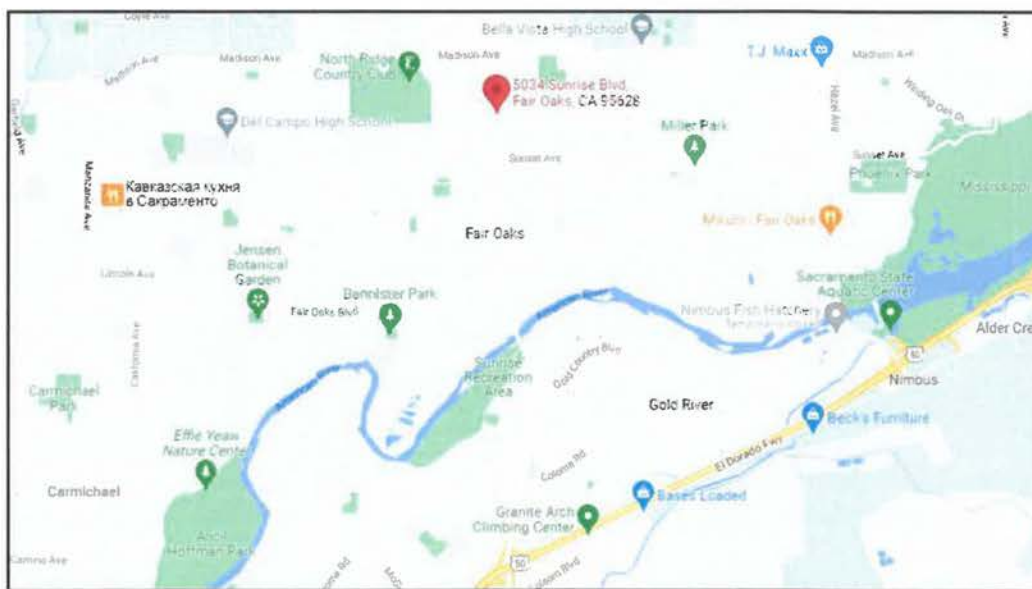
Coronavirus (COVID-19) It appears as of 1Q-2022 the negative impacts of the COVID-19 restrictions are beginning to decrease as noted by decreasing case numbers and

deaths, coupled with the roll out of vaccines. The economy is showing signs of improvement with positive employment numbers, decreasing jobless claims, people returning to offices, retail and restaurants open, schools re-opening and good consumer demand for most of 2021. Typically, commercial real estate is a trailing indicator as it takes time for elements such as increasing vacancy rates, declining rental rates and changes in unemployment to reflect in buyers'/sellers' rates of return and purchase decisions. Recent discussions with local commercial brokers suggest that some investors are in a wait-and-see mode as investors look to the Federal Government for guidance as well as stimulus packages, banks leading policy. Also, it is unclear how banks will revise lending policies based on increased demand for credit across the market. Within the local market it appears there have been strong demand by owner users over the past several quarters in the office and industrial sectors as buyers take advantage of low interest rates. The retail sector is slower to recover but is showing signs of improvement but there have been issues related to supply change for products which has further negatively impacted this segment. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.

Neighborhood Profile

The subject property is located on the northeast corner of Sunrise Boulevard and Sunrise Ridge Drive in Fair Oaks. More specifically, the subject’s neighborhood boundaries are delineated as Madison Avenue to the north; Highway 50 to the south; San Juan Avenue to the west, and Hazel Avenue to the east. Please refer to the Neighborhood Map. The immediate area environs comprise the following:

- North:** Office, retail and commercial service uses along Sunrise Blvd
- South:** Office, retail and commercial service uses along Sunrise Blvd
- East:** Detached single family
- West:** Detached single family



Neighborhood Map

In general, the land uses within the immediate neighborhood area are comprised of office retail, and commercial service related uses with detached single family homes on the secondary arterials surrounding within the surrounding neighborhood area. The subject improvements are considered similar to most surrounding buildings found throughout the immediate market area with regards to age/condition, and overall construction. The overall occupancy appears stable within the market area with regards to office related uses with most projects in average to good condition. Overall, the subject property is located in a stable and mature neighborhood with good arterial linkages to surrounding areas. Based upon these factors, the neighborhood is considered to have good office appeal

Primary access to the subject’s neighborhood is provided by Sunrise Boulevard which has good accessibility to surrounding arterials. The subject property is accessed via curb cuts along Sunrise Ridge Drive. Freeway access is provided via Sunrise Boulevard to Highway 50 approximately three miles south of the subject property and Interstate 80 via Madison Avenue approximately 5 miles west of the subject property.

Hazards and Nuisances The neighborhood is not affected by any significant hazards or nuisances. There were no hazards/nuisances or other adverse conditions noted, nor were any conditions of external obsolescence noted. Overall, the trend for the neighborhood is one of stability, and due to the limited supply of available land, future competition is expected to be minimal.

Summary: The neighborhood has features and qualities which contribute to a positive demand for real estate. All utilities are available throughout the neighborhood and the improvements in the area are generally in average condition. The streets and other public areas are also in average condition, and parking is adequate. The subject property benefits from the features of the neighborhood.

Market Overview

As stated, the subject property consists of a 7,286 square foot office building. Given the current use and design of the subject property I have summarized the local office market. With regards to the competitive market, I have reviewed quarterly studies from several of the major brokerage houses that service the Sacramento Region. In general, the subject's competitive market area is considered to be the *Fair Oaks/Carmichael* sub-market. The information on the following table was provided by *CB Richard Ellis Sacramento Area Office Market 4Q 2021*.

Submarket	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Q4 Net Absorption	YTD Net Absorption	Average Direct Asking Rate (\$)
Midtown	1,405,078	11.6%	20.6%	-51,193	-25,980	\$2.42
West Sacramento	1,237,876	2.8%	2.9%	5,936	975	\$2.17
South Sacramento	1,839,746	10.0%	10.2%	3,946	-15,293	\$1.55
East Sacramento	930,092	5.3%	7.8%	-1,180	-7,562	\$2.29
Howe Ave/Fulton Ave	2,167,581	14.0%	14.7%	-13,620	-40,405	\$1.70
Natomas/Northgate	2,255,506	14.4%	17.4%	-51,264	-54,048	\$1.72
Watt Ave/Auburn Blvd	1,201,191	19.1%	25.8%	318	17,956	\$1.73
Highway 50 Corridor	11,139,738	18.5%	28.8%	-157,660	-355,063	\$1.85
Carmichael/Fair Oaks	396,335	14.2%	14.2%	-2,737	-25,441	\$1.54
Citrus Heights/Orangevale	1,021,586	18.0%	18.2%	4,797	-15,479	\$1.33
Point West/ Tribute	2,147,745	16.0%	21.9%	-52,015	-50,573	\$2.06
Campus Commons	1,337,768	11.8%	13.0%	6,566	49,603	\$2.17
Folsom	2,631,083	6.0%	10.5%	318	26,112	\$2.24
Elk Grove/Galt	1,107,419	3.7%	4.8%	-3,112	23,119	\$2.54
Roseville/Rocklin	7,632,876	13.0%	21.1%	36,045	-147,041	\$1.89
South Natomas	3,298,340	16.8%	23.3%	-16,027	-60,944	\$2.24
Midtown	1,405,078	11.6%	20.6%	-51,193	-25,980	\$2.42
West Sacramento	1,237,876	2.8%	2.9%	5,936	975	\$2.17
South Sacramento	1,839,746	10.0%	10.2%	3,946	-15,293	\$1.55
East Sacramento	930,092	5.3%	7.8%	-1,180	-7,562	\$2.29
Suburban	41,749,960	14.0%	20.2%	-290,882	-680,064	\$1.94
Downtown	10,135,219	10.9%	15.7%	-165,859	-206,304	\$3.06
Market Total	51,885,179	13.4%	19.3%	-456,741	-937,609	\$2.10

Source: CBRE Research

The strict state-at-home orders due to Covid-19 pandemic have been lifted and businesses have been allowed to operate at full capacity, but the office market continues to navigate the challenges created by new virus variants. In turn, many companies have not returned to full office capacity and companies are uncertain as to future office needs at this time. The ongoing vaccine distribution as well as the decline in cases regionally has increased optimism in the market and allowed both local and national tenants to revisit their space requirements. Obviously, tenants and landlords are reviewing their lease obligations and sifting through tenant obligations. As waves of Covid-19 continued during the past year and new variants continue, the Sacramento office market is learning how to function amid the pandemic.

According to *CBRE Office Market Overview 4Q 2021* the greater Sacramento Metropolitan Office Market is comprised of 17 sub-markets and over 51.8 million square feet with a current direct vacancy rate of 13.4% and overall vacancy rate including sub-lease space at 19.3% with an average asking rent of \$2.10/SF/month, FSG. The direct vacancy was up from the prior quarter at 12.7% and up from a year ago at 11.2%. The overall vacancy rate (including sublease) was down slightly from the prior quarter at 19.5% but up from a year ago at 17.2%. Currently, sub-lease space is accounting for approximately 5.9% of the total available office inventory. The suburban office market accounts for 41.7 million square feet in 16 submarkets with direct vacancy rate of 14.0% and overall vacancy rate including sub-lease space at 20.2% with an average asking rent of \$1.94/SF/month, FSG. The downtown office market accounts for 10.1 million square feet with direct vacancy rate of 10.9% and overall vacancy rate including sub-lease space at 15.7% with an average asking rent of \$3.06/SF/month, FSG.

Sacramento Office Market Overview CBRE 4Q 2021						
Type	Inventory	% Mkt	Direct Vacant SF	Direct Vacancy	*Vacancy Rate	Avg. Asking Rent (FSG)
Class A	20,433,638	39%	2,783,936	13.6%	19.9%	\$2.45
Class B	19,575,501	38%	2,210,338	11.3%	18.5%	\$1.94
Class C	11,876,040	23%	1,953,877	16.5%	19.5%	\$1.65
Total	51,885,179		6,948,151	13.4%	19.3%	\$2.10

(*) Includes Direct & Sublease Space

In general, the office rents have been flat over the past year with the overall office average asking office rent at \$2.10/SF/month, FSG; within the suburban markets the average asking rent was \$1.94/SF/month, FSG and in the downtown Sacramento area it was \$3.06/SF/month, FSG. Overall, the average office market rent was \$2.10/SF/month, FSG which was unchanged over the past year. Among all major metropolitan areas, Sacramento ranked 10th in the nation in trailing 12-month rent gains. The average Class A office rent in the current quarter was \$2.45/SF/month, FSG which is down \$0.02/SF/month or 0.8% from a year ago at \$2.47/SF/month; average Class B office rent at \$1.94/SF/month, FSG was down \$0.12/SF/month or 5.8% from a year ago at \$2.06/SF/month; and the average Class C office rent at \$1.65/SF/month, FSG was up \$0.09/SF/month or 5.8% from a year ago at \$1.56/SF/month, FSG..

The Sacramento office market indicated negative net absorption of 456,741 square feet in 4Q 2021 and as noted on the Marketview table and only six of the 17 submarket indicated positive net absorption in the current quarter with the remaining submarkets indicating negative net absorption. The State of California accounted for over 275,000 square feet of the negative net absorption in the quarter. This is considered to reflect the impact of COVID-19 on the local market inventory as employers decrease floor plates and give space back. Additionally, as noted the YTD 2021 net absorption was negative 937,609 square feet. This compares to EOY 2020 at negative 814,319 square feet, EOY 2019 positive 744,781 square feet and EOY 2018 positive 1,332,906 square feet. On the positive side, the market has stable leasing activity as restriction have been lifted and companies now are

being allowed to operate at full capacity. Additionally, there is minimal new construction and continued healthcare and public sector occupancies which should further help to increase demand for space. In general, leasing activity was steady mainly attributed to renewals in the suburban markets within the region. The Sacramento office market is expecting an increase in both long-term renewals and new leasing heading into 2022 as tenants are actively looking for space.

In general, the office market appears unsettled as rental rates increased or remain flat in most submarkets but vacancy rates increase and net absorption was negative for many of the submarkets. The impact of work from home orders has many businesses reevaluating their urban footprint and office space requirements moving forward. The question remains how office tenants will handle bring employees back to work and what the new office configurations/floor plate requirements will be with social distancing guidelines. Obviously, tenants and landlords are reviewing their lease obligations and sifting through tenant obligations. The Sacramento office market continues to show strong interest by institutional and individual investors. On the leasing side, government agencies continue to be the most active tenants in the market followed by Technology and Business Services. However, there is limited availability of quality large blocks of office space and many tenants are choosing to sign long term deals to retain their current space. Prior to the pandemic, employment growth came primarily from defensive labor sectors, specifically government, education, and healthcare. While that helped to limit the number of layoffs during the pandemic, these typically grow slowly. Nevertheless, they are driving market activity. Additionally, there is good employment growth in the financial services, professional services, and information technology sectors. All of these industries have shown year-over-year increases, of 2.3%, 5.3%, and 7.6%, respectively. These sectors are recovering faster than many others, as the professional and business services sector has recouped 74% of lost jobs and financial activities brought back 53%.

According to *Costar* there is 1.5 million square feet of office space under construction in the Sacramento Region and virtually all projects are build-to-suit with various state government agencies slated to occupy a majority of the new space. The Downtown submarket has two projects under construction 1215 O Street (360,000 SF 11 story) and Natural Resources Agency headquarters (838,000 SF 21 story). Otherwise, there is no speculative construction in any of the submarkets at this time. The lack of speculative product has positioned Sacramento for a quick turnaround relative to the global financial crisis.

The global pandemic has created an economic breakdown, but out of unplanned disruption, has come greater learning and preparation. Employers are safeguarding employees and safely reopening workplaces; including, compliance with public health mandates for employee screening, social distancing, and larger space requirements. It is unclear how long and far the “hold for now” attitude will be observed, however, it is likely we can expect an unstable market. On the positive side Sacramento is well positioned for a healthy recovery due to the market’s high concentration of durable jobs in the government, healthcare and financial service sectors. In general, capital restraints on investors such as higher equity requirements and most likely increasing interest rates will impact sales activity moving forward. Currently, local area brokers stated demand for office product

has picked up over the past several quarters as COVID restrictions decrease and buyers/investors return to the market. The completed development of Golden 1 Center and future Railyards development should further increase demand for office in the Downtown and Midtown areas as well as regionally. Given the minimal amount of speculative construction it is anticipated that existing trends in the office market will continue but at a slower pace with possible recovery in the later part of 2022. Investment activity should remain stable as investors from in and outside the market find value in Sacramento’s improving market fundamentals and strong government tenant base and strong suburban market fundamentals.

Carmichael/Fair Oaks Office Market

According to the *CB Richard Ellis Sacramento Area Office Market 4Q 2021*, the subject property is located within the Fair Oaks/Carmichael sub-market 396,335 square feet or 0.8% of total Sacramento Office Market with direct vacancy rate at 14.2% and an overall vacancy rate including sublease space at 14.2% and average rental rate of \$1.54/SF/month, FSG. As noted on the table below, I included office data based upon product type which tends to be more detailed within the sub-market.

Carmichael/Fair Oaks Sub-Market Overview CBRE 4Q 2021					
Type	Inventory	% Mkt	Direct Vacancy	*Vacancy Rate	Avg. Asking Rent (FSG)
Class A	70,000	18%	0.0%	0.0%	\$0.00
Class B	108,394	27%	21.6%	21.6%	\$1.44
Class C	217,941	55%	15.0%	15.0%	\$1.63
Total	396,335		14.2%	14.2%	\$1.54

(*) Includes Direct & Sublease Space

The direct vacancy was up from the prior quarter at 13.5% and up from a year ago at 11.6%. The overall vacancy rate (including sublease) was up from prior quarter at 13.5% and up from a year ago at 13.2%. The average rent in the Fair Oaks/Carmichael submarket is \$1.54/SF/month, FSG which is up 6.2% or \$0.09/SF/month from a year ago at \$1.45/SF/month, FSG. The subject property is considered to compete with Class C office product due to the location along Sunrise Boulevard and quality/appeal of the space. As indicated the Class C space accounts for 55% of the office inventory with a direct vacancy rate of 15% and an average asking rent of \$1.63/SF/month, FSG. Most investors have projected a stabilized vacancy rate of five (5) to fifteen (15) percent depending upon the tenant mix and building size and/or use i.e. office, Class A, B, or C.

With regards to absorption, variance is highly dependent on location, product-type/design and rental rates. The following is the historical absorption within the sub-market over the past quarters as well as EOY 2021, 2020, 2019 and 2018.

Historical Carmichael/Fair Oaks Net Absorption								
	YTD					EOY	EOY	EOY
	2021	4Q-21	3Q-21	2Q-21	1Q-21	2020	2019	2018
Net Absorption	(25,441)	(2,737)	(10,908)	(11,100)	(696)	883	(12,444)	498

According to CBRE, the Fair Oaks/Carmichael sub-market had a negative net absorption in the current quarter of 2,737 square feet with YTD 2021 at negative 25,441 square feet. The EOY 2020 was positive 883 square feet, EOY 2019 at negative 12,444 square feet and EOY 2018 was positive 498 square feet. Absorption is projected to continue to be soft due to small size of the market area and large amount of older non-functional office space within the Fair Oaks/Carmichael submarket area as well as the negative impacts of Covid-19 due to unemployment. Most brokers stated the submarket is considered an affordable alternative to other areas.

Rental Rates/Terms

According to *CBRE Sacramento Office Market Report 4Q 2021*, the average Suburban office rent was \$1.94/SF/month, FSG; and the overall average office market rent was \$2.10/SF/month, FSG. As noted on the table, the overall average office rent in the Fair Oaks/Carmichael was \$1.54/SF/month, FSG which was up 6.2% or \$0.09/SF/month from \$1.45/SF/month a year ago. As indicated on the table below is the average asking office rents by product type over the past year.

Historical Average Asking Rental Rates (FSG)				
Carmichael/Fair Oaks Sub-Market				
Type	Yr \$/SF/M	1 Yr %	4Q-21	4Q-20
Class A	\$0.00	NA	\$0.00	\$0.00
Class B	\$0.01	0.7%	\$1.44	\$1.43
Class C	\$0.16	10.9%	\$1.63	\$1.47
Market Average	\$0.09	6.2%	\$1.54	\$1.45

The majority of the leasing being completed comprised relocations or renewals. Most leases are being written with annual CPI increase of 3.0 percent or fixed annual bumps of \$0.05/SF/month depending upon size and location, with terms of 1 to 5 years. Many landlords are offering discounted rent for tenants that take second generation space “as is” condition. Also, many landlords are offering *blend and extend* where by the owner will drop the existing contract rent rental rate and extend the term of the lease. Based upon discussions with local area office brokers most indicated that rental rates within the subject’s immediate market area Madison Avenue/Sunrise Boulevard office space ranges from \$1.10 to \$1.60 per square foot, full service gross and modified gross basis. The typical tenant improvement allowance on new space is \$30 to \$40 per square foot and on second generation space ranges from none to \$5 to \$10 per square foot depending upon the lease term, tenant credit and condition. Most office brokers expect lease rates to firm up as tenant demand increases. Typical rent concessions within the local market is approximately one month for each year of lease term, depending on tenant credit and tenant improvements. Exposure is over six months on most of the smaller office product.

New Construction

According to TRI Commercial, there is no new construction within the Fair Oaks/Carmichael sub market. Given the large amount of older office space and lack of new construction should allow existing office inventories to be absorbed. In general, new construction is anticipated to be minimal due to weak market fundamentals and high vacancy in the submarket.

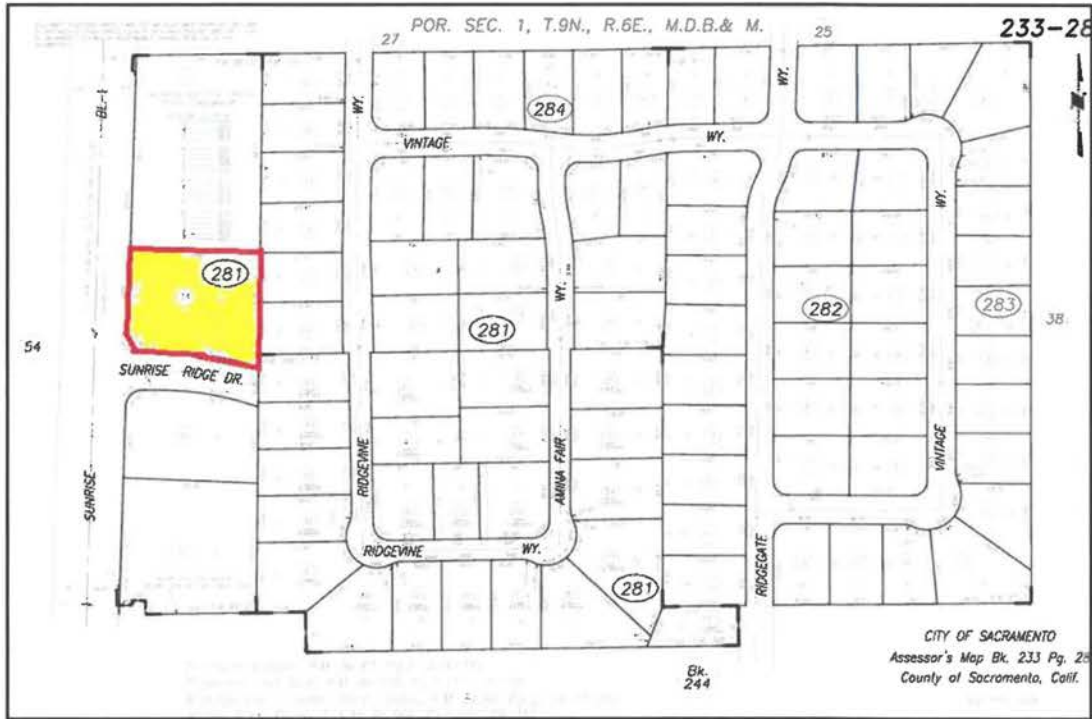
Conclusion

In general, the Fair Oaks/Carmichael sub-market is considered soft for general office space due to the older non-functional office product in the market as noted by the high direct vacancy at 14.2%, stable/affordable rental rates but absorption is soft due to the large amount of older office product. Overall, the local market is considered a desirable affordable alternative for medical office, insurance, and financial service tenants looking for central location in the Sacramento region. The subject property is considered to have a good location within the local area market due to the access to amenities and locational desirability.

Coronavirus (COVID-19) Outbreak In general the greater office market is being negative impacted by the COVID-19 outbreak which will most likely have negative impact (financing, rental rates, vacancy rates, and equity requirements) on larger office assets in the near term.

Description of Site

The following is a summary of pertinent information applicable to the subject site. Please refer to Plat Map for further information.



Plat Map

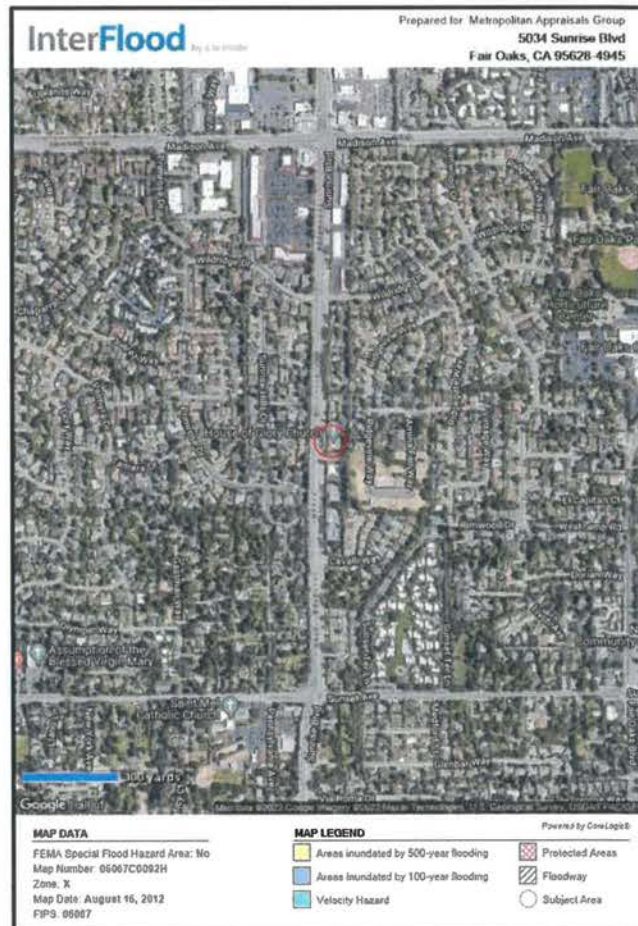
- Address: 5034 Sunrise Boulevard
Fair Oaks, Sacramento County, California
- Assessor's Parcel No.: 233-0281-033
- Legal Description: No legal description was provided by the client and the appraiser has relied upon public records. It is suggested that this legal description be verified before use in a legal document, or conveyance.
- Preliminary Title Report: No title policy was made available to the appraiser, and the appraiser assumed no responsibility for such items of record not disclosed by the appraiser's customary investigation. I have reviewed County Records, which properly identified the subject property. The appraiser recommends a Title Report be ordered prior to sale or transfer of subject property. Title is assumed to be good and marketable.

Site Area:	0.65 acres or 28,314 SF
Configuration:	Irregular shaped
Topography:	Level at street grade .
Access:	One curb cut along Sunrise Ridge Drive
Exposure:	Good exposure
Utilities & Services:	All municipal utilities, including water, sanitation sewer, gas, electricity and telephone services, are available and directly connected to the subject property
Zoning:	BP (PDC): Business Professional Planned Development County, Sacramento County
Conformance:	Based upon review of the zoning ordinance in conjunction with discussions with local planning officials, the existing improvements constitute a legal and conforming use of the site.
Opportunity Zone:	Based upon the subject's census tract number and review of the allowable census tracts in the State of California per the Department of Finance the subject property is <u>not</u> located in an opportunity zone.
Easements/Encroachments:	There does not appear to be any adverse easements or encroachments that would diminish the utility or marketability of the subject property. This valuation assumes that the market value of the subject property is not adversely affected by any easements, encroachments or other special conditions.
Hazardous Waste/ Toxic Substances:	An environmental site assessment was not provided to the appraiser, and the appraiser's visual inspection of the subject property did not reveal evidence of obvious environmental contamination. Refer to Assumption and Limiting Conditions of this appraisal
Alquist-Priolo Study Zone:	The subject property is not located within a Special Studies Zone as designated by the California State Division of Mines and Geology.
Flood Plain	
Flood Zone:	X

Flood Map No.: 06067C0092H;
Effective date: August 16, 2012

Flood Comment: The subject is not in a flood hazard area as defined by the Federal Emergency Management Agency (FEMA). The subject property is not in a County that has been declared a disaster area by the Federal Emergency Management Agency (FEMA) in the past 6 months.

Conclusion: The subject site is well located, with access and dimensions meeting the demands of the market. The physical and functional characteristics of the subject conform with its surroundings and meet the desires and standards of typical purchasers in the market.



Flood Map

Assessed Valuation and Taxes

The subject property is under the taxing authority of the County of Sacramento, California. Below is a summary of the 2021-2022 assessed values and corresponding real estate taxes charged against the subject site and improvements for the current fiscal year.

Assessed Valuation	
Assessor's Parcel Number	233-0281-033
Tax Rate	1.22740%
Assessed Land Value	\$288,786
Assessed Improvement Value	<u>\$713,476</u>
Total Assessed Value	\$1,002,262
Indicated Taxes	\$12,301.76
Plus: Special Assessments	<u>\$435.68</u>
Total 2021/2022 Taxes	\$12,737.44

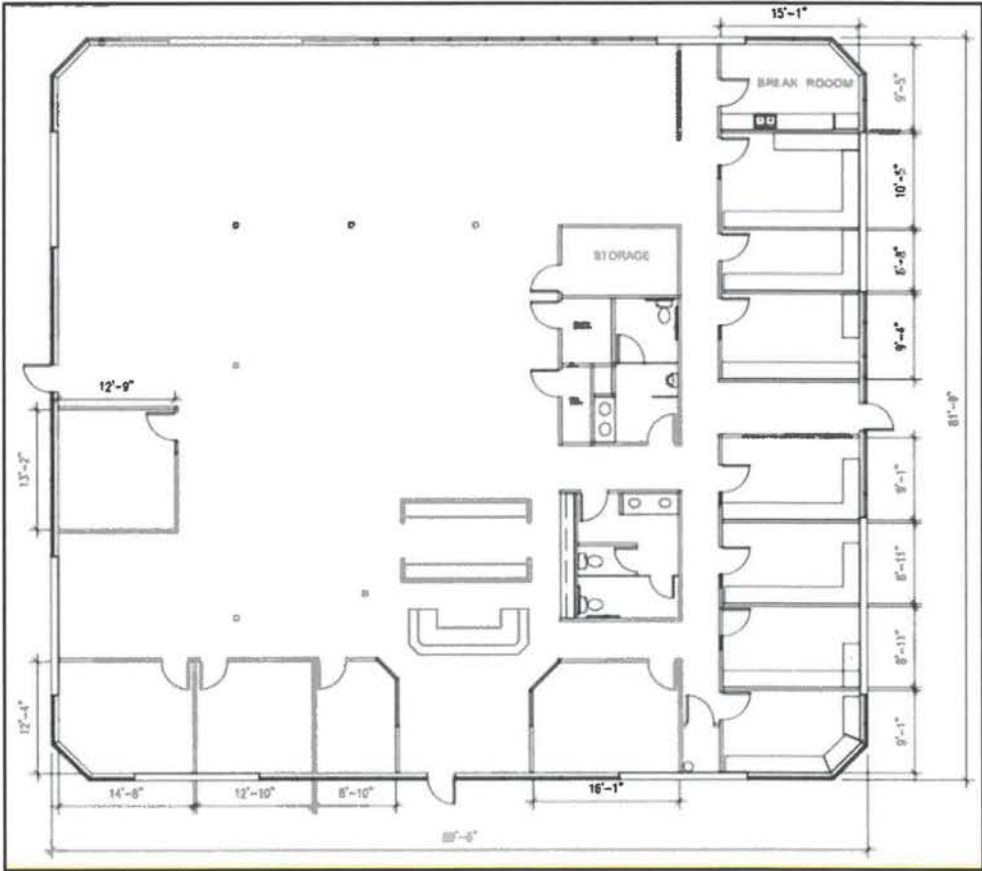
Comments: Public records do not indicate any delinquencies in the taxes.

Public records do not indicate any delinquencies in the property taxes. Pursuant to Article XIII of the California Tax and Revenue Code (Prop. 13), properties shall be taxed on their full cash value as of March 1, 1975, the base year lien date. Beyond this date, assessed value may only be increased at a maximum of 2.0% per year until such time as a.) the property is sold, b.) substantial new construction occurs, or c.) the use of the property is significantly changed, in which event the property may be reassessed at its then current market value. Because this appraisal assumes a hypothetical sale of the subject property, the estimate of taxes utilized in the analysis of the subject property is based on a reassessment pursuant to Prop. 13.

Description of Improvements

The following description of the improvements is based on a information derived from review of building plans, knowledge of construction techniques, and physical inspection of the property on May 10, 2022 in conjunction with county records. Please refer to site plan provided at conclusion of this section.

The subject property is comprised of a 1-story 7,286 square foot office building constructed in 1987. The interior has reception area, 10 private offices, conference room, break room, file room, two ADA restrooms and open office area. The building has 35 open parking spaces along the east and north side of building.



Building Layout

General Building Description

Design/Current Use:	Office Building
Gross Building Area:	7,286 square feet (per Plans)
Site Coverage Ratio:	25.73% (7,286 SF/ 28,314 SF)
Floor Area Ratio:	25.73% (7,286 SF/ 28,314 SF)
Year Built:	1987
Effective Age:	15 years
Economic Life:	45 years
Remaining Economic Life:	30 years
Foundation:	Reinforced concrete slab
Quality/Condition	Average/Average
Exterior Walls:	Concrete block/wood frame
Roof Description:	Built up composition roof with roof mounted HVAC
Landscaping:	Adequate including mixture of grass, trees, and shrubs
Parking Spaces:	35 open spaces along east and north side of building
Parking Ratio:	4.80 spaces per 1,000 SF GBA
Fire Sprinkler:	Yes

Interior Finish

Floor Cover:	Typically tile and carpet in lobby and carpet in office areas and vinyl/tile in restrooms
Interior Partitions:	Sheetrock painted and/or painted drywall over frame
Ceilings:	Attached or suspended acoustical tile panels with attached or recessed fluorescent light fixtures
Insulation:	Assumed adequate
HVAC:	Individual package units. HVAC roof mounted units
Electrical Systems:	Standard building package for typical office use and assumed to be in proper working order.
Lighting:	Fluorescent
Restrooms:	Two restrooms all with standard fixtures and tile floors. . It appears the restrooms do meet ADA compliance

Condition Survey

Hazardous Conditions:	None noted
Deferred Maintenance:	None noted
Physical, Functional, External Obsolescence:	None noted
Non-Real Property:	None
Comments:	In terms of its design and construction, the subject property does meet the demands of the market. The subject property, as improved, can suitably compete within the marketplace. No adverse conditions were noted. The property appears to be well maintained office building that would appeal to a variety of users

Highest & Best Use – “As If Vacant”

Based upon the current zoning code and surrounding land uses, coupled with the size of the subject site, it would seem reasonable that an office related use would be the most feasible. There is currently a demand for office use in the neighborhood of the subject site. Due to the access and exposure offered in this location, and the office related characteristics of the immediate area, an office related use would represent the use that would give the greatest net return to the land. However, given the current state of the economy and soft market conditions, it would appear the most financially feasible use of the subject site as vacant would be to hold for future development or contract for a build-to-suit project. It is my opinion the highest and best use of the subject site, as though vacant, other than for development on a build-to-suit basis, would be simply holding the land for future development on a speculative basis when market conditions are stronger and supply/demand characteristics are more in equilibrium.

Highest and Best Use - "As Improved":

The highest and best use of the subject property, as improved, is its current use as an office building. The improvements were constructed for an office use and appear to be in average condition with approximately 30 years of economic life remaining. The existing use is a legal and conforming use of the site under the current BP (PDC): Business Professional Planned Development County zoning code. There is no other alternative legal use which could justify removal of, or addition to, the existing improvements at this time. The existing use is therefore concluded to be the highest and best use as improved.

Most Probable Buyer: The most probable buyer for the subject property is an owner/user. Owner/users currently make up a majority of the buyers of similar properties in the marketplace.

ANALYSIS OF DATA AND CONCLUSIONS

Appraisal Process - Valuation Methodology

As stated, in the Scope of the Appraisal, the most probable buyer for the subject property is an owner/user, only the Sales Comparison Approach has been applied in the analysis. It is the appraiser's opinion that the scope of research and analysis associated with this appraisal is adequate to produce a credible value conclusion that will serve the needs of the client.

In my analysis of the subject property, I have applied the Sales Comparison Approach to estimate market value. The income capitalization and cost approaches were not applied as discussed previously in report.

Sales Comparison Approach

In the Sales Comparison Approach, the appraiser estimates the value of a property by comparing it with recent sales of similar properties. By analyzing sales of comparable properties, which qualify as arms-length transactions between willing and knowledgeable buyers and sellers, the appraiser can identify market value and price trends. For comparison, the sales are analyzed on the basis of price per gross square foot. The sales price per square foot is considered to be a reliable unit of comparison based upon interviews with buyers and sellers in the marketplace. The sales are adjusted (wherever necessary) for varying characteristics.

Market Data and Analysis

A search was made for offers, listings, escrows and sales of comparable office buildings which have close proximity to subject property in the local market area of Sacramento County and surrounding areas. The comparable sales uncovered were considered fairly representative of investors' expectations and price per square foot currently being obtained within the subjects immediate market area.

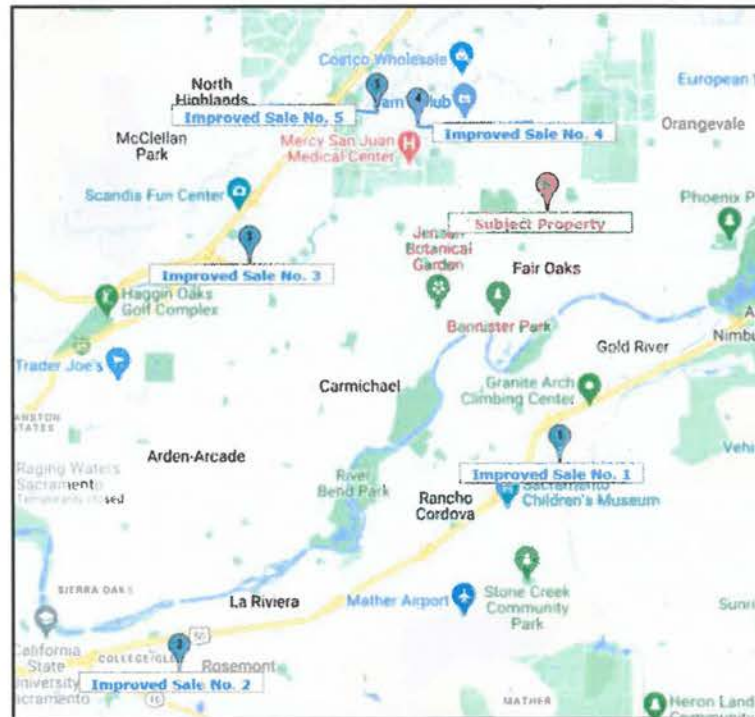
Unit of Measurement: Price Per Rentable SqFt of building was abstracted from the market data, where appropriate and were utilized in the Sales Comparison Approach to value. Overall capitalization rates were derived from the market data and utilized in the Income Capitalization Approach to value.

Market Data: In all, several items of market data were discovered which had varying degrees of comparability to the subject property. The table on the following page summarizes the comparable sales used in the analysis followed by a brief discussion of each sale comparable and analysis of the adjustments applied to each sale. Detailed data sheets on each sale have been retained in the office files.

SALE COMPARISON APPROACH

Comparable Sales Summary

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Address	5034 Sunrise Blvd	2860 Gold Tailings	8689 Folsom Blvd	4380 Auburn Blvd	6560 Greenback Lane	5959 Greenback Lane Bld 400
City	Fair Oaks	Rancho Cordova	Sacramento	Sacramento	Citrus Heights	Citrus Heights
APN	233-0281-033	072-0490-005	078-0153-011	240-0420-033	229-0790-001	229-0010-037
Sale Price	N/A	\$1,650,000	\$1,450,000	\$1,350,000	\$1,836,000	\$1,085,000
Date of Sale	N/A	1/28/2022	1/28/2022	12/15/2021	7/22/2021	1/16/2020
Property Rights	Leased Fee	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Leased Fee
Condition of Sale	None	None	None	None	Tenant Purchase	Sale Leaseback
Financing Terms	Cash	Conventional	Conventional	Cash	Conventional	Cash
Buyer Type	Owner User	Owner User	Owner User	Partial Owner User	Owner User	Investor
Current Use	ST Office Class C	ST Office Class C	ST Office Class C	MT Office Class C	Office Class C	ST Office Class C
Rentable SF	7,286	8,064	7,602	6,024	8,800	6,640
Price/Rentable SF	N/A	\$204.61	\$190.74	\$224.10	\$208.64	\$163.40
Number of Stiores	1	1	1	1	1	1
Year Built	1987	1999	1994	2000	1979	1982
Actual Age at Sale	35	23	28	22	43	40
Construction Type	C-CB/WF	C-Masonry/Brick	C-CB/WF	D-WF/Brick	D-WF/Stucco	D-WF/Stucco
Site Size (Acres)	0.65	1.08	0.76	0.46	0.69	0.65
Land to Building Ratio	3.89	5.83	4.35	3.32	3.42	4.28
Floor Area Ratio	26%	17%	23%	30%	29%	23%
Occupancy at Sale	0%	0%	0%	64%	0%	100%
OAR (Actual)	N/A	N/A	N/A	N/A	N/A	6.17%



Improved Sale Map

COMPARABLE SALES PHOTOGRAPHS



**2860 Gold Tailings Court
Sale No. 1**



**8689 Folsom Blvd
Sale No. 2**



**4380 Auburn Boulevard
Sale No. 3**



**6560 Greenback Lane
Sale No. 4**



**5959 Greenback Lane Bld 400
Sale No. 5**

Comparable Sale Analysis

The following is a brief discussion of the comparable sales. These comparables were considered the best indication of value for the subject property on a price per square foot basis. The value is estimated based upon comparison, analysis and adjustments to the comparable sales

Sale No. 1 (2860 Gold Tailings Court, Rancho Cordova) The property is located on the west side of Gold Tailings Court just west of Sunrise Boulevard in the city of Rancho Cordova. Improvements comprise a 1-story 8,064 square foot office building constructed in 1999. The property sold in January 2022 for \$1,650,000 or \$204 per square foot to an owner user. As compared to the subject property, an upward for inferior location (Gold Tailing - Rancho Cordova vs subject Sunrise Boulevard – Fair Oaks) was indicated. However, a downward adjustment for age (1999 vs subject 1987) was indicated. Otherwise, the quality/appeal, size, and office design were considered similar. Overall, the adjustments offset.

Sale No. 2 (8689 Folsom Boulevard, Sacramento) The property is located on the northwest corner of Folsom Boulevard and Wissemann Drive in the city of Sacramento. Improvements comprise a 1-story 7,602 square foot office building constructed in 1964 and renovated in 1994. The property sold in January 2022 for \$1,450,000 or \$190 per square foot to an owner user. As compared to the subject property, an upward for inferior location (Folsom Boulevard -Sacramento vs subject Sunrise Boulevard – Fair Oaks) was indicated. Otherwise, the quality/appeal, size, age/condition, and office design were considered similar. Overall, an upward adjustment was indicated.

Sale No. 3 (4380 Auburn Boulevard, Sacramento) The property is located within the Oak Point Business Park along the east side of Auburn Boulevard in Sacramento County. Improvements comprise a 6,024 square foot multi-tenant office building constructed in 2000. The property sold in December 2021 for \$1,350,000 or \$224 per square foot to a partial owner user. According to the listing broker the property is 64% leased to one tenant the remainder is owner occupied. As compared to the subject property, an upward for inferior location (Auburn Blvd- Sacramento vs subject Sunrise Boulevard – Fair Oaks) was indicated. However, a downward adjustment for age (2000 vs subject 1987) was indicated. Otherwise, the quality/appeal, size, and office design were considered similar. Overall, the adjustments offset.

Sale No. 4 (6560 Greenback Lane, Citrus Heights) The property is located on the southwest corner of Greenback Lane and Dewey Drive in the city of Citrus Heights. Improvements comprise a 8,800 square foot office building constructed in 1979. The property sold in July 2021 for \$1,836,000 or \$208 per square foot to an owner user (existing tenant). As compared to the subject property, a downward for condition of sale (tenant purchase) was indicated. However, an upward adjustment for age (1979 vs subject 1987) was indicated. Otherwise, the location, quality/appeal, size, and office design were considered similar. Overall, a downward adjustment was indicated.

Sale No. 5 (5959 Greenback Lane Bld 400, Citrus Heights) The property is located on the northwest corner of Greenback Lane and Mathneny Way in Citrus Heights. Improvements

SALE COMPARISON APPROACH

comprise a 6,640 square foot office building constructed in 1982. The property sold in January 2020 for \$1,085,000 or \$163 per square foot to an investor. According to the selling broker the seller leased back the building for 10 years and the reported NOI was \$66,944 or an OAR of 6.17%. As compared to the subject property, an upward for date of sale (January 2020) due to softer market conditions and age (1982 vs subject 1987) was indicated. Otherwise, the location, quality/appeal, size, and office design were considered similar. Overall, an upward adjustment was indicated.

Sale Adjustment Grid

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Address	5034 Sunrise Blvd	2860 Gold Tailings	8689 Folsom Blvd	4380 Auburn Blvd	6560 Greenback Ln	5959 Greenback Lane Bld 400
City	Fair Oaks	Rancho Cordova	Sacramento	Sacramento	Citrus Heights	Citrus Heights
Sale Price	N/A	\$1,650,000	\$1,450,000	\$1,350,000	\$1,836,000	\$1,085,000
Rentable Area	7,286	8,064	7,602	6,024	8,800	6,640
Unadjusted Price/SF	N/A	\$204.61	\$190.74	\$224.10	\$208.64	\$163.40
Adjusted Price/SF	N/A	\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
Adjustments						
<i>Property Rights</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$204.61	\$190.74	\$224.10	\$208.64	\$163.40
<i>Financing</i>		Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$204.61	\$190.74	\$224.10	\$208.64	\$163.40
<i>Conditions of Sale</i>		Similar	Similar	Similar	Superior	Similar
% Adjustment		0.0%	0.0%	0.0%	-5.0%	0.0%
Adjusted Price/SF		\$204.61	\$190.74	\$224.10	\$198.21	\$163.40
<i>Time/Market Conditions</i>		Jan-22	Jan-22	Dec-21	Jul-21	Jan-20
% Adjustment		0.0%	0.0%	0.0%	0.0%	10.0%
Time Adjusted Price/SF		\$204.61	\$190.74	\$224.10	\$198.21	\$179.74
<i>Location/Exposure</i>		Inferior	Inferior	Inferior	Similar	Similar
% Adjustment		5.0%	5.0%	5.0%	0.0%	0.0%
Adjusted Price/SF		\$214.84	\$200.28	\$235.31	\$198.21	\$179.74
<i>Quality/Design/Configuration</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$214.84	\$200.28	\$235.31	\$198.21	\$179.74
<i>Size SF</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$214.84	\$200.28	\$235.31	\$198.21	\$179.74
<i>Age/Condition</i>		Superior	Similar	Superior	Inferior	Inferior
% Adjustment		-5.0%	0.0%	-5.0%	5.0%	10.0%
Adjusted Price/SF		\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
<i>FAR/Coverage</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
<i>Tenancy/Occupancy</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
<i>Other</i>		Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price/SF		\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
Adjustments to Time Adjusted Price per SF						
Net % Adjustments		0.0%	5.0%	0.0%	5.0%	10.0%
Net \$ Adjustments		\$0.00	\$9.54	\$0.00	\$9.91	\$17.97
Total Adjustments						
Net % Adjustments		0.0%	5.0%	0.0%	-0.2%	21.0%
Net \$ Adjustments		\$0.00	\$9.54	\$0.00	-\$0.52	\$34.31
Adjusted Price/SF		\$204.61	\$200.28	\$224.10	\$208.12	\$197.71
Adjusted Price Indications						
Minimum Adjusted Price / SF		\$197.71				
Maximum Adjusted Price / SF		\$224.10				
Average Adjusted Price / SF		\$206.96				

Conclusion

The preceding comparable sales represent the most recent sales activity of similar office buildings in the local market area. Most of the variance in the price per square foot among the comparables was attributed to the location and age. The comparables indicate an unadjusted price per square foot range from \$163 to \$224/SF. After taking into account various adjustments the comparables indicate an adjusted range from \$197 to \$224 per square foot or an average price per square foot of \$206 per square foot. In my analysis, primary consideration was given to Sale Nos. 1, 2 and 3 as they were considered the most similar with regards to date of sale, size, and quality/appeal. Secondary consideration was given to Sale No. 4 due to tenant purchase and Sale No. 5 due to date of sale and leaseback. With regards to the subject property, the primary elements of focus were the location (Sunrise Boulevard in Fair Oaks), size (7,286 square feet), age (1987), configuration (single tenant) use as well as current market conditions.

After careful consideration of the foregoing data and other factors, as well as discussions with local area brokers and developers, it is concluded that the fee simple value of the subject property, subject to the limiting conditions set out elsewhere in this report, is **\$205 per square foot** and is estimated as follows:

Summary of Sales Comparison Approach			
Building Size SF		\$/SF	Indicated Value
7,286	@	\$205.00	\$1,493,630
		Rounded:	\$1,495,000

Conclusion to Sale Comparison Approach

Based on the above and other factors, it is concluded that the value as indicated by the Sale Comparison Approach is **\$1,495,000**.

Reconciliation and Final Value Conclusion

As a result of the analysis and appraisal approaches to value, the indications of value are as follows:

Cost Approach	Not Applied
Income Approach	Not Applied
Sale Comparison Approach.....	\$1,495,000

In final summary, the value indication of each approach was weighed, considering the quality and quantity of information available to each. The Sale Comparison Approach is considered well substantiated and reflective means of evaluating an owner user property such as the subject. Given the amount of data obtained coupled with my discussions with investors and brokers involved in similar property types, a reliable value estimate was felt to be derived.

It is therefore concluded that, as of May 10, 2022 the estimated *As Is Value* of the fee simple interest in the subject property, is: **\$1,495,000.**

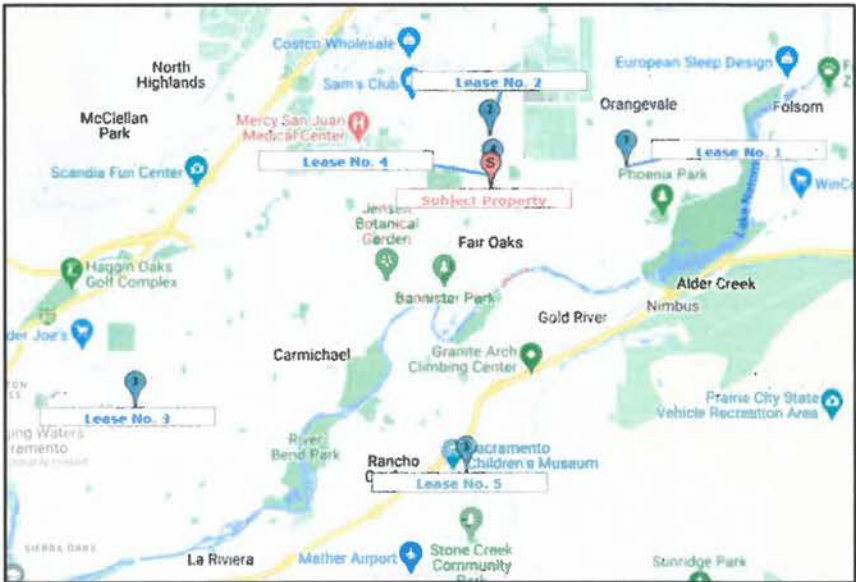
ONE MILLION FOUR HUNDRED NINETY-FIVE THOUSAND DOLLARS

Market Rent Analysis

The client has also requested an estimate of the market rent for the subject property. In order to estimate current market rent levels, I have researched the local market for recent leases executed and current asking rates on office space which display comparable physical and locational characteristics as the subject. Based upon an analysis of the immediate market area, I was able to uncover several executed lease contracts within the market. The table presented on the following page summarizes the rental comparisons which I have deemed to be most similar to the subject and which provide a good barometer for our estimate of market rent. Given the single tenant configuration of the subject property I have adjusted all the rental comparables to triple net basis for market rent.

Summary Table of Comparable Rentals

	Subject	Lease 1	Lease 2	Lease 3	Lease 4	Lease 5
Address	5034 Sunrise Blvd	8814-8822 Madison	5721 Sunrise Blvd	2233 Watt Avenue	5200-5252 Sunrise	10940 White Rock
City	Fair Oaks	Fair Oaks	Citrus Heights	Sacramento	Fair Oaks	Rancho Cordova
Rentable SF	7,286	12,562	12,016	49,880	20,480	79,880
Year Built	1987	1977	1984	1974	1979	2002
Current Use	ST Office Class C	MT Retail/Office	MT Office Class C	MT Office Class B	MT Retail/Office	MT Office Class B
Market Lease Comps						
Tenant		William Lyon & Assoc.	D&J Education Corp	World Financial Group	Cornerstone Speech Services	George Hills Company
Lease Date		Jan-22	May-21	Apr-21	Feb-21	Jan-21
Leased Area SF	7,286	9,062	2,761	1,766	1,306	3,626
Rental Rate \$/SF/mo		\$1.75	\$1.60	\$1.55	\$1.40	\$1.90
Escalations		Ann 3%	Ann \$0.05	Annual \$0.04	Ann \$0.05	Ann \$0.06
Lease Term (Months)		60	87	36	24	81
Expenses	NNN	NNN	MG	FSG	FSG	FSG
Free Rent		0	3	0	1	0
Tenant Improv (\$/SF)		\$11	\$35	\$2	\$0	\$0
TI Description		As Is/2nd Gen	As Is/2nd Gen	2nd Gen	2nd Gen C&P	As Is/2nd Gen



Rental Map

RENTAL COMPARABLES PHOTOGRAPHS



**8814 Madison Avenue
Rental No. 1**



**5721 Sunrise Blvd
Rental No. 2**



**2233 Watt Avenue
Rental No. 3**



**5200-5252 Sunrise Blvd
Rental No. 4**



**10940 White Rock Road
Rental No. 5**

Comparative Criteria

In analyzing each item of market data, a comparison was made between the market data and the subject property. Adjustments were made when differences existed between the subject property and the rental market data, and an adjusted rental rate was derived for each item of rental market data. Following is a discussion of those items of market data utilized in the determination of the market rental rate applicable to the subject property.

Rental No. 1 (8814-8822 Madison Avenue, Fair Oaks) The property is located on the southwest corner of Hazel Avenue and Madison Avenue in Fair Oaks.. Improvements comprise a 12,562 square foot multi-tenant retail/office building constructed in 1977 and updated in the past 10 years. The building is part of the Madison Marketplace shopping center 257,134 square feet and anchored by Raley's, TJ Maxx, Dollar Tree and Petco. This was a new lease of 9,062 square foot office unit which the landlord gave \$11/SF toward upgrades. As compared to the subject property, a downward adjustment for superior location/co-tenancy (Madison Avenue- Fair Oaks vs subject Sunrise Boulevard – Fair Oaks) was indicated. Otherwise, the size, quality/appeal, age/condition, and office design were considered similar. Overall, a downward adjustment was indicated.

Rental No. 2 (5721 Sunrise Blvd, Citrus Heights) The property is located on the northwest corner of Sunrise Boulevard and Kingswood Drive in the city of Citrus Heights. Improvements comprise a 12,016 square foot multi-tenant office building constructed in 1984. This was a new lease of 2,761 square foot office unit. As compared to the subject property, a downward adjustment for lease type (MG versus subject NNN-estimated \$0.20/SF/month), rent concessions and smaller size (2,761 SF vs subject 7,286 SF) was indicated. Otherwise, the location, quality/appeal, age/condition, and office design were considered similar. Overall, a downward adjustment was indicated.

Rental No. 3 (2233 Watt Avenue, Sacramento) The property is located on the west side of Watt Avenue just south of El Camino Avenue within the Howe/Watt Avenue submarket of Sacramento. Improvements comprise a 49,880 square foot 3-story Class B office building constructed in 1974 and renovated in 1991. This was a new lease of 1,766 square foot office unit on 2nd floor. As compared to the subject property, a downward adjustment for lease type (FSG versus subject NNN-estimated \$0.50/SF/month) and smaller size (1,766 SF vs subject 7,286 SF) was indicated. Otherwise, the location, quality/appeal, age/condition, and office design were considered similar. Overall, a downward adjustment was indicated.

Rental No. 4 (5200-5252 Sunrise Blvd, Fair Oaks) The property is located on the northeast corner of Wildridge Drive and Sunrise Boulevard in Fair Oaks. Improvements comprise 20,480 square foot multi-tenant office/retail building (7,040 SF office and 13,440 SF retail) constructed in 1979. This was a new lease of a 1,306 square foot office unit. As compared to the subject property, a downward adjustment for lease type (FSG versus subject NNN-estimated \$0.50/SF/month), rent concessions and smaller size (1,306 SF vs subject 7,286 SF) was indicated. Otherwise, the location, quality/appeal, age/condition, and office design were considered similar. Overall, a downward adjustment was

indicated.

Rental No. 5 (10940 White Rock Road, Rancho Cordova) The property is located on the south side of White Rock Road just east of Zinfindel Drive in the city of Rancho Cordova. Improvements comprise a 79,880 square foot 2-story Class B multi-tenant office building constructed in 2002. This was a new lease of 3,626 square foot office unit on the 1st floor. As compared to the subject property, a downward adjustment for lease type (FSG versus subject NNN-estimated \$0.50/SF/month), superior location (White Rock Road-Rancho Cordova vs subject Sunrise Boulevard-Fair Oaks) and smaller size (3,626 SF vs subject 7,286 SF) was indicated. Otherwise, the quality/appeal, age/condition, and office design were considered similar. Overall, a downward adjustment was indicated.

ESTIMATE OF MARKET RENT

Rental Adjustment Grid

	Subject	Lease 1	Lease 2	Lease 3	Lease 4	Lease 5
Address	5034 Sunrise	8814-8822 Madison Avenue	5721 Sunrise	2233 Watt Ave	5200-5252 Sunrise Blvd	10940 White Rock Road
City	Fair Oaks	Fair Oaks	Citrus Heights	Sacramento	Fair Oaks	Rancho Cordova
Leased SF		9,062	2,761	1,766	1,306	3,626
Lease Date		Jan-22	May-21	Apr-21	Feb-21	Jan-21
Term of Lease		60	87	36	24	81
Lease Escalation Terms		Ann 3%	Ann \$0.05	Annual \$0.04	Ann \$0.05	Ann \$0.06
TI Description		As Is/2nd Gen	As Is/2nd Gen	2nd Gen	2nd Gen C&P	As Is/2nd Gen
Rent Abatement		0	3	0	1	0
Expense Basis	NNN	NNN	MG	FSG	FSG	FSG
Unadjusted Rent Per SF		\$1.75	\$1.60	\$1.55	\$1.40	\$1.90
Adjusted Rent Per SF		\$1.49	\$1.28	\$1.00	\$0.84	\$1.19
Adjustments						
<i>Expense Structure</i>		Similar	Superior	Superior	Superior	Superior
<i>% Adjustment</i>		0.0%	-12.5%	-32.3%	-35.7%	-26.3%
<i>Adjusted Rent/SF</i>		\$1.75	\$1.40	\$1.05	\$0.90	\$1.40
<i>Concessions (Free Rent)</i>		Similar	Superior	Similar	Superior	Similar
<i>% Adjustment</i>		0.0%	-3.0%	0.0%	-4.0%	0.0%
<i>Adjusted Rent/SF</i>		\$1.75	\$1.35	\$1.05	\$0.84	\$1.40
<i>Date of Lease</i>		Similar	Similar	Similar	Similar	Similar
<i>% Adjustment</i>		0.0%	0.0%	0.0%	0.0%	0.0%
<i>Adjusted Rent/SF</i>		\$1.75	\$1.35	\$1.05	\$0.84	\$1.40
<i>Location/Exposure</i>		Superior	Similar	Similar	Similar	Superior
<i>% Adjustment</i>		-15.0%	0.0%	0.0%	0.0%	-5.0%
<i>Adjusted Rent/SF</i>		\$1.49	\$1.35	\$1.05	\$0.84	\$1.33
<i>Size SF</i>		Similar	Superior	Superior	Superior	Superior
<i>% Adjustment</i>		0.0%	-5.0%	-5.0%	-5.0%	-5.0%
<i>Adjusted Rent/SF</i>		\$1.49	\$1.28	\$1.00	\$0.80	\$1.26
<i>Quality/Appeal</i>		Similar	Similar	Similar	Similar	Similar
<i>% Adjustment</i>		0.0%	0.0%	0.0%	0.0%	0.0%
<i>Adjusted Rent/SF</i>		\$1.49	\$1.28	\$1.00	\$0.80	\$1.26
<i>Age/Condition</i>		Similar	Similar	Similar	Inferior	Superior
<i>% Adjustment</i>		0.0%	0.0%	0.0%	5.0%	-5.0%
<i>Adjusted Rent/SF</i>		\$1.49	\$1.28	\$1.00	\$0.84	\$1.19
<i>Other</i>		Similar	Similar	Similar	Similar	Similar
<i>% Adjustment</i>		0.0%	0.0%	0.0%	0.0%	0.0%
<i>Adjusted Rent/SF</i>		\$1.49	\$1.28	\$1.00	\$0.84	\$1.19
Adjusted To Date of Lease						
Net % Adjustments		-15.0%	-5.0%	-5.0%	0.0%	-15.0%
Net \$ Adjustments		-\$0.26	-\$0.07	-\$0.05	\$0.00	-\$0.21
Total Adjustment						
Net % Adjustments		-15.0%	-19.7%	-35.6%	-39.7%	-37.4%
Net \$ Adjustments		-\$0.26	-\$0.32	-\$0.55	-\$0.56	-\$0.71
Adjusted Rent per SF		\$1.49	\$1.28	\$1.00	\$0.84	\$1.19
Adjusted Rent Indication						
Minimum Adjusted Rent / SF		\$0.84				
Maximum Adjusted Rent / SF		\$1.49				
Average Adjusted Rent / SF		\$1.16				

Conclusion of Rent

As indicated, the comparables indicate an adjusted rental rate range from \$0.84 to

\$1.49/SF/month, with an average of \$1.16/SF/month, triple net. The comparables range in size from 1,306 SF to 9,062 SF and are all located in the local vicinity. Most of the variance in the rental rates is attributed to the location, size, age and expense basis. In general primary consideration was given to Rental Nos. 1, 2, 3, and 4 due to the similar location, and quality/appeal. Secondary consideration was given to Rental No. 5 due to location. As noted, in the market conditions section, the average market rent for the Fair Oaks office market is currently \$1.54/SF/month, FSG and the average asking rent for Class C office within the Fair Oaks market area is \$1.63/SF/month, FSG.

Based on the foregoing data, and taking into account the subject's building design, size, and age/condition, coupled with discussion with local real estate professionals, I have estimated the market rent of **\$1.05/SF/month** on a NNN basis. This appears to be supported by the market data and discussion with local brokers.

ADDENDA ITEMS IN ORDER OF PRESENTATION

EXHIBIT -A: QUALIFICATIONS OF THE APPRAISER

EXHIBIT -B: ENGAGEMENT LETTER

EXHIBIT A - QUALIFICATIONS OF THE APPRAISER

QUALIFICATION STATEMENT

WILLIAM B. BUENZLI, MAI

746 Anna Place, El Dorado Hills California, 95762

(916) 941-7840 X (916) 642-8240 Fax

Email: metroapp@comcast.net

www.metropolitanappraisalgroup.com

EXPERIENCE

METROPOLITAN APPRAISAL GROUP, Inc. Principal - June 1997 to Present

UNION BANK, Oakland, California - January 1994- June 1997

BANK OF AMERICA, San Francisco, California - January 1992 to December 1993

JOSEPH J. BLAKE & ASSOCIATES, INC., Los Angeles, California - 1988 to December 1991

EDUCATION

University of Southern California, Los Angeles, California

Bachelor of Science, Business Administration

Emphasis: Real Estate Finance

LICENSES/MEMBERSHIPS

Appraisal Institute MAI Designation (10256)

California Certified General Real Estate Appraiser (AG010643)

AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS

Appraisal Institute Courses: Principles, Procedures, Capitalization Theory & Technique Part A & B, Standards of Professional Practice (USPAP), Business Practices & Ethics, Highest & Best Use Analysis, Litigation Valuation, Condemnation Appraising, Valuing Commercial Green Buildings, Appraising Distressed Commercial R.E., Standards for Federal Land Acquisitions (Yellow Book), Apartment Appraisal & Concepts, Advanced Income Capitalization, IRS Valuation Summit, Appraisal-Review, Fundamentals of Separating Real Property and Intangible Business Assets, Appraisal of Medical Office Buildings, Appraisal of Automotive Dealerships, Fundamentals of Apartment Appraising. .

CLIENTS

Banks, Insurance Companies, Law Firms, Private and Institutional Investors, Developers, Property Owners, Mortgage Brokers, Cities and Municipalities.

INTERESTS APPRAISED

Fee Simple Interest, Leased Fee Interest, Leasehold Interest, Sandwich Interest, and Fractional Interest

FUNCTIONS OF APPRAISALS

Acquisition, Construction Loans, Refinancing, Bankruptcy, Condemnation, Disposition, Divorce Settlement, Donation, Estate Settlement, Excess Land, Exchanges, Foreclosure, Lease Renewal, Highest and Best Use Analysis, Investment Analysis, Review Appraisal, Lease Negotiations, Lease Renewals, Litigation Support, Negotiation, Partnership Dissolution, Portfolio Evaluation, Property Tax Appeal, and Expert Witness.



EXHIBIT B - ENGAGEMENT LETTER



Jonathan Ashcraft
Northern California Power Agency
651 Commerce Drive, Roseville California 95678

April 22, 2022

Re: Fee quote for appraisal service on office building located at
is 5034 Sunrise Blvd, Fair Oaks, CA 95628 (APN: 233-0281-033)

Dear Mr. Ashcraft

It was a pleasure to speak with you regarding your need for appraisal for the above referenced property. In that regard, I am pleased to propose a fee of \$4,000 for an appraisal report of the above referenced property. It is my understanding that the appraisal will be for the purpose of estimating the current market value As Is Value of fee simple interest in the subject property. Anticipated turnaround time is approximately 3 weeks from the date of your written acceptance of my proposal and receipt of 50% retainer or \$2,000. The remainder of the fee is due upon completion of the report. The purpose of this appraisal will be to provide you with a supportable and credible estimate of the market value of the fee simple interest of the subject property for the purpose of asset monitoring and assessment. The report will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice and Supplemental Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute.

I would appreciate your transmittal of as much of the following as possible upon the notification to proceed.

- Purchase Contract, Title Report, Site Plan or Building Plan

I will provide you with a digital PDF copy of the report. The report will be addressed and delivered to you at the above stated address. A 50 percent retainer of \$2,000 is requested to begin the assignment. A bill for the remainder of the appraisal fee will be presented at completion.

Please understand that the terms, provisions and conditions contained within the body of this letter, together with your additional instructions and the attached, will constitute our agreement regarding the appraisal of the above-described property. Please endorse and return a copy of this letter confirming this arrangement at your earliest convenience. Its return with the retainer will constitute your notice to proceed with the assignment. Thank you very much for this opportunity, and I look forward to working with you.

Respectfully submitted,
METROPOLITAN APPRAISAL GROUP

A handwritten signature in blue ink that reads "William B. Buezli".

William B. Buezli, MAI
Principal
California State Certificate #AG010643

Agreed and accepted this 3 day of May, 2022 by .
(Client's signature)



STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS
FOR PURCHASE OF REAL ESTATE
(Non-Residential)

Dated: May 25, 2022

1. Buyer.

1.1 Northern California Power Agency, ("Buyer") hereby offers to purchase the real property, hereinafter described, from the owner thereof ("Seller") (collectively, the "Parties" or individually, a "Party"), through an escrow ("Escrow") to close 30 or 15 days after the waiver or satisfaction of the Buyer's Contingencies or sooner if agreed to in writing by both parties, ("Expected Closing Date") to be held by Jenny Field Vega of Placer Title ("Escrow Holder") whose address is 301 University Avenue, Suite 120, Sacramento, CA 95825, Phone No. 916-973-3610, Facsimile No. 916-973-3617 upon the terms and conditions set forth in this agreement ("Agreement"). Buyer shall have the right to assign Buyer's rights hereunder, but any such assignment shall not relieve Buyer of Buyer's obligations herein unless Seller expressly releases Buyer.

1.2 The term "Date of Agreement" as used herein shall be the date when by execution and delivery (as defined in paragraph 20.2) of this document or a subsequent counteroffer thereto, Buyer and Seller have reached agreement in writing whereby Seller agrees to sell, and Buyer agrees to purchase, the Property upon terms accepted by both Parties.

2. Property.

2.1 The real property ("Property") that is the subject of this offer consists of (insert a brief physical description) a 7,286 SF single story building is located in the County of Sacramento, is commonly known as (street address, city, state, zip) 5034 Sunrise Blvd. Fair Oaks, CA 95628 and is legally described as: to be provided by Title Company (APN: 233-0281-033).

2.2 If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of Placer Title ("Title Company"), which shall issue the title policy hereinafter described.

2.3 The Property includes, at no additional cost to Buyer, the permanent improvements thereon, including those items which pursuant to applicable law are a part of the property, as well as the following items, if any, owned by Seller and at present located on the Property: electrical distribution systems (power panel, bus ducting, conduits, disconnects, lighting fixtures); telephone distribution systems (lines, jacks and connections only); space heaters; heating, ventilating, air conditioning equipment ("HVAC"); air lines; fire sprinkler systems; security and fire detection systems; carpets; window coverings; wall coverings; and N/A (collectively, the "Improvements").

2.4 The fire sprinkler monitor: [] is owned by Seller and included in the Purchase Price, [] is leased by Seller, and Buyer will need to negotiate a new lease with the fire monitoring company, [X] ownership will be determined during Escrow, or [] there is no fire sprinkler monitor.

2.5 Except as provided in Paragraph 2.3, the Purchase Price does not include Seller's personal property, furniture and furnishings, and N/A all of which shall be removed by Seller prior to Closing.

3. Purchase Price.

3.1 The purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be \$1,512,500.00, payable as follows: (Strike any not applicable)

(a) Cash down payment, including the Deposit as defined in paragraph 4.3 (or if an all cash transaction, the Purchase Price): \$1,512,500.00

(b) Amount of "New Loan" as defined in paragraph 5.1, if any:

(c) Buyer shall take title to the Property subject to and/or assume the following existing deed(s) of trust ("Existing Deed(s) of Trust") securing the existing promissory note(s) ("Existing Note(s)"): (i) An Existing Note ("First Note") with an unpaid principal balance as of the Closing of approximately:

Said First Note is payable at _____ per month, including interest at the rate of _____ % per annum until paid (and/or the entire unpaid balance is due on _____).

(ii) An Existing Note ("Second Note") with an unpaid principal balance as of the Closing of approximately:

Said Second Note is payable at _____ per month, including interest at the rate of _____ % per annum until paid (and/or the entire unpaid balance is due on _____).

(d) Buyer shall give Seller a deed of trust ("Purchase Money Deed of Trust") on the property, to secure the promissory note of Buyer to Seller described in paragraph 6 ("Purchase Money Note") in the amount of:

Total Purchase Price:

3.2 If Buyer is taking title to the Property subject to, or assuming, an Existing Deed of Trust and such deed of trust permits the beneficiary to demand payment of fees including, but not limited to, points, processing fees, and appraisal fees as a condition to the transfer of the Property, Buyer agrees to pay such fees up to a maximum of 1.5% of the unpaid principal balance of the applicable Existing Note.

4. Deposits.

4.1 [] Buyer has delivered to Broker a check in the sum of N/A, payable to Escrow Holder, to be delivered by Broker to Escrow Holder within 2 or N/A business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder, or [X] within 2 or N/A business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder Buyer shall deliver to Escrow Holder a check in the sum of \$25,000.00. If said check is not received by Escrow Holder within said time period then Seller may elect to unilaterally terminate this transaction by giving written notice of such election to Escrow Holder whereupon neither Party shall have any further liability to the other under this Agreement. Should Buyer and Seller not enter into an agreement for purchase and sale, Buyer's check or funds shall, upon request by Buyer, be promptly returned to Buyer.

4.2 Additional deposits:

(a) Within 5 business days after the Date of Agreement, Buyer shall deposit with Escrow Holder the additional sum of N/A to be applied to the Purchase Price at the Closing.

(b) Within 5 business days after the contingencies discussed in paragraph 9.1 (a) through (m) are approved or waived, Buyer shall deposit with Escrow Holder the additional sum of N/A to be applied to the Purchase Price at the Closing.

(c) If an Additional Deposit is not received by Escrow Holder within the time period provided then Seller may notify Buyer, Escrow Holder, and Brokers, in writing that, unless the Additional Deposit is received by Escrow Holder within 2 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

4.3 Escrow Holder shall deposit the funds deposited with it by Buyer pursuant to paragraphs 4.1 and 4.2 (collectively the "Deposit"), in a State or Federally chartered bank in an interest bearing account whose term is appropriate and consistent with the timing requirements of this transaction. The interest therefrom shall

INITIALS

INITIALS

accre to the benefit of Buyer, who hereby acknowledges that there may be penalties or interest forfeitures if the applicable instrument is redeemed prior to its specified maturity. Buyer's Federal Tax Identification Number is # 94-2550072. NOTE: Such interest bearing account cannot be opened until Buyer's Federal Tax Identification Number is provided.

4.4 Notwithstanding the foregoing, within 5 days after Escrow Holder receives the monies described in paragraph 4.1 above, Escrow Holder shall release \$100 of said monies to Seller as and for independent consideration for Seller's execution of this Agreement and the granting of the contingency period to Buyer as herein provided. Such independent consideration is non-refundable to Buyer but shall be credited to the Purchase Price in the event that the purchase of the Property is completed.

4.5 Upon waiver of all of Buyer's contingencies the Deposit shall become non-refundable but applicable to the Purchase Price except in the event of a Seller breach, or in the event that the Escrow is terminated pursuant to the provisions of Paragraph 9.1(n) (Destruction, Damage or Loss) or 9.1(o) (Material Change).

~~5. Financing Contingency. (Strike if not applicable)~~

~~5.1 This offer is contingent upon Buyer obtaining from an insurance company, financial institution or other lender, a commitment to lend to Buyer a sum equal to at least _____% of the Purchase Price, on terms acceptable to Buyer. Such loan ("New Loan") shall be secured by a first deed of trust or mortgage on the Property. If this Agreement provides for Seller to carry back junior financing, then Seller shall have the right to approve the terms of the New Loan. Seller shall have 7 days following receipt of the commitment setting forth the proposed terms of the New Loan to approve or disapprove of such proposed terms. If Seller fails to notify Escrow Holder, in writing, of the disapproval within said 7 days it shall be conclusively presumed that Seller has approved the terms of the New Loan.~~

~~5.2 If Buyer shall fail to notify its Broker, Escrow Holder and Seller, in writing within _____ days following the Date of Agreement, that the New Loan has not been obtained, it shall be conclusively presumed that Buyer has either obtained said New Loan or has waived this New Loan contingency.~~

~~5.3 If Buyer shall notify its Broker, Escrow Holder and Seller, in writing, within the time specified in paragraph 5.2 hereof, that Buyer has not obtained said New Loan, this Agreement shall be terminated, and Buyer shall be entitled to the prompt return of the Deposit, plus any interest earned thereon, less only Escrow Holder and Title Company cancellation fees and costs, which Buyer shall pay.~~

~~6. Seller Financing. (Purchase Money Note). (Strike if not applicable)~~

~~6.1 If Seller approves Buyer's financials (see paragraph 6.5) the Purchase Money Note shall provide for interest on unpaid principal at the rate of _____% per annum, with principal and interest paid as follows: _____ The Purchase Money Note and Purchase Money Deed of Trust shall be on the current forms commonly used by Escrow Holder, and be junior and subordinate only to the Existing Note(s) and/or the New Loan expressly called for by this Agreement.~~

~~6.2 The Purchase Money Note and/or the Purchase Money Deed of Trust shall contain provisions regarding the following (see also paragraph 10.3 (b)):~~

~~(a) Prepayment. Principal may be prepaid in whole or in part at any time without penalty, at the option of the Buyer.~~

~~(b) Late Charge. A late charge of 6% shall be payable with respect to any payment of principal, interest, or other charges, not made within 10 days after it is due.~~

~~(c) Due On Sale. In the event the Buyer sells or transfers title to the Property or any portion thereof, then the Seller may, at Seller's option, require the entire unpaid balance of said Note to be paid in full.~~

~~6.3 If the Purchase Money Deed of Trust is to be subordinate to other financing, Escrow Holder shall, at Buyer's expense prepare and record on Seller's behalf a request for notice of default and/or sale with regard to each mortgage or deed of trust to which it will be subordinate.~~

~~6.4 WARNING: CALIFORNIA LAW DOES NOT ALLOW DEFICIENCY JUDGEMENTS ON SELLER FINANCING. IF BUYER ULTIMATELY DEFAULTS ON THE LOAN, SELLER'S SOLE REMEDY IS TO FORECLOSE ON THE PROPERTY.~~

~~6.5 Seller's obligation to provide financing is contingent upon Seller's reasonable approval of Buyer's financial condition. Buyer to provide a current financial statement and copies of its Federal tax returns for the last 3 years to Seller within 10 days following the Date of Agreement. Seller has 10 days following receipt of such documentation to satisfy itself with regard to Buyer's financial condition and to notify Escrow Holder as to whether or not Buyer's financial condition is acceptable. If Seller fails to notify Escrow Holder, in writing, of the disapproval of this contingency within said time period, it shall be conclusively presumed that Seller has approved Buyer's financial condition. If Seller is not satisfied with Buyer's financial condition or if Buyer fails to deliver the required documentation then Seller may notify Escrow Holder in writing that Seller Financing will not be available, and Buyer shall have the option, within 10 days of the receipt of such notice, to either terminate this transaction or to purchase the Property without Seller financing. If Buyer fails to notify Escrow Holder within said time period of its election to terminate this transaction then Buyer shall be conclusively presumed to have elected to purchase the Property without Seller financing. If Buyer elects to terminate, Buyer's Deposit shall be refunded less Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation.~~

7. Real Estate Brokers.

7.1 Each Party acknowledges receiving a Disclosure Regarding Real Estate Agency Relationship, confirms and consents to the following agency relationships in this transaction with the following real estate broker(s) ("Brokers") and/or their agents ("Agent(s)"):

Seller's Brokerage Firm Ethan Conrad Properties License No. 01298662 is the broker of (check one): the Seller; or both the Buyer and Seller (dual agent).

Seller's Agent Grant Keeney License No. 00891996 is (check one): the Seller's Agent (salesperson or broker associate); or both the Seller's Agent and the Buyer's Agent (dual agent).

Buyer's Brokerage Firm Corporate Advisory Group, Inc., dba CRESA Sacramento License No. 01300605 is the broker of (check one): the Buyer; or both the Buyer and Seller (dual agent).

Buyer's Agent James Niethammer License No. 01058588 is (check one): the Buyer's Agent (salesperson or broker associate); or both the Buyer's Agent and the Seller's Agent (dual agent).

The Parties acknowledge that other than the Brokers and Agents listed above, there are no other brokers or agents representing the Parties or due any fees and/or commissions under this Agreement. Buyer shall use the services of Buyer's Broker exclusively in connection with any and all negotiations and offers with respect to the Property for a period of 1 year from the date inserted for reference purposes at the top of page 1.

7.2 Buyer and Seller each represent and warrant to the other that he/she/it has had no dealings with any person, firm, broker, agent or finder in connection with the negotiation of this Agreement and/or the consummation of the purchase and sale contemplated herein, other than the Brokers and Agents named in paragraph 7.1, and no broker, agent or other person, firm or entity, other than said Brokers and Agents is/are entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of such Party. Buyer and Seller do each hereby agree to indemnify, defend, protect and hold the other harmless from and against any costs, expenses or liability for compensation, commission or charges which may be claimed by any broker, agent, finder or other similar party, other than said named Brokers and Agents by reason of any dealings or act of the indemnifying Party.

8. Escrow and Closing.

8.1 Upon acceptance hereof by Seller, this Agreement, including any counteroffers incorporated herein by the Parties, shall constitute not only the agreement of purchase and sale between Buyer and Seller, but also instructions to Escrow Holder for the consummation of the Agreement through the Escrow. Escrow Holder shall not prepare any further escrow instructions restating or amending the Agreement unless specifically so instructed by the Parties or a Broker herein. Subject to the reasonable approval of the Parties, Escrow Holder may, however, include its standard general escrow provisions. In the event that there is any conflict between the provisions of the Agreement and the provisions of any additional escrow instructions the provisions of the Agreement shall prevail as to the Parties and the Escrow Holder.

8.2 As soon as practical after the receipt of this Agreement and any relevant counteroffers, Escrow Holder shall ascertain the Date of Agreement as defined in paragraphs 1.2 and 20.2 and advise the Parties and Brokers, in writing, of the date ascertained.

8.3 Escrow Holder is hereby authorized and instructed to conduct the Escrow in accordance with this Agreement, applicable law and custom and practice of the community in which Escrow Holder is located, including any reporting requirements of the Internal Revenue Code. In the event of a conflict between the law of the state where the Property is located and the law of the state where the Escrow Holder is located, the law of the state where the Property is located shall prevail.

8.4 Subject to satisfaction of the contingencies herein described, Escrow Holder shall close this escrow (the "Closing") by recording a general warranty deed (a grant deed in California) and the other documents required to be recorded, and by disbursing the funds and documents in accordance with this Agreement.

8.5 Buyer and Seller shall each pay one-half of the Escrow Holder's charges and Seller shall pay the usual recording fees and any required documentary transfer taxes. (County transfer taxes paid by Seller, and Buyer and Seller shall equally divide the cost of any City transfer taxes) Seller shall pay the premium for a standard coverage owner's or joint protection policy of title insurance. (See also paragraph 11.)

8.6 Escrow Holder shall verify that all of Buyer's contingencies have been satisfied or waived prior to Closing. The matters contained in paragraphs 9.1 through paragraphs (b), (c), (d), (e), (f), (g), (i), (n), and (o), 9.4, 12, 13, 14, 16, 18, 20, 21, 22, and 24 are, however, matters of agreement between the Parties only and are not instructions to Escrow Holder.

KSA If this transaction is terminated for non-satisfaction and non-waiver of a Buyer's Contingency, as defined in paragraph 9.2 or disapproval of any other

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matter subject to Buyer's approval, then neither of the Parties shall thereafter have any liability to the other under this Agreement, except to the extent of a breach of any affirmative covenant or warranty in this Agreement. In the event of such termination, Buyer shall, subject to the provisions of paragraph 8.10, be promptly refunded all funds deposited by Buyer with Escrow Holder, less only the \$100 provided for in paragraph 4.4 and the Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation. If this transaction is terminated as a result of Seller's breach of this Agreement then Seller shall pay the Title Company and Escrow Holder cancellation fees and costs.

8.8 The Closing shall occur on the Expected Closing Date, or as soon thereafter as the Escrow is in condition for Closing; provided, however, that if the Closing does not occur by the Expected Closing Date and said Date is not extended by mutual instructions of the Parties, a Party not then in default under this Agreement may notify the other Party, Escrow Holder, and Brokers, in writing that, unless the Closing occurs within 5 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

8.9 Except as otherwise provided herein, the termination of Escrow shall not relieve or release either Party from any obligation to pay Escrow Holder's fees and costs or constitute a waiver, release or discharge of any breach or default that has occurred in the performance of the obligations, agreements, covenants or warranties contained therein.

8.10 If this Escrow is terminated for any reason other than Seller's breach or default, then as a condition to the return of Buyer's deposit, Buyer shall within 5 days after written request deliver to Seller, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property.

9. Contingencies to Closing.

9.1 The Closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. **IF BUYER FAILS TO NOTIFY ESCROW HOLDER, IN WRITING, OF THE DISAPPROVAL OF ANY OF SAID CONTINGENCIES WITHIN THE TIME SPECIFIED THEREIN, IT SHALL BE CONCLUSIVELY PRESUMED THAT BUYER HAS APPROVED SUCH ITEM, MATTER OR DOCUMENT.** Buyer's conditional approval shall constitute disapproval, unless provision is made by the Seller within the time specified therefore by the Buyer in such conditional approval or by this Agreement, whichever is later, for the satisfaction of the condition imposed by the Buyer. Escrow Holder shall promptly provide all Parties with copies of any written disapproval or conditional approval which it receives. With regard to subparagraphs (a) through (m) the pre-printed time periods shall control unless a different number of days is inserted in the spaces provided.

(a) *Disclosure.* Seller shall make to Buyer, through Escrow, all of the applicable disclosures required by law (See AIR CRE ("AIR") standard form entitled "Seller's Mandatory Disclosure Statement") and provide Buyer with a completed Property Information Sheet ("Property Information Sheet") concerning the Property, duly executed by or on behalf of Seller in the current form or equivalent to that published by the AIR within ~~30~~ or 3 days following the Date of Agreement. Buyer has 10 days from the receipt of said disclosures to approve or disapprove the matters disclosed.

(b) *Physical Inspection.* Buyer has ~~10~~ or 45 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the physical aspects and size of the Property.

(c) *Hazardous Substance Conditions Report.* Buyer has ~~30~~ or 45 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the environmental aspects of the Property. Seller recommends that Buyer obtain a Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties. Any such report shall be paid for by Buyer. A "Hazardous Substance" for purposes of this Agreement is defined as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare. A "Hazardous Substance Condition" for purposes of this Agreement is defined as the existence on, under or relevantly adjacent to the Property of a Hazardous Substance that would require remediation and/or removal under applicable Federal, state or local law.

(d) *Soil Inspection.* Buyer has ~~30~~ or 45 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the condition of the soils on the Property, which may include a Phase I Environmental Assessment Report, and a Phase II Environmental Assessment Report, if needed. Seller recommends that Buyer obtain a soil test report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any soils report that Seller may have within 10 days following the Date of Agreement.

(e) *Governmental Approvals.* Buyer has ~~30~~ or 45 days following the Date of Agreement to satisfy itself with regard to approvals and permits from governmental agencies or departments which have or may have jurisdiction over the Property and which Buyer deems necessary or desirable in connection with its intended use of the Property, including, but not limited to, permits and approvals required with respect to zoning, planning, building and safety, fire, police, handicapped and Americans with Disabilities Act requirements, transportation and environmental matters.

(f) *Conditions of Title.* Escrow Holder shall cause a current commitment for title insurance ("Title Commitment") concerning the Property issued by the Title Company, as well as legible copies of all documents referred to in the Title Commitment ("Underlying Documents"), and a scaled and dimensioned plot showing the location of any easements to be delivered to Buyer within ~~10~~ or _____ days following the Date of Agreement. Buyer has 10 days from the receipt of the Title Commitment, the Underlying Documents and the plot plan to satisfy itself with regard to the condition of title. The disapproval by Buyer of any monetary encumbrance, which by the terms of this Agreement is not to remain against the Property after the Closing, shall not be considered a failure of this contingency, as Seller shall have the obligation, at Seller's expense, to satisfy and remove such disapproved monetary encumbrance at or before the Closing.

(g) *Survey.* Buyer has ~~30~~ or 45 days following the receipt of the Title Commitment and Underlying Documents to satisfy itself with regard to any ALTA title supplement based upon a survey prepared to American Land Title Association ("ALTA") standards for an owner's policy by a licensed surveyor, showing the legal description and boundary lines of the Property, any easements of record, and any improvements, poles, structures and things located within 10 feet of either side of the Property boundary lines. Any such survey shall be prepared at Buyer's direction and expense. If Buyer has obtained a survey and approved the ALTA title supplement, Buyer may elect within the period allowed for Buyer's approval of a survey to have an ALTA extended coverage owner's form of title policy, in which event Buyer shall pay any additional premium attributable thereto.

(h) *Existing Leases and Tenancy Statements.* Seller shall within 10 or _____ days following the Date of Agreement provide both Buyer and Escrow Holder with legible copies of all leases, subleases or rental arrangements (collectively, "Existing Leases") affecting the Property, and with a tenancy statement ("Estoppel Certificate") in the latest form or equivalent to that published by the AIR, executed by Seller and/or each tenant and subtenant of the Property. Seller shall use its best efforts to have each tenant complete and execute an Estoppel Certificate. If any tenant fails or refuses to provide an Estoppel Certificate then Seller shall complete and execute an Estoppel Certificate for that tenancy. Buyer has 10 days from the receipt of said Existing Leases and Estoppel Certificates to satisfy itself with regard to the Existing Leases and any other tenancy issues.

(i) *Owner's Association.* Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with a statement and transfer package from any owner's association servicing the Property. Such transfer package shall at a minimum include: copies of the association's bylaws, articles of incorporation, current budget and financial statement. Buyer has 10 days from the receipt of such documents to satisfy itself with regard to the association.

(j) *Other Agreements.* Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with legible copies of all other agreements ("Other Agreements") known to Seller that will affect the Property after Closing. Buyer has 10 days from the receipt of said Other Agreements to satisfy itself with regard to such Agreements.

(k) *Financing.* If paragraph 5 hereof dealing with a financing contingency has not been stricken, the satisfaction or waiver of such New Loan contingency.

(l) *Existing Notes.* If paragraph 3.1(c) has not been stricken, Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with legible copies of the Existing Notes, Existing Deeds of Trust and related agreements (collectively, "Loan Documents") to which the Property will remain subject after the Closing. Escrow Holder shall promptly request from the holder of the Existing Notes a beneficiary statement ("Beneficiary Statement") confirming: (1) the amount of the unpaid principal balance, the current interest rate, and the date to which interest is paid, and (2) the nature and amount of any impounds held by the beneficiary in connection with such loan. Buyer has 10 or _____ days following the receipt of the Loan Documents and Beneficiary Statements to satisfy itself with regard to such financing. Buyer's obligation to close is conditioned upon Buyer being able to purchase the Property without acceleration or change in the terms of any Existing Notes or charges to Buyer except as otherwise provided in this Agreement or approved by Buyer, provided, however, Buyer shall pay the transfer fee referred to in paragraph 3.2 hereof. Likewise if Seller is to carry back a Purchase Money Note then Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with a copy of the proposed Purchase Money Note and Purchase Money Deed of Trust. Buyer has 10 or _____ days following the receipt of such documents to satisfy itself with regard to the form and content thereof.

(m) *Personal Property.* In the event that any personal property is included in the Purchase Price, Buyer has 10 or _____ days following the Date of Agreement to satisfy itself with regard to the title condition of such personal property. Seller recommends that Buyer obtain a UCC-1 report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any liens or encumbrances affecting such personal property that it is aware of within 10 or _____ days following the Date of Agreement.

(n) *Destruction, Damage or Loss.* Subsequent to the Date of Agreement and prior to Closing there shall not have occurred a destruction of, or damage or loss to, the Property or any portion thereof, from any cause whatsoever, which would cost more than \$10,000.00 to repair or cure. If the cost of repair or cure is \$10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within 10 days after receipt of written notice of a loss costing more than \$10,000.00 to repair or cure, to either terminate this Agreement or to purchase the Property notwithstanding such loss, but without deduction or offset

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unless such deduction or offset is agreed to in writing by the Parties, against the Purchase Price. If the cost to repair or cure is more than \$10,000.00, and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any insurance proceeds applicable to such loss. Unless otherwise notified in writing, Escrow Holder shall assume no such destruction, damage or loss has occurred prior to Closing.

(o) **Material Change.** Buyer shall have 10 days following receipt of written notice of a Material Change within which to satisfy itself with regard to such change. "Material Change" shall mean a substantial adverse change in the use, occupancy, tenants, title, or condition of the Property that occurs after the date of this offer and prior to the Closing. Unless otherwise notified in writing, Escrow Holder shall assume that no Material Change has occurred prior to the Closing.

(p) **Seller Performance.** The delivery of all documents and the due performance by Seller of each and every undertaking and agreement to be performed by Seller under this Agreement.

(q) **Brokerage Fee.** Payment at the Closing of such brokerage fee as is specified in this Agreement or later written instructions to Escrow Holder executed by Seller and Brokers ("Brokerage Fee"). It is agreed by the Parties and Escrow Holder that Brokers are a third party beneficiary of this Agreement insofar as the Brokerage Fee is concerned, and that no change shall be made with respect to the payment of the Brokerage Fee specified in this Agreement, without the written consent of Brokers.

9.2 All of the contingencies specified in subparagraphs (a) through (m) of paragraph 9.1 are for the benefit of, and may be waived by, Buyer, and may be elsewhere herein referred to as "Buyer's Contingencies."

9.3 If any of Buyer's Contingencies or any other matter subject to Buyer's approval is disapproved as provided for herein in a timely manner ("Disapproved Item"), Seller shall have the right within 10 days following the receipt of notice of Buyer's disapproval to elect to cure such Disapproved Item prior to the Expected Closing Date ("Seller's Election"). Seller's failure to give to Buyer within such period, written notice of Seller's commitment to cure such Disapproved Item on or before the Expected Closing Date shall be conclusively presumed to be Seller's Election not to cure such Disapproved Item. If Seller elects, either by written notice or failure to give written notice, not to cure a Disapproved Item, Buyer shall have the right, within 10 days after Seller's Election to either accept title to the Property subject to such Disapproved Item, or to terminate this Agreement. Buyer's failure to notify Seller in writing of Buyer's election to accept title to the Property subject to the Disapproved Item without deduction or offset shall constitute Buyer's election to terminate this Agreement. The above time periods only apply once for each Disapproved Item. Unless expressly provided otherwise herein, Seller's right to cure shall not apply to the remediation of Hazardous Substance Conditions or to the Financing Contingency. Unless the Parties mutually instruct otherwise, if the time periods for the satisfaction of contingencies or for Seller's and Buyer's elections would expire on a date after the Expected Closing Date, the Expected Closing Date shall be deemed extended for 3 business days following the expiration of: (a) the applicable contingency period(s), (b) the period within which the Seller may elect to cure the Disapproved Item, or (c) if Seller elects not to cure, the period within which Buyer may elect to proceed with this transaction, whichever is later.

9.4 The Parties acknowledge that extensive local, state and Federal legislation establish broad liability upon owners and/or users of real property for the investigation and remediation of Hazardous Substances. The determination of the existence of a Hazardous Substance Condition and the evaluation of the impact of such a condition are highly technical and beyond the expertise of Brokers. The Parties acknowledge that they have been advised by Brokers to consult their own technical and legal experts with respect to the possible presence of Hazardous Substances on the Property or adjoining properties, and Buyer and Seller are not relying upon any investigation by or statement of Brokers with respect thereto. The Parties hereby assume all responsibility for the impact of such Hazardous Substances upon their respective interests herein.

10. Documents and Other Items Required at or Before Closing.

10.1 Five days prior to the Closing date Escrow Holder shall obtain an updated Title Commitment concerning the Property from the Title Company and provide copies thereof to each of the Parties.

10.2 Seller shall deliver to Escrow Holder in time for delivery to Buyer at the Closing:

- (a) Grant or general warranty deed, duly executed and in recordable form, conveying fee title to the Property to Buyer.
- (b) If applicable, the Beneficiary Statements concerning Existing Note(s).
- (c) If applicable, the Existing Leases and Other Agreements together with duly executed assignments thereof by Seller and Buyer. ~~The assignment of Existing Leases shall be on the most recent Assignment and Assumption of Lessor's Interest in Lease form published by the AIR or its equivalent.~~
- (d) An affidavit executed by Seller to the effect that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Internal Revenue Service such sum as is required by applicable Federal law with respect to purchases from foreign sellers.
- (e) If the Property is located in California, an affidavit executed by Seller to the effect that Seller is not a "nonresident" within the meaning of California Revenue and Tax Code Section 18662 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Franchise Tax Board such sum as is required by such statute.
- (f) If applicable, a bill of sale, duly executed, conveying title to any included personal property to Buyer.
- (g) If the Seller is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the sale of the Property.

10.3 Buyer shall deliver to Seller through Escrow:

- (a) The cash portion of the Purchase Price and such additional sums as are required of Buyer under this Agreement shall be deposited by Buyer with Escrow Holder, by federal funds wire transfer, or any other method acceptable to Escrow Holder in immediately collectable funds, no later than 2:00 P.M. on the business day prior to the Expected Closing Date provided, however, that Buyer shall not be required to deposit such monies into Escrow if at the time set for the deposit of such monies Seller is in default or has indicated that it will not perform any of its obligations hereunder. Instead, in such circumstances in order to reserve its rights to proceed Buyer need only provide Escrow with evidence establishing that the required monies were available.
- (b) If a Purchase Money Note and Purchase Money Deed of Trust are called for by this Agreement, the duly executed originals of those documents, the Purchase Money Deed of Trust being in recordable form, together with evidence of fire insurance on the improvements in the amount of the full replacement cost naming Seller as a mortgage loss payee, and a real estate tax service contract (at Buyer's expense), assuring Seller of notice of the status of payment of real property taxes during the life of the Purchase Money Note.
- (c) The Assignment and Assumption of Lessor's Interest in Lease form specified in paragraph 10.2(c) above, duly executed by Buyer.
- (d) Assumptions duly executed by Buyer of the obligations of Seller that accrue after Closing under any Other Agreements.
- (e) If applicable, a written assumption duly executed by the loan documents with respect to Existing Notes.
- (f) If the Buyer is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the purchase of the Property.

10.4 At Closing, Escrow Holder shall cause to be issued to Buyer a standard coverage (or ALTA extended, if elected pursuant to 9.1(g)) owner's form policy of title insurance effective as of the Closing, issued by the Title Company in the full amount of the Purchase Price, insuring title to the Property vested in Buyer, subject only to the exceptions approved by Buyer. In the event there is a Purchase Money Deed of Trust in this transaction, the policy of title insurance shall be a joint protection policy insuring both Buyer and Seller.

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

11. Prorations and Adjustments.

11.1 **Taxes.** Applicable real property taxes and special assessment bonds shall be prorated through Escrow as of the date of the Closing, based upon the latest tax bill available. The Parties agree to prorate as of the Closing any taxes assessed against the Property by supplemental bill levied by reason of events occurring prior to the Closing. Payment of the prorated amount shall be made promptly in cash upon receipt of a copy of any supplemental bill.

11.2 **Insurance. WARNING:** Any insurance which Seller may have maintained will terminate on the Closing. Buyer is advised to obtain appropriate insurance to cover the Property.

11.3 **Rentals, Interest and Expenses.** Scheduled rentals, interest on Existing Notes, utilities, and operating expenses shall be prorated as of the date of Closing. The Parties agree to promptly adjust between themselves outside of Escrow any rents received after the Closing.

11.4 **Security Deposit.** Security Deposits held by Seller shall be given to Buyer as a credit to the cash required of Buyer at the Closing.

11.5 **Post Closing Matters.** Any item to be prorated that is not determined or determinable at the Closing shall be promptly adjusted by the Parties by appropriate cash payment outside of the Escrow when the amount due is determined.

11.6 **Variations in Existing Note Balances.** In the event that Buyer is purchasing the Property subject to an Existing Deed of Trust(s), and in the event that a Beneficiary Statement as to the applicable Existing Note(s) discloses that the unpaid principal balance of such Existing Note(s) at the closing will be more or less than the amount set forth in paragraph 3.1(c) hereof ("Existing Note Variation"), then the Purchase Money Note(s) shall be reduced or increased by an amount equal to such Existing Note Variation. If there is to be no Purchase Money Note, the cash required at the Closing per paragraph 3.1(a) shall be reduced or increased by the amount of such Existing Note Variation.

11.7 **Variations in New Loan Balance.** In the event Buyer is obtaining a New Loan and the amount ultimately obtained exceeds the amount set forth in paragraph 5.1, then the amount of the Purchase Money Note, if any, shall be reduced by the amount of such excess.

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11.8 *Owner's Association Fees.* Escrow Holder shall: (i) bring Seller's account with the association current and pay any delinquencies or transfer fees from Seller's proceeds, and (ii) pay any up front fees required by the association from Buyer's funds.

12. Representations and Warranties of Seller and Disclaimers.

12.1 Seller's warranties and representations shall survive the Closing and delivery of the deed for a period of 3 years, and any lawsuit or action based upon them must be commenced within such time period. Seller's warranties and representations are true, material and relied upon by Buyer and Brokers in all respects. Seller hereby makes the following warranties and representations to Buyer and Brokers:

- (a) *Authority of Seller.* Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Seller's obligations hereunder.
- (b) *Maintenance During Escrow and Equipment Condition At Closing.* Except as otherwise provided in paragraph 9.1(n) hereof, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.
- (c) *Hazardous Substances/Storage Tanks.* Seller has no knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Property of any Hazardous Substance, nor of the existence or prior existence of any above or below ground storage tank.
- (d) *Compliance.* Except as otherwise disclosed in writing, Seller has no knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency or casualty insurance company requiring any investigation, remediation, repair, maintenance or improvement be performed on the Property.
- (e) *Changes in Agreements.* Prior to the Closing, Seller will not violate or modify any Existing Lease or Other Agreement, or create any new leases or other agreements affecting the Property, without Buyer's written approval, which approval will not be unreasonably withheld.
- (f) *Possessory Rights.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.
- (g) *Mechanics' Liens.* There are no unsatisfied mechanics' or materialmen's lien rights concerning the Property.
- (h) *Actions, Suits or Proceedings.* Seller has no knowledge of any actions, suits or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court or tribunal that would affect the Property or the right to occupy or utilize same.
- (i) *Notice of Changes.* Seller will promptly notify Buyer and Brokers in writing of any Material Change (see paragraph 9.1(o)) affecting the Property that becomes known to Seller prior to the Closing.
- (j) *No Tenant Bankruptcy Proceedings.* Seller has no notice or knowledge that any tenant of the Property is the subject of a bankruptcy or insolvency proceeding.
- (k) *No Seller Bankruptcy Proceedings.* Seller is not the subject of a bankruptcy, insolvency or probate proceeding.
- (l) *Personal Property.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.

12.2 Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections of the Property Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property. The Parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, assurances, oral or written, concerning the Property, or any aspect of the occupational safety and health laws, Hazardous Substance laws, or any other act, ordinance or law, have been made by either Party or Brokers, or relied upon by either Party hereto.

12.3 In the event that Buyer learns that a Seller representation or warranty might be untrue prior to the Closing, and Buyer elects to purchase the Property anyway then, and in that event, Buyer waives any right that it may have to bring an action or proceeding against Seller or Brokers regarding said representation or warranty.

12.4 Any environmental reports, soils reports, surveys, and other similar documents which were prepared by third party consultants and provided to Buyer by Seller or Seller's representatives, have been delivered as an accommodation to Buyer and without any representation or warranty as to the sufficiency, accuracy, completeness, and/or validity of said documents, all of which Buyer relies on at its own risk. Seller believes said documents to be accurate, but Buyer is advised to retain appropriate consultants to review said documents and investigate the Property.

13. Possession.

Possession of the Property shall be given to Buyer at the Closing subject to the rights of tenants under Existing Leases.

14. Buyer's Entry.

At any time during the Escrow period, Buyer, and its agents and representatives, shall have the right at reasonable times and subject to rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No destructive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the re-compaction or removal of any disrupted soil or material as Seller may reasonably direct. All such inspections and tests and any other work conducted or materials furnished with respect to the Property by or for Buyer shall be paid for by Buyer as and when due and Buyer shall indemnify, defend, protect and hold harmless Seller and the Property of and from any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), damages, including those for injury to person or property, arising out of or relating to any such work or materials or the acts or omissions of Buyer, its agents or employees in connection therewith.

15. Further Documents and Assurances.

The Parties shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the Escrow in condition for Closing as and when required by this Agreement. The Parties agree to provide all further information, and to execute and deliver all further documents, reasonably required by Escrow Holder or the Title Company.

16. Attorneys' Fees.

If any Party or Broker brings an action or proceeding (including arbitration) involving the Property whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees and costs. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. ~~The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.~~

17. Prior Agreements/Amendments.

- 17.1 This Agreement supersedes any and all prior agreements between Seller and Buyer regarding the Property.
- 17.2 Amendments to this Agreement are effective only if made in writing and executed by Buyer and Seller.

18. Broker's Rights.

~~18.1 If this sale is not consummated due to the default of either the Buyer or Seller, the defaulting Party shall be liable to and shall pay to Brokers the Brokerage Fee that Brokers would have received had the sale been consummated. If Buyer is the defaulting party, payment of said Brokerage Fee is in addition to any obligation with respect to liquidated or other damages.~~

18.2 Upon the Closing, Brokers are authorized to publicize the facts of this transaction.

19. Notices.

19.1 Whenever any Party, Escrow Holder or Brokers herein shall desire to give or serve any notice, demand, request, approval, disapproval or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, to the address set forth in this agreement or by facsimile transmission, electronic signature, digital signature, or email.

19.2 Service of any such communication shall be deemed made on the date of actual receipt if personally delivered, or transmitted by facsimile transmission, electronic signature, digital signature, or email. Any such communication sent by regular mail shall be deemed given 48 hours after the same is mailed. Communications sent by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed delivered 24 hours after delivery of the same to the Postal Service or courier. If such communication is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

19.3 Any Party or Broker hereto may from time to time, by notice in writing, designate a different address to which, or a different person or additional persons to whom, all communications are thereafter to be made.

20. Duration of Offer.

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20.1 If this offer is not accepted by Seller on or before 5:00 P.M. according to the time standard applicable to the city of Sacramento on the date of June 10, 2022, it shall be deemed automatically revoked.

20.2 The acceptance of this offer, or of any subsequent counteroffer hereto, that creates an agreement between the Parties as described in paragraph 1.2, shall be deemed made upon delivery to the other Party or either Broker herein of a duly executed writing unconditionally accepting the last outstanding offer or counteroffer.

21. LIQUIDATED DAMAGES. (This Liquidated Damages paragraph is applicable only if initialed by both Parties). THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF, AFTER THE SATISFACTION OR WAIVER OF ALL CONTINGENCIES PROVIDED FOR THE BUYER'S BENEFIT, BUYER BREACHES THIS AGREEMENT, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF \$25,000.00. UPON PAYMENT OF SAID SUM TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, AND ANY ESCROW CANCELLATION FEES AND TITLE COMPANY CHARGES SHALL BE PAID BY SELLER.

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Buyer's Initials

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22. ARBITRATION OF DISPUTES. (This Arbitration of Disputes paragraph is applicable only if initialed by both Parties.)
22.1 ANY CONTROVERSY AS TO WHETHER SELLER IS ENTITLED TO LIQUIDATED DAMAGES AND/OR BUYER IS ENTITLED TO THE RETURN OF THE DEPOSIT SHALL BE DETERMINED BY BINDING ARBITRATION ADMINISTERED BY THE JUDICIAL ARBITRATION & MEDIATION SERVICES, INC. ("JAMS") IN ACCORDANCE WITH ITS COMMERCIAL ARBITRATION RULES ("COMMERCIAL RULES"). ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED. SUCH CONTROVERSY SHALL BE ARBITRATED BY A SINGLE ARBITRATOR, APPOINTED UNDER THE COMMERCIAL RULES WHO HAS HAD AT LEAST 5 YEARS OF EXPERIENCE IN THE TYPE OF REAL ESTATE THAT IS THE SUBJECT OF THIS AGREEMENT. THE ARBITRATOR SHALL HEAR AND DETERMINE SAID CONTROVERSY IN ACCORDANCE WITH APPLICABLE LAW OF THE JURISDICTION WHERE THE PROPERTY IS LOCATED, THE INTENTION OF THE PARTIES AS EXPRESSED IN THIS AGREEMENT AND ANY AMENDMENTS THERETO, AND UPON THE EVIDENCE PRODUCED AT AN ARBITRATION HEARING. PRE-ARBITRATION DISCOVERY SHALL BE PERMITTED IN ACCORDANCE WITH THE COMMERCIAL RULES OR STATE LAW APPLICABLE TO ARBITRATION PROCEEDINGS. THE ARBITRATOR SHALL RENDER AN AWARD WITHIN 30 DAYS AFTER THE CONCLUSION OF THE HEARING, WHICH MAY INCLUDE ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY PER PARAGRAPH 16 HEREOF AND SHALL BE ACCOMPANIED BY A REASONED OPINION. THE FAILURE OR REFUSAL OF A PARTY TO PAY SUCH PARTY'S REQUIRED SHARE OF THE DEPOSITS FOR ARBITRATOR COMPENSATION OR ADMINISTRATIVE CHARGES SHALL CONSTITUTE A WAIVER BY SUCH PARTY TO PRESENT EVIDENCE OR CROSS-EXAMINE WITNESSES, BUT SUCH WAIVER SHALL NOT ALLOW FOR A DEFAULT JUDGMENT AGAINST THE NON-PAYING PARTY IN THE ABSENCE OF EVIDENCE AND LEGAL ARGUMENT AS THE ARBITRATOR MAY REQUIRE FOR MAKING AN AWARD. JUDGMENT MAY BE ENTERED ON THE AWARD IN ANY COURT OF COMPETENT JURISDICTION NOTWITHSTANDING THE FAILURE OF A PARTY DULY NOTIFIED OF THE ARBITRATION HEARING TO APPEAR THEREAT.

22.2 BUYER'S RESORT TO OR PARTICIPATION IN SUCH ARBITRATION PROCEEDINGS SHALL NOT BAR SUIT IN A COURT OF COMPETENT JURISDICTION BY THE BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE UNLESS AND UNTIL THE ARBITRATION RESULTS IN AN AWARD TO THE SELLER OF LIQUIDATED DAMAGES, IN WHICH EVENT SUCH AWARD SHALL ACT AS A BAR AGAINST ANY ACTION BY BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE.

22.3 NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

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23. Miscellaneous.
23.1 Binding Effect. This Agreement shall be binding on the Parties without regard to whether or not paragraphs 21 and 22 are initialed by both of the Parties. Paragraphs 21 and 22 are each incorporated into this Agreement only if initialed by both Parties at the time that the Agreement is executed. Signatures to this Agreement accomplished by means of electronic signature or similar technology shall be legal and binding.

23.2 Applicable Law. This Agreement shall be governed by, and paragraph 22.3 is amended to refer to, the laws of the state in which the Property is located. Any litigation or arbitration between the Parties hereto concerning this Agreement shall be initiated in the county in which the Property is located.

23.3 Time of Essence. Time is of the essence of this Agreement.

23.4 Counterparts. This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Escrow Holder, after verifying that the counterparts are identical except for the signatures, is authorized and instructed to combine the signed signature pages on one of the counterparts, which shall then constitute the Agreement.

23.5 Waiver of Jury Trial. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

23.6 Conflict. Any conflict between the printed provisions of this Agreement and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions. Seller and Buyer must initial any and all handwritten provisions.

23.7 1031 Exchange. Both Seller and Buyer agree to cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange. The cooperating Party shall not have any liability (special or otherwise) for damages to the exchanging Party in the event that the sale is delayed and/or that the sale otherwise fails to qualify as a 1031 exchange.

23.8 Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Agreement shall mean and refer to calendar days.

24. Disclosures Regarding The Nature of a Real Estate Agency Relationship.
24.1 The Parties and Brokers agree that their relationship(s) shall be governed by the principles set forth in the applicable sections of the California Civil Code, as summarized in paragraph 24.2.

24.2 When entering into a discussion with a real estate agent regarding a real estate transaction, a Buyer or Seller should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Buyer and Seller acknowledge being advised by the Brokers in this transaction, as follows:

(a) *Seller's Agent.* A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or subagent has the following affirmative obligations: (1) *To the Seller:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(b) *Buyer's Agent.* A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations. (1) *To the Buyer:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(c) *Agent Representing Both Seller and Buyer.* A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. (1) In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with

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either Seller or the Buyer. b. Other duties to the Seller and the Buyer as stated above in their respective sections (a) or (b) of this paragraph 24.2. (2) In representing both Seller and Buyer, the agent may not, without the express permission of the respective Party, disclose to the other Party confidential information, including, but not limited to, facts relating to either Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including Seller's willingness to accept a price less than the listing price or Buyer's willingness to pay a price greater than the price offered. (3) The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect their own interests. Buyer and Seller should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Buyer has the duty to exercise reasonable care to protect Buyer, including as to those facts about the Property which are known to Buyer or within Buyer's diligent attention and observation. Both Seller and Buyer should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

(d) Further Disclosures. Throughout this transaction Buyer and Seller may receive more than one disclosure, depending upon the number of agents assisting in the transaction. Buyer and Seller should each read its contents each time it is presented, considering the relationship between them and the real estate agent in this transaction and that disclosure. Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer representation agreement or separate document. Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties that may be of interest to this Buyer. Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this transaction may be brought against Broker more than one year after the Date of Agreement and that the liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Agreement shall not exceed the fee received by such Broker pursuant to this Agreement; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

24.3 Confidential Information. Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

25. Construction of Agreement. In construing this Agreement, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and vice versa. This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

26. Additional Provisions.

Additional provisions of this offer, if any, are as follows or are attached hereto by an addendum or addenda consisting of paragraphs 28 through 30. (If there are no additional provisions write "NONE".)
(see attached Addendum)

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS AGREEMENT OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:
1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS AGREEMENT.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PROPERTY. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PROPERTY, THE INTEGRITY AND CONDITION OF ANY STRUCTURES AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE.
WARNING: IF THE PROPERTY IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THIS AGREEMENT MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED.

NOTE:

- 1. THIS FORM IS NOT FOR USE IN CONNECTION WITH THE SALE OF RESIDENTIAL PROPERTY.
- 2. IF EITHER PARTY IS A CORPORATION, IT IS RECOMMENDED THAT THIS AGREEMENT BE SIGNED BY TWO CORPORATE OFFICERS.

The undersigned Buyer offers and agrees to buy the Property on the terms and conditions stated and acknowledges receipt of a copy hereof.

Date: 6/9/2022

BROKER
Corporate Advisory Group, Inc., dba CRESA
Sacramento
Attn: James Niethammer
Title: Managing Principal
Address: 575 University Avenue, Suite 100,
Sacramento, CA 95825
Phone: 916-929-6699
Fax: _____
Email: jniethammer@cresa.com
Federal ID No.: 68-0458312
Broker DRE License #: 01300605
Agent DRE License #: 01058588

BUYER
Northern California Power Agency
By: Randy S Howard
Name Printed: Randy S. Howard
Title: General Manager
Phone: 916-781-3636
Fax: _____
Email: _____
By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____
Address: 651 Commerce Drive, Roseville, CA
95678
Federal ID No.: #94-2550072

27. Acceptance.

27.1 Seller accepts the foregoing offer to purchase the Property and hereby agrees to sell the Property to Buyer on the terms and conditions therein specified.
27.2 In consideration of real estate brokerage service rendered by Brokers, Seller agrees to pay Brokers a real estate Brokerage Fee in a sum equal to 5.0 % of the Purchase Price to be divided between the Brokers as follows: Seller's Broker 2.5 % and Buyer's Broker 2.5 %. This Agreement shall serve as an irrevocable instruction to Escrow Holder to pay such Brokerage Fee to Brokers out of the proceeds accruing to the account of Seller at the Closing.

27.3 Seller acknowledges receipt of a copy hereof and authorizes Brokers to deliver a signed copy to Buyer.

NOTE: A PROPERTY INFORMATION SHEET IS REQUIRED TO BE DELIVERED TO BUYER BY SELLER UNDER THIS AGREEMENT.

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Date: May 25, 2022

BROKER

Ethan Conrad Properties

Attn: Grant Keeney

Title: Senior Vice President

Address: 1300 National Drive, Suite 100,
Sacramento, CA 95834

Phone: 916-779-1000

Fax: _____

Email: grant@ethanconradprop.com

Federal ID No.: _____

Broker DRE License #: 01298662

Agent's DRE License #: 00891996

SELLER

Ethan Conrad by an individual

By: Ethan Conrad

Name Printed: Ethan Conrad

Title: an individual

Phone: 916-779-1000

Fax: 916-779-1200

Email: ethan@ethanconradprop.com

By: _____

Name Printed: _____

Title: _____

Phone: _____

Fax: _____

Email: _____

Address: 1300 National Drive, Suite 100,
Sacramento, CA 95834

Federal ID No.: _____

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PROPERTY INFORMATION SHEET
(For the sale or leasing of non-residential properties)

PREFACE:

Purpose: This Statement is NOT a warranty as to the actual condition of the Property/Premises. The purpose is, instead, to provide the brokers and the potential buyer/lessee with important information about the Property/Premises which is currently in the actual knowledge of the Owner and which the Owner is required by law to disclose.

Actual Knowledge: For purposes of this Statement the phrase 'actual knowledge' means: the awareness of a fact, or the awareness of sufficient information and circumstances so as to cause one to believe that a certain situation or condition probably exists.

TO WHOM IT MAY CONCERN:

Ethan Conrad, an individual ("Owner"), owns the Property/Premises commonly known as (street address, city, state, zip) 5034 Sunrise Blvd. Fair Oaks, CA 95628 located in the County of Sacramento, and generally described as (describe briefly the nature of the Premises or Property) a 7,286 SF single story building (hereinafter "Property"), and certifies that:

1. **Material Physical Defects.** Owner has no actual knowledge of any material physical defects in the Property or any improvements and structures thereon, including, but not limited to the roof, except (if there are no exceptions write "NONE"): NONE.
2. **Equipment.**
 - A. Owner has no actual knowledge that the heating, ventilating, air conditioning, plumbing, loading doors, electrical and lighting systems, life safety systems, security systems and mechanical equipment existing on the Property as of the date hereof, if any, are not in good operating order and condition, except (if there are no exceptions write "NONE"): NONE.
 - B. Owner has no actual knowledge of any leases, financing agreements, liens or other agreements affecting any equipment which is being included with the Property, except (if there are no exceptions write "NONE"): NONE.
3. **Soil Conditions.** Owner has no actual knowledge that the Property has any slipping, sliding, settling, flooding, ponding or any other grading, drainage or soil problems, except (if there are no exceptions write "NONE"): NONE.
4. **Utilities.** Owner represents and warrants that the Property is served by the following utilities (check the appropriate boxes) public sewer system and the cost of installation thereof has been fully paid, private septic system, electricity, natural gas, domestic water, telephone, and other: NONE.
5. **Insurance.** Owner has no actual knowledge of any insurance claims filed regarding the Property during the preceding 3 years, except (if there are no exceptions write "NONE"): NONE.
6. **Compliance With Laws.** Owner has no actual knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable government agency or of any casualty insurance company that any work of investigation, remediation, repair, maintenance or improvement is to be performed on the Property, except (if there are no exceptions write "NONE"): NONE.
7. **Hazardous Substances and Mold.**
 - A. Owner has no actual knowledge of the Property ever having been used as a waste dump, of the past or present existence of any above or below ground storage tanks on the Property, or of the current existence on the Property of asbestos, transformers containing PCB's or any hazardous, toxic or infectious substance whose nature and/or quantity of existence, use, manufacture or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, except (if there are no exceptions write "NONE"): NONE.
 - B. Owner represents and warrants that it is not currently, and never has been engaged in the business of hauling waste, and never stored hazardous substances on the Property, except (if there are no exceptions write "NONE"): NONE.
 - C. Owner has no actual knowledge of the existence on the Property of hazardous levels of any mold or fungi defined as toxic under applicable state or Federal law, except (if there are no exceptions write "NONE"): NONE.
8. **Fire Damage.** Owner has no actual knowledge of any structure on the Property having suffered material fire damage, except (if there are no exceptions write "NONE"): NONE.
9. **Actions, Suits or Proceedings.** Owner has no actual knowledge that any actions, suits or proceedings are pending or threatened before any court, arbitration tribunal, governmental department, commission, board, bureau, agency or instrumentality that would affect the Property or the right or ability of an owner or tenant to convey, occupy or utilize the Property, except (if there are no exceptions write "NONE"): NONE.
Owner has not served any Notices of Default on any of the tenants of the Property which have not been resolved except (if there are no exceptions write "NONE"): NONE.
10. **Governmental Proceedings.** Owner has no actual knowledge of any existing or contemplated condemnation, environmental, zoning, redevelopment agency plan or other land use regulation proceedings which could detrimentally affect the value, use and operation of the Property, except (if there are no exceptions write "NONE"): NONE.
11. **Unrecorded Title Matters.** Owner has no actual knowledge of any encumbrances, covenants, conditions, restrictions, easements, licenses, liens, charges or other matters which affect the title of the Property that are not recorded in the official records of the county recorder where the Property is located, except (if there are no exceptions write "NONE"): NONE.
12. **Leases.** Owner has no actual knowledge of any leases, subleases or other tenancy agreements affecting the Property, except (if there are no exceptions write "NONE"): NONE.
13. **Options.** Owner has no actual knowledge of any options to purchase, rights of first refusal, rights of first offer or other similar agreements affecting the Property, except (if there are no exceptions write "NONE"): NONE.
14. **Short Sale/Foreclosure.** The ability of the Owner to complete a sale of the Property is contingent is not contingent upon obtaining the consent of one or more lenders to conduct a 'short sale', ie. a sale for less than the amount owing on the Property. (This paragraph only needs to be completed if this Property Information Sheet is being completed in connection with the proposed sale of the Property) One or more of any loans secured by the Property is is not in foreclosure.
15. **Energy Efficiency.** The Property has has not been granted an energy efficiency rating or certification such as one from the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) or Seller/Lessor does not know if the Property has been granted such a rating or certificate. If such a rating or certification has been obtained please describe the rating or certification and provide the name of the organization that granted it: _____.
16. **Other.** (It will be presumed that there are no additional items which warrant disclosure unless they are set forth herein): NONE.

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PI-8.03, Revised 10-22-2020

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Last Edited: 6/9/2022 12:24 PM

Page 1 of 2

The statements herein will be relied upon by brokers, buyers, lessees, lenders and others. Therefore, Owner and/or the Owner's Property Manager has reviewed and modified this printed statement as necessary to accurately and completely state all the known material facts concerning the Property. To the extent such modifications are not made, this statement may be relied upon as printed. This statement, however, shall not relieve a buyer or lessee of responsibility for independent investigation of the Property. Owner agrees to promptly notify, in writing, all appropriate parties of any material changes which may occur in the statements contained herein from the date this statement is signed until title to the Property is transferred, or the lease is executed. Signatures to this Statement accomplished by means of electronic signature or similar technology shall be legal and binding.

Date: 6/9/2022
(fill in date of execution)

OWNER
Ethan Conrad, an individual

By: Ethan Conrad
Name Printed: Ethan Conrad
Title: _____

Buyer/lessee hereby acknowledges receipt of a copy of this Property Information Sheet on _____. (Fill in date received)

BUYER/LESSEE
Northern California Power Agency

By: Randy S Howard
Name Printed: Randy S. Howard
Title: General Manager

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SELLER'S MANDATORY DISCLOSURE STATEMENT

(DO NOT USE IN SALE OF RESIDENTIAL PROPERTIES WITH 1-4 UNITS)

This Seller's Mandatory Disclosure Statement ("Disclosure") is made pursuant to the requirements of and shall be a part of the STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR PURCHASE OF REAL ESTATE (See paragraph 9.1(a) thereof) or N/A (the "Purchase Agreement") dated for reference purposes as of _____, regarding that certain real property commonly known as (street address, city, state, zip): 5034 Sunrise Blvd. Fair Oaks, CA 95628 ("Property") wherein Ethan Conrad, an individual is the Seller and Northern California Power Agency is the Buyer. Note: This Disclosure does not replace the Property Information Sheet published by AIR CRE ("AIR") and, unless not required by the Purchase Agreement, Seller should also provide Buyer the Property Information Sheet.

1. NATURAL HAZARDS DISCLOSURES. To make the disclosures required by California Government Code Section 8589.3 (a special flood hazard area), California Government Code Section 8589.4 (dam failure inundation area), California Government Code Sections 51178 or 51179, and 51182 (very high fire hazard severity zone), California Public Resources Code Sections 4125, 4142 and 4291 (wildlands fire area), California Public Resources Code Section 2622 (earthquake fault zone), and California Public Resources Code Section 2696 (seismic hazard zone) ("Natural Hazards Disclosures"), Seller provides Buyer a natural hazards report ("Natural Hazards Report") prepared by:

AIR CRE Approved Professional Consultant: myNHD Inc., 800-814-2922, <https://www.myNHD.com>, or N/A, and the Natural Hazards Report is attached.

2. EARTHQUAKE SAFETY. If the improvements on the Property were constructed prior to 1975 and include structures with either (i) pre-cast (e.g., tilt-up) concrete or reinforced masonry walls together with wood frame floors or roofs, or (ii) unreinforced masonry walls, then California Business & Professions Code §10147; Government Code §§8875.6, 8875.9, 8893.2, and 8893.3; and California Civil Code §2079.9 require Seller to provide Buyer a copy of The Commercial Property Owner's Guide to Earthquake Safety (the "Booklet") published by the California Seismic Safety Commission, available through the following link:

https://ssc.ca.gov/forms_pubs/cog. Seller is not required to provide the Booklet to Buyer. Seller is required to provide the Booklet to Buyer, which Booklet Seller is hereby providing to Buyer.

3. FLOOD DISASTER INSURANCE. If Seller or Seller's predecessor-in-interest has previously received Federal flood disaster assistance and such assistance was conditioned upon obtaining and maintaining flood insurance on the Property, Federal law, i.e., 42 U.S.C. §1514a, mandates that prospective purchasers be advised that they will be required to obtain and maintain such insurance on the Property and that if such insurance is not maintained and the Property is thereafter damaged by a flood disaster, the purchaser may be required to reimburse the Federal Government for the disaster relief provided. Buyer is hereby informed that to the best of Seller's knowledge, Federal flood disaster assistance has or has not been previously received with regard to the Property. Note: If such disaster assistance has been received, the law specifies that the required notice be "contained in documents evidencing the transfer of ownership".

4. WATER HEATER BRACING. The Property does or does not contain one or more water heaters of 120 gallons or less. If the Property does contain one or more water heaters of 120 gallons or less, then as required by California Health and Safety Code §19211, Seller hereby certifies to Buyer that all such water heaters have or have not been braced, strapped and/or anchored in accordance with law.

5. TITLE INSURANCE. If the Purchase Agreement does not provide that Buyer will be provided with title insurance, Buyer is strongly urged to consider purchasing title insurance. In accordance with California Civil Code §1057.6, Buyer is advised as follows:

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

6. METHAMPHETAMINE LABORATORY ACTIVITY. As required by California Health and Safety Code §25400.28, Seller notifies Buyer that a government order identifying the Property as contaminated by methamphetamine laboratory activity has been received by Seller (copy of such order is attached), or has not been received by Seller.

7. HAZARDOUS SUBSTANCES. If the Property is non-residential property, then as required by California Health and Safety Code §25359.7 Seller notifies Buyer that: Seller neither knows nor has reasonable cause to believe that any release of hazardous substance (as such terms are defined by California Health and Safety Code §§25320 and 25316) has come to be located on or beneath the Property, or Seller knows or has reasonable cause to believe that a release of hazardous substance has come to be located on or beneath the Property.

8. WATER CONSERVING PLUMBING FIXTURES. For multi-family residential (containing more than one unit) and commercial properties built before January 1, 1994: California Civil Code §1101.5 requires all noncompliant plumbing fixtures to be replaced before January 1, 2019 with water-conserving plumbing fixtures. As required by California Civil Code §1101.5(e), Seller discloses that the Property was built after January 1, 1994 and is exempt from this statute; does include noncompliant plumbing fixtures; or does not include any noncompliant plumbing fixtures.

9. DEATH ON THE PROPERTY. As required by California Civil Code §1710.2, Seller does or does not know of the death on the Property of an occupant of the Property in the three years before the date of Buyer's offer to purchase the Property per the Purchase Agreement.

10. OTHER. NONE

Seller believes the information provided in this Disclosure by Seller is true and correct to the best knowledge of Seller as of the date of this Disclosure, but Seller states that Seller has exercised good faith in the selection of a Natural Hazards Expert, Seller has not independently verified, and Seller is not obligated to verify, the information contained in the Natural Hazards Report, and makes no representation or warranty as to the truth or accuracy of any information contained in the Natural Hazards Report. Buyer agrees the Natural Hazards Report satisfies Seller's legal duty to make the Natural Hazards Disclosures, the provider of the Natural Hazards Report shall be deemed to be an expert dealing with matters within the scope of its expertise with respect to the examination and written report regarding the Natural Hazards Disclosures, and California Civil Code §1103.4 which deals with a seller's non-liability for errors and/or omissions not within such seller's personal knowledge shall be deemed to apply to Seller.

The hazards referenced in this Disclosure may limit the ability of the owner of the Property to develop the Property, to obtain insurance, or to receive assistance after a disaster. The maps on which the Natural Hazards Report are based estimate where natural hazards exist and are not definitive indicators of whether or not a property will be affected by a natural disaster. Buyer is advised to obtain professional advice regarding those hazards and other hazards that may affect the Property.

Applicable laws and the areas covered by the various natural hazard zones, etc. may change. Seller shall not be required to notify Buyer if the information provided in the Natural Hazards Report becomes inaccurate as a result of any governmental action, map revision, changed information, or other act or occurrence, unless Seller has actual knowledge that the information has become inaccurate. Prior to the close of escrow, Buyer may wish to again check the status of the Property. Also, Buyer is advised to verify with appropriate local governmental agencies, such as the city and/or county in which the Property is located, to determine if they have established natural hazard zones in addition to those listed above. Signatures to this Disclosure accomplished by means of electronic signature or similar technology shall be legal and binding. This Disclosure may be executed in counterparts.

The statements herein are not intended to be full or complete disclosure of all possible impacts on Buyer and/or the Property. If a matter is disclosed regarding

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Page 1 of 2

the Property, Buyer is advised to:

1. Review the entirety of all laws applicable to such disclosed matter.
2. Seek advice of counsel as to the legal consequence of any disclosed matters.
3. Retain appropriate consultants to review and investigate the impact of all such disclosed matters.

Neither AIR CRE nor any of the brokers make any representation, warranty or recommendation regarding the legal sufficiency, legal effect or any other consequences of this Disclosure.

Date: May 25, 2022

SELLER

~~Ethan Conrad~~ an individual

By: Ethan Conrad
ASABA45FFA0B4D3
 Name Printed: Ethan Conrad
 Title: an individual

Buyer acknowledges receipt of this Disclosure together with the Natural Hazards Report, the Booklet and any other documents referenced herein (as applicable) as being provided to Buyer, and agrees to the above terms and conditions.

Date: 6/9/2022

BUYER

~~Northern California Power Agency~~

By: Randy S Howard
3A8E27C86C24E7
 Name Printed: Randy S. Howard
 Title: General Manager

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**Addendum to
Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate
(Non-Residential) By and between Northern California Power Agency, a California Joint
Action Agency ("Buyer") and Ethan Conrad, an individual ("Seller"),
dated May 25, 2022 ("Agreement")**

This Addendum shall, in the event of a conflict, supersede as set forth in the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate.

28. Condition of Property

Close of escrow shall be conditioned upon Seller delivering the building in a vacant and broom clean condition, including the removal of all alterations made by the existing Tenant occupying the Building as of the date of this Agreement.

29. Patriot Act Provision

Buyer warrants and represents that (1) Buyer is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named at any time by the United States Treasury Department as a Specially Designated National and Blocked Person or designated in Presidential Executive Order 13224 (as such order may be amended or modified) as a person who commits, threatens to commit, or supports terrorism, and (2) Buyer is not engaged in or facilitating the transactions contemplated hereunder directly or indirectly on behalf of or for the benefit of any of the aforesaid persons, groups, entities or nations. Buyer expressly agrees to and shall indemnify, defend and hold Seller harmless from and against any and all claims, actions, causes of action, demands, liabilities, damages, costs and expenses (including attorneys' fees), whether direct or indirect, known or unknown, foreseeable or unforeseeable, which may be asserted against or suffered by Seller and/or its officers, directors, employees, partners, advisors, agents, representatives, subsidiaries, departments, divisions, predecessors, successors, heirs, assigns, administrators, insurers and attorneys at any time on account of or in any way arising out of or connected with any provision of the Patriot Act and/or this provision.

Seller warrants and represents that (1) Seller is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named at any time by the United States Treasury Department as a Specially Designated National and Blocked Person or designated in Presidential Executive Order 13224 (as such order may be amended or modified) as a person who commits, threatens to commit, or supports terrorism, and (2) Seller is not engaged in or facilitating the transactions contemplated hereunder directly or indirectly on behalf of or for the benefit of any of the aforesaid persons, groups, entities or nations. Seller expressly agrees to and shall indemnify, defend and hold Buyer harmless from and against any and all claims, actions, causes of action, demands, liabilities, damages, costs and expenses (including attorneys' fees), whether direct or indirect, known or unknown, foreseeable or unforeseeable, which may be asserted against or suffered by Buyer and/or its officers, directors, employees, partners, advisors, agents, representatives, subsidiaries, departments, divisions, predecessors, successors, heirs, assigns, administrators, insurers and attorneys at any time on account of or in any way arising out of or connected with any provision of the Patriot Act and/or this provision.

30. Licensed Broker

Seller is a licensed California real estate broker acting as a principal in this transaction.

AGREED:

SELLER

ETHAN CONRAD, an individual

DocuSigned by:
By: Ethan Conrad
AS66MEFFA9B4B3...

Name: Ethan Conrad

Its: an individual

Date: 6/9/2022

BUYER

NORTHERN CALIFORNIA POWER AGENCY

DocuSigned by:
By: Randy S Howard
3A5EF21D68434EF

Name: Randy S. Howard

Its: General Manager

Date: 6/9/2022

FY2023 Budget Augmentation

DRC Cost Allocation (80% Nexant, 10% Generation, 10% Admin)

\$2,200,000

All Members

Member	Occupancy Costs	Share	Funding Req
Alameda	155,759	7.5710%	166,562
BART	104,165	5.0632%	111,389
Biggs	10,947	0.5321%	11,706
Gridley	20,570	0.9998%	21,997
Healdsburg	41,903	2.0368%	44,809
Lodi	209,624	10.1892%	224,162
Lompoc	64,746	3.1471%	69,236
Palo Alto	213,071	10.3568%	227,849
Plumas Sierra	47,779	2.3224%	51,093
Port of Oakland	56,871	2.7643%	60,815
Redding	704	0.0342%	753
Roseville	109,180	5.3069%	116,752
Santa Clara	963,241	46.8203%	1,030,047
Shasta Lake	374	0.0182%	400
Truckee Donner	352	0.0171%	376
Ukiah	58,029	2.8206%	62,054
	2,057,315	100.0000%	\$2,200,000

FY2023 Budget Augmentation for O&M

DRC Cost Allocation (80% Nexant, 10% Generation, 10% Admin)

All Members

Member	Capital	Allocation Basis			FY 2023	Member	FY2023
	%	Rental/Lease	O&M	Rental/Lease	Gross O & M	Capital Recovery	Net O & M Funding
Alameda	7.5710%	8,849	2,620	0	2,620	(614)	2,006
BART	5.0632%	5,919	1,752	0	1,752	(410)	1,342
Biggs	0.5321%	622	184	0	184	(43)	141
Gridley	0.9998%	1,168	346	0	346	(81)	265
Healdsburg	2.0368%	2,380	705	0	705	(165)	540
Lodi	10.1892%	11,911	3,526	0	3,526	(826)	2,700
Lompoc	3.1471%	3,679	1,089	0	1,089	(255)	834
Palo Alto	10.3568%	12,106	3,584	0	3,584	(840)	2,744
Plumas Sierra	2.3224%	2,714	804	0	804	(188)	616
Port of Oakland	2.7643%	3,232	956	0	956	(224)	732
Redding	0.0342%	40	12	0	12	(3)	9
Roseville	5.3069%	6,204	1,836	0	1,836	(430)	1,406
Santa Clara	46.8203%	54,732	16,198	0	16,198	(3,796)	12,402
Shasta Lake	0.0182%	21	6	0	6	(1)	5
Truckee Donner	0.0171%	20	6	0	6	(1)	5
Ukiah	2.8206%	3,296	976	0	976	(229)	747
				0	0		0
Non-Members							
TID	0.0000%	1536	454	1,536	1,990	0	1,990
Azusa	0.0000%	368	109	368	477	0	477
CDWR	0.0000%	4433	1,312	4,433	5,745	0	5,745
MID	0.0000%	1417	420	1,417	1,837	0	1,837
PWRPA	0.0000%	353	105	353	458	0	458
Totals		125,000	37,000	8,107	45,107	(8,107)	37,000

RESOLUTION 22-71

**RESOLUTION OF THE
NORTHERN CALIFORNIA POWER AGENCY COMMISSION**

**In Commendation Of
JERRY PEARSON**

WHEREAS, a resolution commending Jerry Pearson for taking life-saving action to aid a fellow employee in need of immediate emergency medical attention; and

WHEREAS, Jerry Pearson, Combustion Turbine Specialist-Lead Person, has worked for NCPA since January 25, 2018; and

WHEREAS, on Monday, May 30, 2022, at around 6:10 pm, in the control room at NCPA’s Lodi Energy Center, Jerry and an employee sat next to each other to discuss issues related to work that had taken place at the facility earlier in the day, along with NCPA staff Scott Aistrup; and

WHEREAS, shortly thereafter, Jerry noticed the employee appeared to be in distress and was gasping for air; and

WHEREAS, Jerry and Scott immediately jumped into action by asking the employee questions before proceeding, but he was unresponsive and not breathing; and

WHEREAS, Jerry initiated the Emergency Response Plan and moved the employee to the ground to begin administering Cardiopulmonary Resuscitation (CPR), quickly called 911 and because the employee was not breathing, retrieved the Automated External Defibrillator (AED), which was administered; and

WHEREAS, as he was administering first aid, other staff came on scene, and he instructed them to meet the emergency responders at the gate to direct them to the control room; and

WHEREAS, once the emergency responders arrived on scene, Jerry was able to revive the employee allowing the EMTs to take over CPR and safely transport him to the hospital for treatment; and

WHEREAS, because of Jerry’s quick response and efficient training, Jerry was successful in administrating CPR and responding to an emergency situation, coupled with the care of other employees on scene, those efforts had a direct impact on providing the employee with the best possible chance for a positive outcome; and

WHEREAS, the ambulance crew commended him on his training and how he recognized a life-threatening event and acted quickly and effectively by providing immediate resuscitative efforts.

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency, this Agency, its members, and its employees proudly recognize the extraordinary life-saving efforts heroically performed that day by Jerry Pearson.

PASSED AND ADOPTED BY ACCLAMATION this ___ day of June 2022.

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY

RESOLUTION 22-72**RESOLUTION OF THE
NORTHERN CALIFORNIA POWER AGENCY COMMISSION****In Commendation Of
SCOTT AISTRUP**

WHEREAS, a resolution commending Scott Aistrup for taking life-saving action to aid a fellow employee in need of immediate emergency medical attention; and

WHEREAS, Scott Aistrup, Combustion Turbine Specialist, has worked for NCPA since September 4, 2001; and

WHEREAS, on Monday, May 30, 2022, at around 6:10 pm, in the control room at NCPA's Lodi Energy Center, Scott was discussing issues related to work that had taken place at the facility earlier in the day with Jerry Pearson and another NCPA employee; and

WHEREAS, shortly thereafter, Scott noticed the employee appeared to be in distress and was gasping for air; and

WHEREAS, Scott and Jerry immediately jumped into action by asking the employee questions before proceeding, but he was unresponsive and not breathing; and

WHEREAS, Scott initiated the Emergency Response Plan and assisted in moving the employee to the ground to begin administering Cardiopulmonary Resuscitation (CPR), quickly called 911, and because the employee was not breathing, retrieved the Automated External Defibrillator (AED), which was administered; and

WHEREAS, as Scott was administering first aid, other staff came on scene, and Scott instructed them to meet the emergency responders at the gate to direct them to the control room; and

WHEREAS, once the emergency responders arrived on scene, Scott was able to revive the employee allowing the EMTs to take over CPR and safely transport him to the hospital for treatment; and

WHEREAS, because of Scott's quick response and efficient training, Scott was successful in administering CPR and responding to an emergency situation, coupled with the care of other employees on scene, those efforts had a direct impact on providing the employee with the best possible chance for a positive outcome; and

WHEREAS, the ambulance crew commended him on his training and how he recognized a life-threatening event and acted quickly and effectively by providing immediate resuscitative efforts.

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency, this Agency, its members, and its employees proudly recognize the extraordinary life-saving efforts heroically performed that day by Scott Aistrup.

PASSED AND ADOPTED BY ACCLAMATION this ___ day of June 2022.

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY