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Commission Minutes

Date:

September 23, 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 10:31 am at The Resort at Squaw Creek, 400 Squaw Creek Road, Olympic Valley, CA. Introductions and roll call were made. Those in attendance are shown on the attached attendance list.

2. Approve Minutes of the August 25, 2022, Regular Commission Meeting.

MOTION: A motion was made by Pauline Roccucci, and seconded by Bo Sheppard to approve the minutes of the August 25, 2022, Regular Commission Meeting. The motion carried by a majority on a roll call vote of those members present as follows:

Alameda	Vote	Abstained	Absent
San Francisco BART	-	-	X
Biggs			
Gridley	·		
Healdsburg	Y		
Lodi	Y	-	-
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	Υ		

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

- Thanked everyone for attending this year's Annual Conference.
- Thanked staff for all their efforts in preparing and planning the Annual Conference.
- Discussed "Peak Week" and the challenges that were presented to the Agency as well as statewide during the most recent heat wave at the beginning of September.
- Discussed upcoming speaking events that include the FERC Technical Conference in early October, National Hydropower Association Clean Currents Conference in mid-October and Wildfire Mitigation Committee.
- The Funding Opportunity Announcement (FOA) for the Clean Hydrogen Project has been posted.
 NCPA is leading the Northern California cluster.

4. Executive Committee

Committee Chair Hagele reported the Executive Committee met once since the last Commission meeting. The Executive Committee welcomed three new members – Bo Sheppard (Biggs), Catalina Sanchez (Gridley) and Suds Jain (Santa Clara). With this new group of members, the Committee was provided with an overview of the Executive Committee's Roles and Responsibilities. Brynna Bryant, NCPA's Human Resources Manager, discussed annual performance evaluation procedures and timeline for the General Manager and General Counsel positions. The Committee heard reports from the General Manager and General Counsel, and met in closed session. No reportable action was taken in closed session.

5. Facilities Committee

Assistant General Manager Tony Zimmer reported the Committee met once since the last Commission meeting. The Committee discussed items 13-17, on the Consent Calendar, and items 20, 21, 22 under Discussion / Action. A quorum of the Committee was established, and recommended Commission approval of all items. The next Committee meeting is scheduled for October 5.

6. Finance Committee

Committee Chair Catalina Sanchez reported the Finance Committee held a Special Meeting on September 15th to review the results of a study prepared by Utility Financial Solutions (UFS) that analyzed the Agency's Reserve and Security Deposit Policies. Identified as a goal in NCPA's Strategic Plan, the draft study recommendations were presented by UFS to the Finance Committee with the purpose of receiving comments prior to reviewing it with the Facilities Committee in October. In addition, the Finance Committee passed a motion to have NCPA prepare a staff report seeking Commission approval to defer the FY2023 Scheduling Coordination Program Agreement deposit requirements until the recommendations of the study can be reviewed with the Commission.

The next Finance Committee meeting is scheduled for October 11 and will focus on the Agency's FY22 audited financials.

7. Legal Committee

General Counsel Jane Luckhardt reported the Committee met once since the last Commission meeting. A presentation entitled "Runaway Train – Are Electric Rates Heading Off the Rails?" was the main topic. This was an interactive discussion to understand what is driving sky high energy and transmission rates and what NCPA and Utilities can do to control these costs. The discussion was led by panelists: Amanda Drennen and Latif Nurani from Spiegel & McDiarmid, Pushkar Wagle from Flynn RCI and NCPA's Assistant General Manager, Tony Zimmer. The next Committee meeting will be held on October 6th.

8. Legislative & Regulatory Affairs Committee

The Legislative & Regulatory Affairs Committee met once since the last Commission meeting. The Committee reviewed item 18 on today's agenda and recommended Commission approval. NCPA's General Manger, Randy Howard moderated a discussion on current and future transmission-related issues of importance to public power alongside Andrew Campbell, of the Energy Imbalance Market Governing Body and the UC Berkeley Haas School of Business, Steve Wright, former Bonneville Power Administrator and recently retired General Manager of Chelan County PUD in Washington State. The Committee was also joined by Matthew Botill, the Division Chief of the Industrial Strategies Division at the California Air Resources Board and a representative from Governor Gavin Newsom's office and discussed the state's ongoing work to implement climate policies and consider the implications of the proposed policies for the electricity sector. The next Legislative & Regulatory Affairs Committee meeting is scheduled for November 30th.

9. Members' Announcements & Meeting Reporting

Commissioner Pauline Roccucci reported that the City of Roseville, in partnership with The Growth Factory, recently held a ribbon cutting for the Roseville Venture lab. This partnership will help local entrepreneurs launch and grow their businesses.

CONSENT CALENDAR

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

No items were pulled from the Consent Calendar.

MOTION: A motion was made by Suds Jain, and seconded by Janelle Osborne to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19. The motion carried by a majority of those members present on a roll call vote as follows:

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

- 10. NCPA's Financials for the Month Ended August 31, 2022 approval by all members.
- 11. Treasurer's Report for the Month Ended August 31, 2022 accept by all members.
- 12. Disposal of Northern California Power Agency Surplus Property note and file the report by all members for the disposal of the following: scrap metal from Lodi Energy Center.
 Fiscal Impact: This report has no direct fiscal impact to the Agency.

- 13. Resolution 22-98, Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co., Inc. Five Year Multi-Task General Services Agreement for Motor Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Modesto Industrial Electrical Co., Inc., dba Industrial Electrical Co., Inc. for motor maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.
 Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years.
- 14. Resolution 22-99, Nooter Eriksen, Inc. Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies for Heat Recovery Steam Generator (HRSG) Support Services and Parts; Applicable to the following: All Northern California Power Agency (NCPA) Facilities adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Nooter Eriksen, Inc. for heat recovery steam generator (HRSG) support services and parts, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA.

 Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years.
- 15. Resolution 22-100, Unique Scaffold Five Year Multi-Task General Services Agreement for Scaffold Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Unique Scaffold for scaffold related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$4,000,000 over five years, for use at any facilities owner and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.
 Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$4,000,000 over five years.
- 16. Resolution 22-101, Ford Construction Company, Inc. Five Year Multi-Task General Services Agreement for General Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities (except the Lodi Energy Center), NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Ford Construction Company, Inc., for general maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$3,000,000 over five years, for use at any facilities owned and/or operated by NCPA (except the Lodi Energy Center), NCPA Members, by SCPPA, and SCPPA Members.
 - **Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$3,000,000 over five years.
- 17. Resolution 22-102, Rejection of All Original Bids Received on July 1, 2021 for the NCPA Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project; Applicable to the following: NCPA Geothermal Facility – adopt resolution by all members delegating authority to the General Manager or his designee to reject all original bids received on July 1, 2021, for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project.

Fiscal Impact: At the time of original bidding, there was \$200,000 allocated for this work in the FY2022 budget. Thus, there were not sufficient funds available for NCPA to move forward with this project based on the bids received. Geothermal project staff determined that delaying the project until the next fiscal year would allow time for additional funds to be allocated to perform this work.

18. Resolution 22-106, Authorize Northern California Power Agency General Manager to Execute Confirmation Number 0269 for Cooperative Response Center, Inc. Services to the City of Lodi/Lodi Electric Utility and Issue a Corresponding Purchase Order Under the Support Services Program – adopt resolution by all members authorizing the General Manager or his designee to execute Confirmation Number 0269, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Cooperative Response Center, Inc., for after-hours answering services and energy dispatch services for the City of Lodi/Lodi Electric Utility.

Fiscal Impact: There is no fiscal impact to NCPA. The services provided by Cooperative Response Center, Inc. to Lodi will be billed to and paid by Lodi pursuant to the terms of the Support Services Program Agreement. NCPA's administrative costs will be reimbursed by Lodi.

19. Resolution 22-107, Approval of Northern California Power Agency's (NCPA) Casualty Insurance Program Extension – adopt resolution by all members authorizing the General Manager or his designee to extend the expiration of the Agency's Casualty insurance coverage from December 31, 2022 to February 28, 2023 at a not-to-exceed premium of \$347,000.
Fiscal Impact: The total cost to extend the current liability insurance program is estimated not-to-exceed \$347,000. This cost is equal to the current pricing of the 2022 premium prorated for the two-month extension plus a small contingency for unexpected expenses.

DISCUSSION / ACTION ITEMS

20. Resolution 22-103, NCPA Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project: Applicable to the following: NCPA Geothermal Facility - adopt resolution by all members authorizing the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not-to-exceed \$915,000, and authorizing the use of encumbered funds, \$140,000 from the Maintenance Reserve, and \$100,000 from the FY2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

Fiscal Impact: Total cost of this project is not to exceed \$915,000. This amount includes \$142,186.86, or approximately 18%, in contingency funds. No cash collection or budget augmentation is required for this work. Additional Maintenance Reserve collections are not

anticipated in future budget years to refund the Reserve.

MOTION: A motion was made by Bo Sheppard, and seconded by Suds Jain to adopt resolution authorizing the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not-to-exceed \$915,000, and authorizing the use of encumbered funds, \$140,000 from the Maintenance Reserve, and \$100,000 from the FY2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

The motion carried by a majority on a roll call vote of those members present as follows:

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

21. Resolution 22-104, NCPA Geothermal Plant #2 Cooling Tower Basin Clean Out Project; Applicable to the following: NCPA Geothermal Facility— adopt resolution by all members authorizing the Geothermal Plant #2 Cooling Tower Basin Clean Out Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not-to-exceed amount of \$620,024, and authorizing the use of \$150,024 from the Maintenance Reserve to fund this project.

Fiscal Impact: The total cost of this project is not to exceed \$620,024. This amount includes \$103,337, or approximately 20%, in contingency funds and \$10,600 for a Performance Bond. \$470,000 for the Geothermal Plant 2 Cooling Tower Basin Clean Out Project was approved in the FY2023 budget. An additional \$150,024 will come from the Maintenance Reserve to fund this project. No cash collection or budget augmentation are required for this work.

MOTION: A motion was made by Cindy Sauers, and seconded by Janelle Osborne to adopt resolution authorizing the Geothermal Plant #2 Cooling Tower Basin Clean Out Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not-to-exceed amount of \$620,024, and authorizing the use of \$150,024 from the Maintenance Reserve to fund this project.

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	2.3		X
Biggs	Y		
Gridley	Y		
Healdsburg	Y		
Lodi	Y	·	-
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding		X	
Roseville	Y		
Santa Clara	Y		
Shasta Lake		X	
Truckee Donner		X	
Ukiah	Y		
Plumas-Sierra	Y	-	-

22. Resolution 22-105, NCPA Geothermal H-Line Pipeline Repairs Project; Applicable to the following: NCPA Geothermal Facility – adopt resolution by all members authorizing the Geothermal H-Line Pipeline Repairs Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed \$280,000 and authorizing the use of \$67,500 of encumbered funds from the FY2022 budget and \$212,500 from the FY2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

Fiscal Impact: The total cost of this project is not to exceed \$280,000. This amount includes \$36,446, or approximately 15%, in contingency funds. Funds for this project were included in the approved FY2023 Geothermal Facility Budget as Steam Field Pipe Supports – Engineering. \$67,500 of encumbered funds from the FY2022 budget and \$212,500 from the FY2023 Geothermal Facility Operations and Maintenance Budget will be used to fund this project. No cash collection or budget augmentation is required for this work.

MOTION: A motion was made by Suds Jain, and seconded by Jerry Serventi to adopt resolution authorizing the Geothermal H-Line Pipeline Repairs Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed \$280,000 and authorizing the use of \$67,500 of encumbered funds from the FY2022 budget and \$212,500 from the FY2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

The motion carried by a majority on a roll call vote of those members present as follows:

Alameda	Vote	Abstained	Absent
San Francisco BART			X
Biggs	Y		
Gridley	Υ		1
Healdsburg	Y		
Lodi	Y		
Lompoc	Y		
Palo Alto	Y		
Port of Oakland	Y		
Redding		X	
Roseville	Y		
Santa Clara	Y		
Shasta Lake		X	
Truckee Donner	100	X	
Ukiah	Y		
Plumas-Sierra	Y		

Non-essential Members and NCPA staff left the meeting for closed session item 23.

CLOSED SESSION

Chair Hagele asked General Counsel to move the Commission into closed session at 11:05 am. General Counsel Jane Luckhardt took the Commission into closed session.

23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

A. Pursuant to Government Code Section 54956.9(d)(1) - Existing Litigation, three (3) cases:

- 1. 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.
- Case Name: City of Santa Clara dba Silicon Valley Power and Northern California Power Agency v. California Department of Water Resources, Sacramento County Superior Court, Case No. 34-2022-00323425.
- Name: In Re PG&E Corporation and Pacific Gas and Electric Company: United States District Court, Northern District of California, Case No. 4:22-cv-02833-HSG.
- B. Pursuant to Government Code Section 54956.9(d)(2) Potential Litigation, two (2) cases.

OPEN SESSION

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting at 11:42 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 David Hagele made notice that he is now passing the torch to Vice-Chair Jerry Serventi who will take the Chair seat at the next Commission meeting. Janelle Osborne will become the new Vice-Chair of the Commission.

Randy Howard thanked David Hagele for his service as the Commission Chair.

ADJOURNMENT

The September 23, 2022, Commission meeting was adjourned at 11:44 am by Chair Hagele.

Respectfully submitted, Prepared by,

CARY A. PADGETT

Commission Chair Assistant Secretary to the Commission

Attachments

DAVID HAGELE

Northern California Power Agency Commission Meeting September 23, 2022 COMMISSIONERS Attendance List

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

MEMBER	NAME
1 - ALAMEDA	Jenny Sent
2 - BIGGS	Bo Sheppard
3 - GRIDLEY	Catalyanach
4 - HEALDSBURG	and
5 - LODI	All R
6 - LOMPOC	Youlle Hoorne
7 - PALO ALTO	V
8 - PLUMAS-SIERRA REC	Larry Price.
9 - PORT OF OAKLAND	
10 - REDDING	Milwas Fello
11 - ROSEVILLE	Pauline Baccucci
12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
13 - SANTA CLARA	forthe Suds
14 - SHASTA LAKE	Samuer Tolle
15 - TRUCKEE DONNER	
16 - UKIAH	Cindy Sauers

Northern California Power Agency Commission Meeting September 23, 2022 Attendance List

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

NAME	AFFILIATION
Randy Howard	HUPA
JASON HARSTON	PSPEC
BILL NEWBERG	PSREC
Mico Dous	Alameda
Doan Batchelor	Palo Alto
Kiely Nosé	<i>J</i>
Heather Dawler	11
Kathleen Hughes	Silican Valley Power / City of Sunta Clara City & Palo Alto
Shirk Swamindhan	City of Palo Alio
STEVEN PONCETET	TOPUD
Jane Cirvingone	NOW
TELLY CROWLEY	HEOLOSBURG
Jared Compenter	Port of Outland
Tony Zimmic	NUPA
Michael DeBortoli	NCPA
James Takehara	Strasta Lake
Pasil Wong	SVP
Jone Luckhardt	NCP4

SUPPORT SERVICES PROGRAM STATUS REPORT October 27, 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 \$30,000; City Manager & City Attorney NTE \$60,000	\$ 60,000	09/07/16; 05/20/22	
Lompoc	Utility Director & City Attorney	\$ 125,000	11/15/16	
Palo Alto	City Manager & City Attorney	\$ 85,000	06/05/17	
Plumas-Sierra REC				
Port of Oakland	Executive Director & Deputy Port Attorney	\$ 150,000	04/14/16	
Redding	Utility Director & City Attorney		04/19/16	
	Procurement Authority Increased	\$ 200,000	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
0276	City of Palo Alto	10/21/22	\$ 10,383.00	Dudek; Review and assessment of 2023 Wildfire Mitigtion Plan and report findings.
0275	Alameda Municipal Power	10/21/22	\$ 46,675.00	Utility Financial Solutions; for Electric Cost of Service Study.
0274	City of Roseville	9/27/22	\$ 67,900.00	EES Consulting; for Cost of Service analysis including four primary tasks.
0269	City of Lodi	10/18/22	\$281,460.00	Cooperative Response Center, Inc.; after- hours answering services for Lodi Electric and Lodi Public Works departments for three-year period.
0267	City of Redding	10/5/22	\$ 12,093.00	Dudek; Wildfire Mitigation Plan review, secondary review, and presentation to Redding Council if requested.
0266	City of Healdsburg	9/20/22	\$ 27,995.00	Dee's Design Box; graphic design services for various projects including bill inserts, direct mail flyers, and as requested and included in contract's scope of work.
0263	Truckee Donner PUD	9/26/22	\$ 56,865.00	Norcal Power Services, LLC; maintenance testing at Tahoe Donner substation.
0262	Port of Oakland	9/28/22	\$ 34,675.00	Black & Veatch; perform engineering and substation support including analysis and review of diagrams and other information for assistance with distribution planning.
0260	City of Roseville	8/18/22	\$ 30,357.00	Montrose Air Quality Services, LLC; Source testing, rata testing, and emissions testing at REU facilities
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.
0257	Truckee Donner PUD	7/1/22	\$ 60,000.00	iParametrics; Grant writing services.
0256	Alameda Municipal Power	8/3/22	\$ 55,377.00	ADM Associates, Inc.; EM&V study on two of AMP's energy efficiency programs, Energy Plus and EAP Plus for FY2020 and 2021.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
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.
0253	City of Palo Alto	7/26/22	\$ 29,250.00	D+R International; provide network access via Qmerit to EV vetted local contractors able to install EV chargers and conduct electric panel upgrades. Online process allows customers to obtain bids for consideration. Including White Label Package with standard reporting. (No actual installation included in the services.)
0251	City of Santa Clara	5/3/22	\$ 42,720.00	Cameron-Cole LLC; perform verification services for Calendar years 2021-2023 CARB Greenhouse Gas emissions and Electric Power Entity reports for compliance with mandatory reporting.
0249	City of Lodi	7/21/22	\$ 92,170.00	Central Coast Energy Services, Inc.; income verification and recertification services for financial rate assistance programs and other income qualified customer programs through FY25.
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.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
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.
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.
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.

No.	Member Name	Date	Amount NTE	Vendor Name & Short Description
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.
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.
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.
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.
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.
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.
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.
0800	City of Roseville	7/11/18	\$148, 084.00	Siemens Energy, Inc.; Year 5 of 5-year T-3000 Maintenance Program.
0079	City of Redding	7//10/18	\$ 64,223.09	Siemens Energy, Inc.; Year 5 of 5-year T-3000 Maintenance Program.

SSA CONFIRMATIONS EXECUTED AND IN PROGRESS (SCPPA CONTRACTS)

No.	NCPA Member	Date	Amount NTE	Vendor Name & Short Description
0250	City of Lodi	8/18/22	\$ 52,830.00	Efficiency Services Group, LLC; provide "Keep Your Cool" commercial refrigeration program to help commercial business owners save energy during FY22 and FY23.
0226	Alameda Municipal Power	8/1/21	\$ 53,330.00	Cooper Compliance Corporation; provide full NERC regulatory compliance administrative services, including installation, maintenance, support, document migration, content development, and lease of Global Audit-Ready software.
0223	Alameda Municipal Power	8/30/21	\$270,000.00	The Energy Federation, Inc.; eCommerce markektplace platform and fulfillment for 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.



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Commission Staff Report

AGENDA ITEM NO.: 5

Date:

November 3, 2022

To:

NCPA Commission

Subject: October 5, 2022 Regular and Special Facilities Committee Meeting Minutes

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



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Minutes - Draft

Date:

October 14, 2022

To:

NCPA Facilities Committee

From:

Carrie Pollo

Subject: October 5, 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. Attending via teleconference and on-line presentation were Alan Harbottle and Roger Yang (Alameda), Dennis Schmidt (Biggs), Cliff Wagner (Gridley), Shiva Swaminathan (Palo Alto), Khaly Nguyen (Port of Oakland), Nick Rossow and Kamryn Hutson (Redding), and Basil Wong, and Steve Hance (Santa Clara). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and online presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, Plumas-Sierra, Shasta Lake, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

2. Approval of minutes from the September 7, 2022 Facilities Committee meeting.

Motion: A motion was made by Cliff Wagner and seconded by Khaly Nguyen recommending approval of the September 7, 2022 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

Reserve and Security Deposit Policies Study – Staff and Utility Financial Solutions (UFS)
presented the draft recommendations of the deposit and reserve requirements study and asked for
Committee feedback. **Informational Only**

Mark Beauchamp, President, UFS presented a Cash Reserve Methodology Study to the committee.

The methodologies reviewed included:

- Operating Reserves
 - Hydroelectric Maintenance Reserve
 - Geothermal Maintenance Reserve
 - CT1 Maintenance Reserve

- CT2 Maintenance Reserve
- LEC Maintenance Reserve + O&M Reserve
- NCPA Working Capital
- Security Deposits
 - SCPA Balancing Account
 - Market Power Purchase Program
 - Gas Purchase Program

After discussion with Committee Members and UFS, staff will create a model based on information gathered. The model will include methodologies for the recommended range of reserves by plant and NCPA working capital, reserve calculation summaries for the plants based on the FY 2023 budget, NCPA working capital, and security deposit calculations.

The security deposit methodology recommendations are listed below:

- SCPA Account
 - 2 Max months of the gross budgeted cost by Member
 - Justification: Necessary to cover NCPA float days between CAISO payment date and Pre-bill and to mitigate the risk of a member not paying or paying late
 - Lodi Energy Center Market Risk LEC participants only
- MPP and GPP Accounts
 - Max Budgeted Contract Month by Member
 - 3 Max months Mark to Market by Member
 - Justification: Necessary to cover the risk of a Member not paying or paying late plus the risk of variance between real-time market pricing and budget

Staff will bring this item back next month for further discussion.

- During the presentation of item # 3, Mike Brozo (Plumas-Sierra) joined the meeting via teleconference and online presentation at 9:30 am.
- 4. All NCPA Facilities, Members, SCPPA Exponential Power LLC MTGSA Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Exponential Power LLC for battery related services, 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.

Various battery 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has an agreement in place for similar services with American Power Systems and Nor-Cal Battery. 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 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 Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Exponential Power, LLC for battery related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding.

The motion passed.

5. All NCPA Facilities, Members, SCPPA – Precision Iceblast Corporation First Amendment to MTGSA – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Precision Iceblast Corporation for inspection and maintenance related services, increasing the not-to-exceed from \$1,000,000 to \$3,000,000, for continued use at all 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 Precision Iceblast Corporation effective June 23, 2021 for an amount not to exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

A NCPA Member is interested in using this agreement for services through NCPA's Support Services Program, which will result in this agreement running low on funds. To ensure there are sufficient funds available for the remainder of the contract term, NCPA desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increasing the not to exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA has agreements in place for similar services with Environex, Inc., Groome Industrial Services Group, Inc., and Tetra Engineering Group, 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, original agreement, and 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 Brian Schinstock and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the five-year Multi-Task General Services Agreement with Precision Iceblast Corporation for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

6. All NCPA Facilities, Members, SCPPA – Sunshine Metal Clad, Inc. MTGSA – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. for routine maintenance services, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

The current agreement with Sunshine Metal Clad, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with American Industrial Scaffolding, Inc., Bayside Insulation & Construction, Inc. and Farwest Insulation Contracting. 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 agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Alan Harbottle and seconded by Cliff Wagner recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. for routine, recurring, and usual insulation maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

Property Insurance Program Renewal for CY 2023 – Staff provided background information and
was seeking a recommendation for Commission approval to renew the Agency's property insurance
program for CY 2023.

One of the goals identified in the 2021-2026 Strategic Plan was to develop a long-term, cost-effective insurance coverage strategy while building solid relationships between the Agency and its insurers. FM Global was new to the Agency as of 2021 and quickly established itself as a valued partner. NCPA has excellent relationships with the account managers and engineers as well as company executives. FM Global offers engineering support, cyber security assessments, and responsive account managers/engineers. In addition, FM Global provides membership credits.

FM Global Credits for 2022

NCPA will receive a 5% Membership Credit from FM Global in the amount of \$194,178 to be applied directly to the policy premium at renewal for CY23. In addition, NCPA will also receive a Resiliency Credit of \$194,178 (5%) to be used for loss control recommendations to increase plant resiliency and help reduce FM Global's risk profile.

Plant Appraisals

In CY22, appraisals were performed for Geo and LEC. For Hydro and the CTs, a standard 7% increase over the CY22 values was used to obtain actual values for FY23. Of note, Geo saw a 16% decrease in appraised value compared to the CY22 book value. The appraisals were commissioned and paid for by FM Global. NCPA expects Hydro and the CTs to be appraised in CY23.

Business Interruption Insurance (BI)

Business interruption insurance was quoted for CY23. Since LEC declined BI in CY22 and FM Global agreed to a two-year rate lock, BI insurance will not be available to LEC for CY23; this can be revisited for the CY24 renewal. Forecasted revenue for Geo is up \$27M YOY, driven by higher forward energy price curves. Forecasted revenue for Hydro is up \$12M YOY, also driven by higher forwards but a lower forecasted generation expected for FY23.

CY23 Property Insurance Premium

The property insurance premium is allocated based on the total insured value, calculated as Property Value + BI. FM Global has indicated the expected CY23 Property Insurance Renewal Premium at a not-to-exceed of \$3,800,000. NCPA's commitment is a NTE of \$2,480,000, while LEC's commitment is a NTE of \$1,320,000 for the CY23 property renewal.

NCPA signed a two-year rate lock with FM Global at the inception of the CY22 insurance program. This lock keeps the rate used to calculate the total premium from CY22 to CY23 the same. While the rate remained unchanged, NCPA saw an increased total insured value for its assets in CY23. This increase in value is the driver for why NCPA's property premium will go up approximately 5% in CY23, but those premium increases are offset by membership credits. The two-year rate lock proved to be beneficial since the property market is experiencing increases north of 10%. A draft Commission Staff Report was 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 Cliff Wagner recommending Commission approval authorizing the General Manager or his designee to negotiate and bind Property coverage with FM Global for CY23 at a not-to-exceed premium of \$3,800,000. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

8. Authorize NCPA's General Manager to Execute Confirmation Number 0268 for Precision Iceblast Corporation Services to Roseville/Roseville Electric Utility and issue a Purchase Order Under the Support Services Program – Subject to approval by the Roseville City Council of the requested services under the terms of the Northern California Power Agency Support Services Program Agreement, staff was seeking a recommendation for Commission approval of Resolution 22-108 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0268 in the amount not-to-exceed \$687,492.00, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to Precision Iceblast Corporation for Heat Recovery Steam Generator Deep Cleaning Services.

The City of Roseville is a signatory to the NCPA Support Services Program Agreement (SSPA). In August 2022 the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for Precision Iceblast Corporation to provide HRSG Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and confined space rescue team services during Roseville's 2023 spring outage. Pursuant to the Precision Iceblast Corporation proposal, the cost for the services is \$623,770.00. In addition, Roseville staff has requested the addition of a ten percent contingency of \$62,377.00 to allow for additional services as may be requested.

If approved, Confirmation Number 0268 states that NCPA agrees to provide the requested services through its contract with Precision Iceblast Corporation in the amount of not-to-exceed \$686,147.00. There is no guarantee that the full amount of possible services will be paid to Precision Iceblast Corporation but is merely a limit of potential expenditures for services under Confirmation Number 0268. With the addition of NCPA's administrative fees which will be billed out as actually incurred, the total amount expended under the Confirmation will not exceed \$687,492.00. This item will be considered by the Roseville City Council at an upcoming meeting, and is subject to that approval. A draft Commission Staff Report was 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 Jiayo Chiang recommends subject to approval by the Roseville City Council of the requested services under the terms of the Northern California Power Agency (NCPA) Support Services Program Agreement, Commission approval of Resolution 22-108 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0268, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Precision Iceblast Corporation for Heat Recovery Steam Generator (HRSG) Deep Cleaning Services. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

9. FY 2023 Schedule Coordination Program Agreement Deposit Requirement Deferral – Staff presented background information and was seeking a recommendation for Commission approval to defer the SCPA deposit requirement for Fiscal Year 2023 until the draft recommendations of the Reserve and Security Deposit Policies study can be reviewed with the Commission.

NCPA provides various Power Management services to its Members pursuant to service-based agreements. One of those agreements is the Amended and Restated Scheduling Coordination Program Agreement (SCPA). Scheduling Coordination Services include but are not limited to, the

submission of schedules and bids on behalf of Members, obtaining and maintaining settlement quality meter data, performing outage coordination for planned and unplanned outages, validation and reconciliation of CAISO settlement charges and credits, and allocating CAISO charges and credits among the Members.

Per Section 10.1 of the SCPA: "...a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months..." When the FY 2023 budget was prepared and approved, forward market prices indicated higher than normal prices significantly increasing the calculated deposit requirement. Participants were expected to deposit an additional \$9.5 million to stay in compliance with the terms of the agreement. During the budget review process, participants commented that their costs were already strained with other, non-controllable increases such as Transmission and Load Aggregation costs and this deposit requirement only exasperated their challenges. The participants and NCPA agreed to collect the incremental requirement on a quarterly basis starting with the September ARB bill as opposed to the standard practice of collecting 100% of the deposit requirement with the July ARB. The purpose of this one-time change was to allow time for the participants to collect summer-related receipts from their ratepayers and allow NCPA time to engage with a consultant to study the various reserve and program security deposit agreement requirements and compare them with industry best practices.

NCPA's 2021-2026 Strategic Plan identified a goal to review the reserve and program security deposit policies to ensure collected balances are meeting the emerging market risks and opportunities. In conjunction with that goal and the Member sentiments about the additional SCPA collection, staff solicited an RFP for a Reserve and Program Security Deposit Study in May. NCPA selected Utility Financial Solutions (UFS) to perform the study. Work commenced in June. Over the next two months, staff met several times with UFS providing documentation, answering questions, and reviewing each project reserve and program deposit requirement. The draft recommendations were reviewed with the Finance Committee at a Special Meeting in September prior to the October Facilities Committee meeting. The consultant's draft recommendations are based on industry best practices, and in regards to the SCPA program, UFS recommended that NCPA collect the highest two months of estimated CAISO costs (an amount roughly equal to what NCPA is holding today) instead of the three months currently required by the program agreement. This was largely based on NCPA's cash flow with the timing of collections from participants and payments to CAISO. The Finance Committee made a motion for staff to review with the Facilities Committee and request a recommendation for Commission approval to defer the FY2023 deposit collection until the study and final recommendations can be reviewed and approved by the Commission.

Motion: A motion was made by Cliff Wagner and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to defer the FY 2023 \$9.5 million deposit collection for the Schedule Coordination Program Agreement Balancing Account until the draft recommendations of the Reserve and Program Security Deposit Study can be shared with the Commission. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed with a majority of a quorum of the SCPA Participants.

INFORMATIONAL ITEMS

10. New Business Opportunities – Staff provided an update regarding new business opportunities.

NCPA Renewables RFP Update – Calpine Geothermal Offer (Geysers)

- Term: 12 years term commencing 1/1/2025
- Volume:
 - 50 MW base load generation 7x24 first two (2) years

- 100 MW base load generation 7x24 last ten (10) years
- Price: To Be Discussed
- All other terms per the term sheet
- Key items under discussion:
 - Definition of Products
 - Credit terms
 - Delivery terms
 - · Regulatory risk
 - Pricing
- Key Next Steps
 - NCPA staff is working on updated drafts of transaction confirmations
 - Discussed with Member staff
 - Once completed, provided to Calpine for consideration
 - · Work with Member staff to confirm subscription percentages
 - Develop draft Third Phase Agreement
 - Possible assignment concept
- **11. FY 2022 Annual Billing Settlements Review** Staff presented a draft of the FY2022 Annual Billing Settlement and encumbrances for the period of July 1, 2021 through June 30, 2022.

After internal accounting review, the final draft of the FY2022 Annual Billing Settlement was reviewed by the Facilities Committee. The draft results include an approximate \$2.4 million refund from plant operations, and approximately \$1.9 million refund coming from management services. Pass-through costs, and third party revenues still need to be determined. Encumbered funds for FY2022 total \$4.3 million.

The next steps in this process are to present this draft to the LEC PPC October 10, 2022, then the Utility Directors at the October 13, 2022 UD meeting. The final version of the FY2022 Annual Billing Settlement will be presented to the Facilities Committee at the November 2, 2022 Facilities Committee meeting, seeking a recommendation for Commission approval. After that it will be presented to the LEC PPC for approval, and again to the UDs in November. Staff will be seeking Commission approval at the December 1, 2022 Commission meeting.

12. Overview of FY 2024 Budget Process and Approach – Staff presented an overview of the FY2024 Budget process and recommended operating budget directions.

The proposed budget process will continue with review of the draft budgets through the Facilities, LEC PPC, and L&R Committees, and UD meeting, seeking a recommendation for Commission approval. The budget is prepared on a project/program basis. Allocation for all allocated costs are Power Management, Legislative and Regulatory, Judicial Action, Administrative and General, and direct allocations. Previously approved methods will continue to be used at this time with focus on NCPA controllable costs and aligning budgets with expectations and previous actuals. Reserves and Program Security Deposits will be based on agreements and/or Commission direction.

Issues impacting the FY 2024 budget include an increase of Power Supply at 54%, which is a 30% increase from FY 2022. Transmission is also up 33% from FY 2022. Inflation continues to rise causing continued pressures and impacts to plant O&M budgets. Interest rates have gone up from 0 -0.25% to 3 -3.25% driving prices up. Other issues impacting the FY 2024 budget include the PERS Pension with an increase of \$300,000, OPEB, and the CPI index at 8.5%.

Recommendations for the FY 2024 budget include a target increase of 8% for regular operating and maintenance of the plants. All maintenance and capital projects will be reviewed and vetted by the Facilities Committee and the LEC PPC Committee prior to seeking a recommendation for Commission approval. Transmission costs are based on the published rate. CAISO energy load

costs are based on the forward curve. The salary increase target range of \$1.0 - \$1.5 million includes union negotiated general wage increases and broad banding adjustment for merits, promotions, and upgrades. The target range for all other operating expenses is a 5 - 8% increase from the previous year's base budget and staff will continue to refine by aligning closer to actuals.

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

Hydro – Collierville (CV) Power House was 100% available during the month of September. New Spicer Meadows Power House was at 99% availability. New Spicer Meadows storage decreased by 12,000 acre feet at 12% month over month from 99,150 acre feet to 87,450 acre feet as of October 4, 2022. At this time last year New Spicer Meadows Reservoir storage was only 59,820 acre feet. Maintenance in the upper watershed includes Phase II work on Alpine Dam in mid-October, Union Dam Phase II work scheduled October 10, 2022, and Utica valve operator replacement during October. The intake cleanouts for Beaver Creek and North Fork Reservoirs was completed in September. Planned maintenance outages for Spicer Powerhouse Units 1, 2, and 3 were completed September 23, 2022. The Collierville dual unit outage was completed October 1-2. CV Unit 2 will be in an outage October 3 – 14, 2022, and Unit 1 October 17 – 28, 2022.

CTs – CT1 had 25 actual starts, with 6 in real time and 9 ghost, of 17 forecasted. FYTD total is 75 starts. CT2 had 10 starts this month of 16 forecasted. FYTD total is 15 starts. Planned outages coming up include CT1 Lodi – February 1 – 28, 2023, CT1 Alameda Unit 1 and 2 – March 1 – 31, 2023, and CT2 STIG – April 1 – 30, 2023. CT1 Lodi has used 171 hours (85%) of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 12.27 hours of 20, and Unit 2, 11.74 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for August 2022.

Geo – There were no safety incidents to report for the month of September. Hydro personnel performed a safety audit at Geo during the month. Safety training is 71% complete. The plant conducted a third round of hands on CPR/AED training, and active shooter training. Vegetation management continued for the month. The average net generation level for the month was 90.7 MW. Total net generation was 65.3 GWh. Actual year 2022 net generation was 592 GWh YTD, 2.6% over forecasted. The year 2022 Net Generation Forecast was 577 GWh YTD. Routine maintenance was performed on plant equipment and the SEGEP. The refurbished Unit 4 turbine rotor is back on site, and Unit 3 generator rotor is being evaluated.

14. Planning and Operations Update

- Resource Integrations In Progress
 - o Antelope Solar (NCPA) October 2022
 - o Deer Creek TBD
 - Sandborne Storage Q1 2023
 - Dagget Solar / Storage Q2 2023
 - Scarlet Solar / Storage Q3 2023
 - o Proxima Solar / Storage Q3 2023
- Meter Maintenance Program Development Status NCPA staff is working on a draft program agreement and consulting services agreement. Once the draft agreements are completed staff will present to Members for review and comment.
- 15. Next Meeting The next regular Facilities Committee meeting is scheduled for November 2, 2022.

ADJOURNMENT

The meeting was adjourned at 12:45 pm by the Committee Chair.

Northern California Power Agency October 5, 2022 Facilities Committee Meeting Attendance List

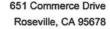
NCPA Facilities Committee Members, Alternates & Staff are requested to sign, but signature by members of the public is voluntary.

NAME	AFFILIATION
Carrie Pollo	NCPA
Nayo Chianes	Codi
Jacob Eymann	NCPA tydro
Ryley Kelly	Roseville
BRIAN SCHINGTOCK	ROEVILLE
JEREMY LAWSON	NCPA
Randall Kramer	NCAA
Monty Hauks	NCPA
Tony Zimmer	NCPA

Northern California Power Agency October 5, 2022 Facilities Committee Meeting Attendance List

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

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	*
HEALDSBURG	
LODI) prayo (Chianes
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	Myly Zz BODW
SANTA CLARA	
SHASTA LAKE	
TID	
UKIAH	





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Minutes - Draft

Date:

October 24, 2022

To:

NCPA Facilities Committee

From:

Carrie Pollo

Subject:

October 5, 2022 Special Facilities Committee Meeting Minutes

1. Call Meeting to Order & Roll Call – The meeting was called to order by Committee Chair Jiayo Chiang (Lodi). Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Dennis Schmidt (Biggs), Cliff Wagner (Gridley), Shiva Swaminathan (Palo Alto), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), and Basil Wong (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Peter Lorenz (non-voting Representative with TID) also attended via teleconference and online presentation. Committee Representatives from BART, Healdsburg, Lompoc, Plumas-Sierra, Shasta Lake, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

2. NCPA Inter-Agency Resource Plan (IARP) Project – Long Term CAISO Market Outlook Discussion – Staff and representatives from Ascend Analytics, LLC lead a discussion regarding long-term CAISO market outlook data and forecasts (including long-run power market, RA market, REC, and ancillary services market forecasts), and provided background into their market forecasting approach. Also discussed was CAISO load and supply stack assumptions as it relates to the NCPA IARP Project and California's move to decarbonize the economy.

James Mearns of NCPA introduced the speaker – Dr. Brent Nelson, Director of Market Intelligence with Ascend Analytics, LLC. Dr. Nelson presented information covering the following topics:

- A. Introduction of Ascend Analytics, LLC and their capabilities and products
- B. Invitation to the Ascend Summit meeting scheduled October 18-20, 2022 in Boulder, CO
- C. Brief metrics concerning Ascend Analytics, LLC project financing track record and clients
- D. Key members of the Ascend Analytics, LLC leadership team
- E. An overview of Ascend Analytics, LLC energy market price forecasting framework
- F. An overview of energy market price trajectories and influences for the CAISO footprint
- G. Influences of both regulated and deregulated market structures on the CAISO forecast
- H. Impact on markets of "must-run" resource deployments
- Planning responsibility splits between the CAISO and CPUC

- J. Impacts of weather-related risks
- K. Trajectory of the CAISO resource mix and potential price impacts
- L. Volatility in Real Time markets, including potential for curtailment
- M. Impact of proximity of renewable resources to load centers
- N. Trajectories for on-peak, off-peak and carbon prices
- O. Potential shifts in Resource Adequacy policy
- P. Trajectory for short term storage
- Q. Gas price trends
- R. Overview of Inflation Reduction Act impacts on renewable energy projects
- S. Opportunity zone maps for coal mine and plant retirements

Dr. Nelson took limited questions from the Members amplifying responses to certain topics of interest.

<u>ADJOURNMENT</u>

The meeting was adjourned at 2:16 pm by the Committee Chair.

Northern California Power Agency October 5, 2022 Special Facilities Committee Meeting Attendance List

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

NAME	AFFILIATION
Carrie Pollo	NCPA
Trajo Chiany	Codi
Sacob Eymann	NCPA Hydro
John Luckhardt	NCPA
James Mearns	NCPA
Ryley Kelly	Roseville
BRIAN SEMINTFOCK	Roseville
JEREMY LAWSON	NCPA
Monty Hauls	NCPA
Mandall Kramer	NOPA
Tony Zimane	NCAN
3	

Northern California Power Agency October 5, 2022 Special Facilities Committee Meeting Attendance List

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

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	Jode Chiany
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	My ry RS (sel
SANTA CLARA	
SHASTA LAKE	
TID	
UKIAH	





Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022										
SUBJECT: September 30, 2022 Financial Report (unaudited)										
AGENDA CATEGORY: Consent										
FROM:	Sondra Ainsworth METHOD OF SELECTION:									
	Treasurer-Contro	ller	N/A							
Division:	Administrative Services									
Department:	Department: Accounting & Finance									
IMPACTED N	MEMBERS:									
	All Members	\boxtimes	City of Lodi		City of Shasta Lake					
Alameda Municipal Power			City of Lompoc		City of Ukiah					
San Francisco Bay Area Rapid Transit			City of Palo Alto		Plumas-Sierra REC					
	City of Biggs		City of Redding		Port of Oakland					
	City of Gridley		City of Roseville		Truckee Donner PUD					
City	y of Healdsburg		City of Santa Clara		Other					
			If other, please specify							
				_						

SR: 235:22

September 30, 2022 Financial Report (unaudited) November 3, 2022 Page 2

RECOMMENDATION:

Recommending the Northern California Power Agency (NCPA) Commission approve the Financial Report for month ending September 30, 2022.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the November 3, 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 September 30, 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:

- September 30, 2022 Financial Report

SR: 235:22

NORTHERN CALIFORNIA POWER AGENCY and ASSOCIATED POWER CORPORATIONS

Schedule of Disbursements (Unaudited)

For the Month of September 2022

Operations:

Geothermal	\$ 1,378,431
Hydroelectric	3,260,246
CT#1 Combustion Turbines	380,312
CT#2 STIG	619,567
Lodi Energy Center	11,560,944
NCPA Operating	 56,491,069
Total	\$ 73,690,569

NORTHERN CALIFORNIA POWER AGENCY REPORT OF BUDGET VS. ACTUAL COST FOR THE PERIOD ENDED SEPTEMBER 30, 2022

PERCENT OF YEAR ELAPSED 25%

		his		Actual Year To-Date		FY 2023 Budget	% Used	
GENERATION RESOURCES NCPA Plants				10 24.0		Dadgot	<u>-70 0000</u>	
Hydroelectric								
Other Plant Cost Debt Service (Net)	\$	2,040,959 2,984,264	\$	5,427,181 8,952,792	\$	19,702,876 35,811,167	28% 25%	
Annual Budget Cost		5,025,223		14,379,973		55,514,043	26%	
Geothermal								
Other Plant Cost		3,414,625		9,752,791		38,159,673	26%	
Debt Service (Net)		289,443		868,328		3,473,310	25%	
Annual Budget Cost		3,704,068		10,621,119		41,632,983	26%	
Combustion Turbine No. 1								
Fuel		342,931		472,295		1,213,785	39%	(a)
Other Plant Cost		504,616		1,325,755		4,387,786	30%	(b)
Annual Budget Cost		847,547		1,798,050		5,601,571	32%	
Combustion Turbine No. 2 (Stig)								
Fuel and Pipeline Transport Charges		154,042		327,940		2,226,656	15%	
Other Plant Cost		216,373		650,669		3,050,762	21%	
Debt Service (Net)		423,655		1,270,964		5,083,855	25%	
Annual Budget Cost		794,070		2,249,573		10,361,273	22%	
Lodi Energy Center								
Fuel		7,426,065		20,707,891		64,819,215	32%	(a)
Other Plant Cost		4,516,760		8,433,835		46,921,420	18%	(4)
Debt Service (Net)		2,166,350		6,499,051		25,996,203	25%	
Annual Budget Cost		14,109,175		35,640,777		137,736,838	26%	
(44 - 14 - 14 - 14 - 14 - 14 - 14 - 14 -		7 000 101		00 455 070			070/	
Member Resources - Energy		7,986,491		23,455,873		63,023,618	37%	(c)
Member Resources - Natural Gas		363,360	_	1,242,645	_	2,474,390	50%	(a)
Western Resources Market Power Purchases	_	2,187,740 5,367,455	_	8,567,729 18,245,447		26,100,435 35,533,176	33% 51%	(d)
Load Aggregation Costs - CAISO		02,595,549	_	245,983,518		467,468,943	53%	(e) (f)
Net GHG Obligations		02,000,040		1,701,000	_	920,891	185%	(g)
not one ornigations		ups 1990monteus		111011000				(3)
	1	42,980,678		363,885,704		846,368,161	43%	
TRANSMISSION								
Independent System Operator		301,390		922,045		2 575 407	200/	(h)
Grid Management Charge Wheeling Access Charge		14,009,776		41,913,932		2,575,487 158,081,389	36% 27%	(h)
Ancillary Services		2,266,356		3,615,904		5,941,763	61%	(i)
Other ISO Charges/(Credits)		7,700,108		2,019,008		2,183,731	92%	0
6 a. a		24,277,630		48,470,889		168,782,370	29%	3677
MANAGEMENT SERVICES Legislative & Regulatory								
Legislative & Regulatory Legislative Representation		134,467		349,885		2,231,485	16%	
Regulatory Representation		47,974		145,738		714,822	20%	
Western Representation		23,320		57,439		722,876	8%	
Customer Programs		35,232		109,727		614,825	18%	
Judicial Action		127,434		127,434		460,000	28%	
Power Management		2020200		992229		<u> </u>	12124	
System Control & Load Dispatch		549,616		1,775,828		7,504,041	24%	
Forecasting, Planning, Prescheduling & Trading		211,146		627,584		3,044,442	21%	
Industry Restructuring & Regulatory Affairs		36,186		112,617		438,471	26%	
Contract Admin, Interconnection Svcs & External Affairs		59,363		200,521		1,031,800	19%	
Gas Purchase Program Market Purchase Project		4,493 5,464		13,173 18,746		76,674 112,143	17% 17%	
Market Fulcilase Fi0ject		0,404		10,740		112,143	17.70	

NORTHERN CALIFORNIA POWER AGENCY REPORT OF BUDGET VS. ACTUAL COST FOR THE PERIOD ENDED SEPTEMBER 30, 2022

PERCENT OF YEAR ELAPSED 25%

	This Month	Actual Year To-Date	FY 2023 Budget	% Used	
Energy Risk Management	29,313	52,275	149,552	35%	(k)
Settlements	51,393	161,025	1,011,963	16%	
Integrated Systems Support	4,218	104,378	405,072	26%	
Participant Pass Through Costs	29,661	164,372	1,665,647	10%	
Support Services	84,849	235,292	U-10	N/A	
	1,434,129	4,256,034	20,183,813	21%	
TOTAL ANNUAL BUDGET COST	168,692,437	416,612,627	1,035,334,344	40%	
LESS: THIRD PARTY REVENUE					
Plant ISO Energy Sales	37,035,068	74,266,796	193,457,434	38%	(b)
Member Resource ISO Energy Sales	14,049,377	36,897,814	49,954,453	74%	(1)
Member Owned Generation ISO Energy Sales	27,668,371	60,685,587	118,708,880	51%	(1)
Revenue from Customers	17,319,786	28,574,586		N/A	(m)
NCPA Contracts ISO Energy Sales	5,842,819	13,845,459	36,185,909	38%	(1)
Western Resource Energy Sales	2,502,755	7,423,909	26,526,704	28%	
Load Aggregation Energy Sales	11,843,850	30,196,952		N/A	(f)
Ancillary Services Sales	483,043	1,495,968	4,271,495	35%	(n)
Transmission Sales	9,198	27,594	110,376	25%	
Western Credits, Interest and Other Income	5,831,474	15,875,985	43,537,481	36%	(o)
	122,585,741	269,290,650	472,752,732	57%	
NET ANNUAL BUDGET COST TO PARTICIPANTS	\$ 46,106,696 \$	147,321,977 \$	562,581,612	26%	

- (a) Increase due to higher than budgeted costs for fuel at LEC and CT1. Operational needs for fuel exceeded what was contracted, thus requiring LEC and CT1 to purchase additional fuel to meet demand. Gas prices have almost doubled year-over-year to average \$10 per mmBTU.
- (b) Increase due to higher than budgeted CA ISO charges which are off set by higher than budgeted CA ISO Energy Sales. All plants had a net revenue for the month of September, as well as a net revenue for their year-to-date. CT1 had increased CA ISO costs over budgeted which were attributed to the increase in Imbalanced Energy settlement costs.
- (c) Increase due to higher than anticipated volume of market purchases and price per MWh for those purchases. Member and customer contracts are at 1,034% of YTD budgeted MWh as of 09/30/2022.
- (d) Increase due to higher than anticipated price per MWh for allocated Western resources. A price per MWh of \$74 was budgeted while actual costs for Western Resources are \$128 per MWh, a 74% YTD increase over budget.
- (e) Increase due to higher than anticipated price per MWh for market purchases. Market purchases were budgeted at approximately \$61 per MWh and costs are currently about \$217 per MWh, a 257% YTD increase over budget.
- (f) Increase due to higher than budgeted energy purchases and unbudgeted energy sales related to CCA (Sonoma Clean Power) and participants.
- (g) Increase costs due to additional GHG purchases by participants to meet their obligations for imports.
- (h) Increase due to higher than anticipated grid management costs for participants and Sonoma Clean Power.
- (i) Increase due to greater than expected spinning, non-spinning, reg up and down obligation settlements for the NCPA pool.
- (j) Net costs associated with supplemental billing to participant (Sonoma Clean Power) for CA ISO costs in excess of estimated billing.
- (k) Increase due to training costs being charged early in the fiscal year. Costs relative to budget expected to normalize over the fiscal year.
- (I) Higher revenues due to higher energy prices and higher than budgeted contract energy.
- (m) Revenue from CCA results from 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 to higher than budgeted revenue from Western O&M revenue credits, third party market sales, and the sale of resource adequacy credits.

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

		Septeml	ber 30
		2022	2021
ASSETS	1,5	(in thou	sands)
CURRENT ASSETS			
Cash and cash equivalents	\$	67,479	\$ 68,00
Investments		28,366	30,76
Accounts receivable			
Participants		6	3
Other		8,829	5,12
Interest receivable		632	71
Inventory and supplies		6,055	6,15
Prepaid expenses		3,645	1,39
TOTAL CURRENT ASSETS	-	115,012	112,18
RESTRICTED ASSETS			
Cash and cash equivalents		55,436	60,08
Investments		164,150	174,61
Interest receivable		12	5
TOTAL RESTRICTED ASSETS	(A u	219,598	234,75
ELECTRIC PLANT			
Electric plant in service		1,601,184	1,497,94
Less: accumulated depreciation		(1,089,727)	(1,055,70
Less. accumulated depreciation		511,457	442,24
		10.0.00000000	772,27
Construction work-in-progress		1,535	
TOTAL ELECTRIC PLANT	-	512,992	442,24
OTHER ASSETS			
Regulatory assets		178,481	202,09
Preliminary survey and investigation costs			5
Investment in associated company		265	26
TOTAL ASSETS		1,026,348	991,59
DEFERRED OUTFLOWS OF RESOURCES			
Excess cost on refunding of debt		1,265	9,06
Pension and OPEB deferrals		14,141	18,09
Asset retirement obligations		61,733	61,85
TOTAL DEFERRED OUTFLOWS OF	-		
RESOURCES	-	77,139	89,01
TOTAL ASSETS AND DEFERRED			
OUTFLOWS OF RESOURCES	\$	1,103,487	\$ 1,080,61
The second of th	Ψ.	1,100,107	1,000,01

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

			September	r 30
		1.0	2022	2021
LIABILITIES			(in thousar	nds)
CURRENT LIABILIT	TES			
Accounts payable and	l accrued expenses	\$	57,200 \$	85,215
Member advances			993	993
Operating reserves			20,873	24,062
Current portion of los	ng-term debt		54,798	44,860
Accrued interest paya	ble		6,451	7,125
TOT	TAL CURRENT LIABILITIES		140,315	162,255
NON-CURRENT LIA	BILITIES			
Net pension and OPE			30,112	62,959
Operating reserves ar			145,688	143,282
Interest rate swap liah			-	14,575
Asset retirement oblig			70,071	68,521
Long-term debt, net	544010		556,628	521,652
	TAL NON-CURRENT LIABILITIES		802,499	810,989
TO	TAL LIABILITIES		942,814	973,244
DEFERRED INFLOW	/S OF RESOURCES			
Regulatory credits			93,630	87,330
Pension and OPEB de	eferrals	0.0	19,950	2,187
TO	FAL DEFERRED INFLOWS OF RESOURCES		113,580	89,517
NET POSITION				
* 186 6 5 5 5 5 6 6 6 7 7	sital agests		(95,673)	(96,929)
Net investment in cap Restricted	ottai assets		29,378	23,164
Unrestricted			113,388	91,614
	FAT AIRT DOCUTION		- NAC-20 # CUSTON	
V07/40-64	FAL NET POSITION		47,093	17,849
	TAL LIABILITIES, DEFERRED INFLOWS			
OF	RESOURCES AND NET POSITION	\$	1,103,487 \$	1,080,610

COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	For th	e Three Months Ended Se	eptember 30,
		2022	2021
		(in thousands)	
OPERATING REVENUES			
Participants	\$	173,125 \$	132,144
Other Third-Party		131,738	114,139
TOTAL OPERATING REVENUES		304,863	246,283
OPERATING EXPENSES			
Purchased power		147,070	107,070
Operations		36,887	44,552
Transmission		71,052	74,340
Depreciation		7,715	7,629
Maintenance		5,533	6,524
Administrative and general		5,460	4,689
TOTAL OPERATING EXPENSES		273,717	244,804
NET OPERATING REVENUES		31,146	1,479
NON OPERATING (EXPENSES) REVENUES			
Interest expense		(5,279)	(5,918)
Interest income		12,500	(385)
Other		3,691	3,358
TOTAL NON OPERATING EXPENSES		10,912	(2,945)
FUTURE RECOVERABLE AMOUNTS		(6,150)	(7,895)
REFUNDS TO PARTICIPANTS	V	(5,512)	(418)
INCREASE (DECREASE) IN NET POSITION		30,396	(9,779)
NET POSITION, Beginning of year	<u> </u>	16,697	27,628
NET POSITION, Period ended	\$	47,093 \$	17,849

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

September 30, 2022

		GENE									
		Multiple					Purchased	Associated			
	Geothermal	Hydroelectric	Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Power & Transmission	Member Services	Other Agency	Combined	
ASSETS	Geothermal	Hydroelectric	racinties	No. One	Energy Center	No. One	Transmission	Services	Agency	Combined	
CURRENT ASSETS											
Cash and cash equivalents	S	- \$ - \$	1 5	1 :	\$ 463	s - s	- :	771 \$	66,243 \$	67,479	
Investments	2701	•			7. UNIV. C.		-	1.00	28,366	28,366	
Accounts receivable									((55.745),515)	771.0 \$71.07 CA	
Participants					-				6	6	
Other				-	-		1,331	-	7,498	8,829	
Interest receivable	11		:0		34		39	1	370	632	
Inventory and supplies	1,49		323	392	2,253	/4/		-	3,0	6,055	
	10		33	45	271		- 2	56	2,736	3,645	
Prepaid expenses	26,28		6,519	8,003	50,333		(17,163)	8,893	(91,684)	3,043	
Due from Agency and other programs*			6,876	8,441	53,354		(15,793)	9,721	13,535	115,012	
TOTAL CURRENT ASSETS	27,99	9 10,879	6,876	8,441	33,334		(13,793)	9,721	13,333	115,012	
RESTRICTED ASSETS											
Cash and cash equivalents	10		37	-	4,333	•	27,697		10,147	55,436	
Investments	29,23	6 25,870	812	7	28,866		16,250		63,116	164,150	
Interest receivable		- 8			4		-			12	
TOTAL RESTRICTED ASSETS	29,33	9 38,997	849		33,203		43,947	•	73,263	219,598	
ELECTRIC PLANT											
Electric plant in service	578,35		65,470	37,688	447,459	7,736	61,427	1,024	6,446	1,601,184	
Less: accumulated depreciation	(550,79		(57,769)	(35,359)	(127,772)	(7,736)	(2,803)	(723)	(4,264)	(1,089,727)	
	27,55	9 93,074	7,701	2,329	319,687	-	58,624	301	2,182	511,457	
Construction work-in-progress			-	-			-		1,535	1,535	
TOTAL ELECTRIC PLANT	27,55	9 93,074	7,701	2,329	319,687		58,624	301	3,717	512,992	
OTHER ASSETS											
	(1,11	7) 108,628	1,213		29,579	121	2		40,178	178,481	
Regulatory assets	(1,11	7) 108,028	1,213		29,319	- 50	- 3		265	265	
Investment in associated company		•							203	203	
TOTAL ASSETS	83,78	0 251,578	16,639	10,770	435,823		86,778	10,022	130,958	1,026,348	
DEFERRED OUTFLOWS OF RESOURCES											
Excess cost on refunding of debt	49	4 -	-		771	S#0			-	1,265	
Pension and OPEB deferrals			1		1.00	-	-		14,141	14,141	
Asset retirement obligations	61,36	9	170		194		-			61,733	
TOTAL DEFERRED OUTFLOWS OF RESOURCES	61,86		170	-	965				14,141	77,139	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 145,64			10,770					145,099 \$	1,103,487	
TOTAL ABBLIS AND DEPERRED OF TELOWS OF RESOURCES	143,04	231,378 3	10,009 \$	10,770	4 430,700		00,770	10,022 3	143,077 \$	1,103,487	

^{*} Eliminated in Combination

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF NET POSITION

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

						September 3	0, 2022				
			GENER	RATING & TRANSMIS	SION RESOURCES		10				
	G	cothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	ower & Member		Combined
LIABILITIES	37										
CURRENT LIABILITIES											
Accounts payable and accrued expenses	\$	475 \$	246 \$	- S	1	7,229	s - s	37,700 5	- \$	11,549 \$	57,200
Member advances		791	(*)			-			202		993
Operating reserves		3,830	250	617	3,192	12,984			37.5		20,873
Current portion of long-term debt		3,360	27,275	4,625		13,842	350	5,696	25.0		54,798
Accrued interest payable		28	2,134	32	3.0	4,257	98.2	×		*	6,451
TOTAL CURRENT LIABILITIES	_	8,484	29,905	5,274	3,193	38,312		43,396	202	11,549	140,315
NON-CURRENT LIABILITIES											
Net pension and OPEB liability			-	-	3 + 3		190			30,112	30,112
Operating reserves and other deposits		1,500	22,374			462	36.3	43,986	3,829	73,537	145,688
Asset retirement obligations		69,707		170	1(*)	194	(★)		30		70,071
Long-term debt, net		3,425	178,140	6,186	**	315,949		52,928	*		556,628
TOTAL NON-CURRENT LIABILITIES	_	74,632	200,514	6,356		316,605		96,914	3,829	103,649	802,499
TOTAL LIABILITIES		83,116	230,419	11,630	3,193	354,917	(+)	140,310	4,031	115,198	942,814
DEFERRED INFLOWS OF RESOURCES											
Regulatory credits		39,183	8,228	902	2,500	38,218			301	4,298	93,630
Pension and OPEB deferrals		•		-		*	-		-	19,950	19,950
TOTAL DEFERRED INFLOWS OF RESOURCES		39,183	8,228	902	2,500	38,218	*	*	301	24,248	113,580
NET POSITION											
Net investment in capital assets		21,268	(115,207)	(3,902)	540	2,168		-	-	2	(95,673)
Restricted		728	6,854	818		4,594	1911	16,659	12	(275)	29,378
Unrestricted		1,348	121,284	7,361	5,077	36,891	- 12	(70,191)	5,690	5,928	113,388
TOTAL NET POSITION		23,344	12,931	4,277	5,077	43,653		(53,532)	5,690	5,653	47,093
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	s	145,643 \$	251,578 \$	16,809 \$	10,770	436,788	s - s	86,778 5	10,022 \$	145,099 \$	1,103,487
	green				7-1-1-0	- Fordison-	100			110,077	1,100,407

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

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

For the Three Months Ended September 30, 2022

						a september 50, 2	0.00			
		GENER	ATING & TRANSMIS	SION RESOURCES						
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES					211					
Participants	\$ (3,891)	\$ 7,911 \$	3,015 \$	1,674	\$ 33,722	s - s	124,621	\$ 5,734 \$	339 \$	173,125
Other Third-Party	19,699	15,346	1,742	3,396	35,563		55,371	621	*	131,738
TOTAL OPERATING REVENUES	15,808	23,257	4,757	5,070	69,285		179,992	6,355	339	304,863
OPERATING EXPENSES										
Purchased power	212	1,704	80	397	2,772	(#)	141,905		(40)	147,070
Operations	4,967	1,067	456	707	24,380	((*)	1,243	4,067	(4)	36,887
Transmission	71	72	1	3	317	196	70,587	1		71,052
Depreciation	985	2,432	553	78	3,538		*	34	95	7,715
Maintenance	2,829	1,565	204	421	495	100		19		5,533
Administrative and general	1,795	878	223	251	1,436		(4)	1,627	(750)	5,460
Intercompany (sales) purchases, net*	(241)	97	17	24	105	7.4		(2)		
TOTAL OPERATING EXPENSES	10,618	7,815	1,534	1,881	33,043	-	213,735	5,746	(655)	273,717
NET OPERATING REVENUES	5,190	15,442	3,223	3,189	36,242	7000	(33,743)	609	994	31,146
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(95)	(1,930)	10	-	(3,264)	(*)		: E	2	(5,279)
Interest income	2,515	1,072	13	11	1,355		1,435	15	6,084	12,500
Other	3		930	¥	2,521	*		7	230	3,691
TOTAL NON OPERATING (EXPENSES) REVENUES	2,423	(858)	953	11	612	-	1,435	22	6,314	10,912
FUTURE RECOVERABLE AMOUNTS	(247)	(5,013)	(746)	7	(144)	340	92			(6,150)
REFUNDS TO PARTICIPANTS	72	233	7	(163)	(4)	4	(1,320)	(440)	(3,901)	(5,512)
INCREASE (DECREASE) IN NET POSITION	7,438	9,804	3,437	3,037	36,710	•	(33,628)	191	3,407	30,396
NET POSITION, Beginning of year	15,906	3,127	840	2,040	6,943		(19,904)	5,499	2,246	16,697
NET POSITION, Period ended	\$ 23,344	\$ 12,931 \$	4,277 \$	5,077	\$ 43,653	s - s	(53,532)	\$ 5,690 \$	5,653 \$	47,093

^{*} Eliminated in Combination

NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS AGED ACCOUNTS RECEIVABLE

September 30, 2022

Status	Participant / Customer	Description	- 9	Amount
CURRENT			\$	8,542,689
PAST DUE:				
1 - 30				
31 - 60				
61 - 90				
91 - 120				
31-120				
Over 120 Days	Calpine Geysers	Effluent Adj (Mar'18 - Dec'19)		292,665
	policities of the control of the Con	Literatura destrucció de Partir Haydo e stados. Adopulado de d		1000 100 0 1
	PARTICIPANT and OTHER RECEIVABLES (net)	\$	8,835,354





Commission Staff Report

COMMISSION	MEETING DATE	Ē:	November 3, 2022							
SUBJECT:	Treasurer's Repor	t for N	onth Ended September	r 30,	2022					
GENDA CATEGORY: Consent										
FROM:	Sondra Ainsworth	0	METHOD OF	SEL	ECTION:					
	Treasurer-Contro	ller	N/A							
Division:	Administrative Se	rvices	3							
Department:	Accounting & Fin	ance								
IMPACTED N	MEMBERS:									
	All Members	\boxtimes	City of Lodi		City of Shasta Lake					
Alameda N	lunicipal Power		City of Lompoc		City of Ukiah					
San Fran	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC					
	City of Biggs		City of Redding		Port of Oakland					
	City of Gridley		City of Roseville		Truckee Donner PUD					
City	y of Healdsburg		City of Santa Clara		Other					
			If other, please specify							

SR: 236:22

Treasurer's Report for Month Ended September 30, 2022 November 3, 2022 Page 2

RECOMMENDATION:

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

<u>Cash</u> – At month end cash totaled \$7,231,490 of which approximately \$485 was applicable to Special and Reserve Fund Deposits, \$4,134 to Debt Service and \$7,226,871 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.

<u>Investments</u> – The carrying value of NCPA's investment portfolio totaled \$289,532,247 at month end. The current market value of the portfolio totaled \$273,339,193.

The overall portfolio had a combined weighted average interest rate of 1.813% with a bond equivalent yield (yield to maturity) of 1.838%. Investments with a maturity greater than one year totaled \$150,926,000. September maturities totaled \$20 million and monthly receipts totaled \$85 million. During the month \$34 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 53 basis points from 2.84% to 3.37% and rates on one-year T-Bills increased 74 basis points from 3.33% to 4.07%.

To the best of my knowledge and belief, all securities held by NCPA as of September 30, 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 September 30, 2022

SR: 236:22

NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

SEPTEMBER 30, 2022

TABLE OF CONTENTS

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

Northern California Power Agency Treasurer's Report Cash & Investment Balance **September 30, 2022**

		CASH	IN	VESTMENTS	TOTAL	PERCENT
NCPA FUNDS	,					
Operating	\$	7,213,423	\$	113,898,349	\$ 121,111,772	40.81%
Special Deposits		13,448		-	13,448	0.00%
Debt Service		4,134		19,576,277	19,580,411	6.60%
Special & Reserve	V2	485		156,057,621	156,058,106	52.59%
at the Public transfer of a reference to the contract of the c	\$	7,231,490	\$	289,532,247	\$ 296,763,737	100.00%
Portfolio Investments at M	arket Value				\$ 273,339,193	

NOTE A - Investment amounts shown at book carrying value.

Northern California Power Agency Treasurer's Report Cash Activity Summary September 30, 2022

			RI	ECEIPTS				I	EXI	PENDITURE	S			CASH
	0	PS/CONSTR	750	NOTE B)	-	(NOTE A)	O	PS/CONSTR	IN	VESTMENTS (NOTE B)	2000	R-COMPANY/ TRANSFERS	- 1	NCREASE / DECREASE)
NCPA FUNDS														
Operating	\$	76,052,901	\$	168,993	\$	1,991,665	\$	(28,729,754)	\$	(11,061,006)	\$	(34,791,257)	\$	3,631,542
Special Deposits		9,347,485		-		-		(39,087,124)				29,742,476		2,837
Debt Service		-		1		421		=		(5,865,949)		5,863,960		(1,567)
Special & Reserve		-		173,024		17,600,715		-		(16,958,559)		(815,179)		1
11 A.C. → 18 (2004) 44 (17 A.C. 18 P. A.C. 19 A.C. 19 A.C. 18	\$	85,400,386	\$	342,018	\$	19,592,801	\$	(67,816,878)	\$	(33,885,514)	\$		\$	3,632,813

NOTE A -Investment amounts shown at book carrying value.

NOTE B-Net of accrued interest purchased on investments.

Northern California Power Agency Treasurer's Report Investment Activity Summary September 30, 2022

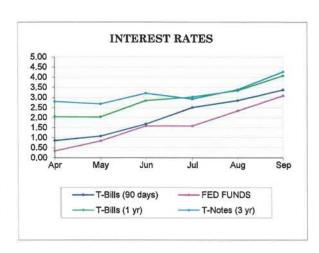
					(1	NON-CASH)	(N	ON-CASH)		INVEST	MENT	rs
	P	URCHASED		SOLD OR MATURED	D	ISC/(PREM) AMORT		AIN/(LOSS) ON SALE	TI	RANSFERS		NCREASE / DECREASE)
NCPA FUNDS												
Operating	\$	11,061,006	\$	(1,991,665)	\$	(1,474)	\$	757	\$	-	\$	9,068,624
Special Deposits		-		=		3.5		-				74.2
Debt Service		5,865,949		(421)		32,859		-		-		5,898,387
Special & Reserve		16,958,559		(17,600,715)		10,613		-		-		(631,543)
	\$	33,885,514	\$	(19,592,801)	\$	41,998	\$	757	\$		\$	14,335,468
Less Non- Cash Activity												
Disc/(Prem) Amortization	n & Ga	in/(Loss) on S	Sale	•								(42,755)
Net Change in Investment	-Befor	re Non-Cash	Act	tivity							\$	14,292,713

NOTE A -Investment amounts shown at book carrying value.

Northern California Power Agency Interest Rate/Yield Analysis September 30, 2022

	WEIGHTED	
	AVERAGE	BOND
	INTEREST	EQUIVALENT
	RATE	YIELD
OVERALL COMBINED	1.813%	1.838%
OPERATING FUNDS:	1.782%	1.763%
PROJECTS:		
Geothermal	1.884%	1.890%
Capital Facilities	3.052%	3.133%
Hydroelectric	2.062%	2.145%
Lodi Energy Center	1.797%	1.806%

	CURRENT	PRIOR YEAR
Fed Fds (Overnight)	3.08%	0.08%
T-Bills (90da.)	3.37%	0.03%
Agency Disc (90da.)	3.52%	0.07%
T-Bills (1yr.)	4.07%	0.08%
Agency Disc (1yr.)	4.08%	0.11%
T-Notes (3yr.)	4.26%	0.49%

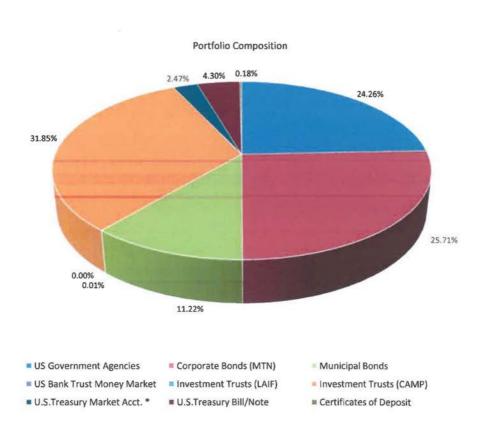


Northern California Power Agency Total Portfolio Investment Maturities Analysis September 30, 2022

		0-7		8-90		91-180		181-270		271-365		1-5		6-10		
Туре		Days Day		Days Days		Days			Days		Years	- 2	Years	Total	Percent	
US Government Agencies	\$	_	\$	16,395	\$	392	\$	-	\$	~	s	45,550	\$	9,747	\$ 72,084	24.26%
Corporate Bonds (MTN)	- 100		300	1,750	-	3,250	C-70	3,550	3.70	500		67,349	O(S)		76,399	25.71%
Municipal Bonds						200		2,140		4,800		24,685		1,720	33,345	11.22%
US Bank Trust Money Market		39		-		-		-		-		-			39	0.01%
Investment Trusts (LAIF)		1												-	1	0.00%
Investment Trusts (CAMP)		94,646		-		-		-		-		-		-	94,646	31.85%
U.S.Treasury Market Acct. *		7,329		-		-		-		-		-		-	7,329	2.47%
U.S.Treasury Bill/Note		~~		10,479		429		0.40		-		1,875		-	12,783	4.30%
Certificates of Deposit		10				-		-		500				-	510	0.18%
Total Dollars	\$	102,025	-	28,624		\$4,071		\$5,690	\$	5,800	\$	139,459	\$	11,467	\$ 297,136	100.00%
Total Percents		34.34%		9.63%		1.37%		1.91%	-	1.95%		46.93%		3.87%	 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.



Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank, N.A.	USB	0	0.050	07/01/2022	0		1	0.050	0	SYS70101	70101	0
Local Agency Investm	LAIF	653	0.742		653		1	0.742	653	SYS70000	70000	653
First American Govt.	USBGC	34,681	2.010		34,681		1	2.010	34,681	SYS70014	70014	34,681
US Bank	USB	7,213,423	0.001		7,213,423		1	0.001	7,213,423	SYS70050	70050	7,213,423
US Bank	USB	0	0.010	08/24/2017	0		1	0.010	0	SYS70056	70056	0
California Asset Mgm	CMP	58,970,111	2.300	10/19/2018	58,970,111		1	2.300	58,970,111	SYS70070	70070	58,970,111
US Bank	USB	10,000	0.050	07/07/2022	10,000	10/07/2022	6	0.050	10,000	SYS30330	30330	10,000
American Honda Finan	USBGC	500,000	2.600	06/12/2018	488,550	11/16/2022	46	3.157	498,655	02665WCA7	26614	499,677
Walmart, Inc.	USBGC	500,000	2.550	07/31/2019	507,870	04/11/2023	192	2.104	495,490	931142DH3	26848	501,124
Hershey Company	USBGC	500,000	3.375	06/12/2018	503,125	05/15/2023	226	3.236	496,815	427866AZ1	26615	500,395
Commonwealth of Mass	USBGC	500,000	0.508	07/09/2020	500,000	07/01/2023	273	0.507	486,435	57582RF84	27029	500,000
JP Morgan	USBGC	500,000	3.875	02/15/2019	514,550	02/01/2024	488	3.561	494,090	46625HJT8	26760	503,910
East Side Union High	USBGC	500,000	0.820	10/29/2020	500,000	08/01/2024	670	0.878	466,575	275282PR6	27105	500,000
CA St Dept of Wir Re	USBGC	600,000	0.560	08/06/2020	600,000	12/01/2024	792	0.584	552,288	13067WRB0	27055	600,000
US Bank, N.A.	USBGC	500,000	2.800	02/07/2020	522,560	01/27/2025	849	1.846	478,430	90331HMS9	26947	510,536
State of Louisiana	USBGC	260,000	0.697	02/25/2021	260,000	06/15/2025	988	0.730	233,308	546486BV2	27178	260,000
Nashville Met Gov	USBGC	500,000	0,610	02/18/2021	500,000	07/01/2025	1,004	0.629	448,745	592112UB0	27173	500,000
City of Phoenix AZ	USBGC	500,000	0.959	08/25/2020	500,000	07/01/2025	1,004	0.990	448,890	71884AF20	27058	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,004	0.787	452,515	977123X78	27041	500,000
Met Life Glob Fundin	USBGC	1,000,000	0.950	03/04/2022	961,800	07/02/2025	1,005	2.145	896,380	59217GEJ4	27375	968,401
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,035	0.992	898,340	275282PS4	27106	1,000,000
Federal National Mtg	USBGC	1,000,000	0.650	12/21/2020	1,005,200	11/18/2025	1,144	0.542	888,050	3135GA4P3	27137	1,003,317
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,178	0.825	217,885	48128GY53	27138	250,000
Toyota Motor Credit	USBGC	500,000	0.700	01/21/2021	500,000	01/20/2026	1,207	0.699	405,685	89236THY4	27149	500,000
Federal Home Loan Ba	USBGC	375,000	0.500	02/25/2021	375,000	02/25/2026	1,243	0.500	330,983	3130AKXX9	27179	375,000
Federal Home Loan Ba	USBGC	1,000,000	1.500	02/28/2022	1,000,000	02/27/2026	1,245	1.497	932,010	3130AQZV8	27366	1,000,000
Federal Farm Credit	USBGC	1,100,000	0.800	03/09/2021	1,100,000	03/09/2026	1,255	0.800	971,982	3133EMSU7	27200	1,100,000
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,322	1.079	442,490	91324PEC2	27230	501,232
Bank of America Corp	USBGC	1,700,000	1.250	05/28/2021	1,700,000	05/28/2026	1,335	1.250	1,452,786	06048WM31	27225	1,700,000
Met Govt Nashville &	UBOC	250,000	1.181	10/14/2021	250,000	07/01/2026	1,369	1.181	222,468	592098X77	27291	250,000
San Diego CA Unif Sc	USBGC	250,000	1.201	10/21/2021	250,000	07/01/2026	1,369	1.201	220,970	797356DF6	27298	250,000
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,384	1.050	434,250	57629WDE7	27247	502,762
County of Bexar TX	USBGC	100,000	1.272	09/23/2021	100,000	08/15/2026	1,414	1.272	87,762	088518NV3	27273	100,000
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,416	0.875	436,165	3130ANGX2	27252	500,000
IP Morgan	USBGC	1,000,000	1.150	08/17/2021	1,000,000	08/17/2026	1,416	1.150	836,000	48128G4R8	27251	1,000,000
Bank of America Corp	USBGC	750,000	1.250	08/26/2021	750,000	08/26/2026	1,425	1.250	635,730	06048WN22	27255	750,000
Caterpillar Financia	USBGC	500,000	1,150	10/13/2021	498,165	09/14/2026	1,444	1.227	435,715	14913R2Q9	27288	498,526
John Deere Capital C	USBGC	500,000	2.250	10/14/2021	524,355	09/14/2026	1,444	1.225	458,845	24422EVB2	27294	519,580
Federal Home Loan Ba	USBGC	630,000	0.900	09/28/2021	630,000	09/28/2026	1,458	0.900	548,195	3130ANXS4	27276	630,000
Reliance Standard Li	USBGC	1,500,000	1.512	10/14/2021	1,491,180	09/28/2026	1,458	1,635	1,298,235	75951AAQ1	27292	1,492,896



Operating

Paypal Holdings Inc. TSMC Arizona Corp. Public Storage	USBGC	E00 000	Rate	Date	Price	Maturity Date	Maturity	Equiv Yield	Market Value	CUSIP	Investment #	Carrying Val
and a restriction of the second		500,000	2.650	10/14/2021	533,315	10/01/2026	1,461	1.260	458,875	70450YAD5	27293	526,840
Public Storage	USBGC	1,525,000	1.750	12/08/2021	1,537,993	10/25/2026	1,485	1,567	1,340,780	872898AA9	27330	1,535,82
	USBGC	1,910,000	1.500	12/08/2021	1,912,216	11/09/2026	1,500	1.475	1,689,873	74460DAG4	27336	1,911,84
Federal Home Loan Ba	USBGC	50,000	0.800	12/29/2021	50,000	12/29/2026	1,550	1.509	44,543	3130AQER0	27342	50,00
Federal Home Loan Ba	USBGC	3,000,000	1.000	01/28/2022	3,000,000	01/28/2027	1,580	1.691	2,688,390	3130AQN66	27364	3,000,00
Amazon.com Inc	USBGC	600,000	3.150	09/21/2022	573,894	08/22/2027	1,786	4.136	559,128	023135BC9	27455	574,04
	Fund Total and Average	\$ 94,578,868	1.842		\$ 94,623,911		368	1,860	\$ 91,613,619			\$ 94,594,78
MPP GHG Auction	Acct											
Local Agency Investm		0	0.742		0		1	0.742	0	SYS70045	70045	
California Asset Mgm	CMP	770,633	2.300	09/13/2022	770,633		1	2.300	770,633	SYS70076	70076	770,63
	Fund Total and Average	\$ 770,633	2.300		\$ 770,633		1	2.300	\$ 770,633			\$ 770,63
SCPA Balancing Ac	count											
Local Agency Investm	LAIF	0	0.742		0		1	0.742	0	SYS70022	70022	ŷ
First American Govt.	USBGC	10,921	2.010		10,921		1	2.010	10,921	SYS70023	70023	10,92
California Asset Mgm	CMP	9,022,620	2.300	05/27/2022	9,022,620		1	2.300	9,022,620	SYS70072	70072	9,022,62
Visa Inc.	USBGC	250,000	2.800	07/24/2018	246,975	12/14/2022	74	3.096	249,405	92826CAC6	26632	249,86
Berkshire Hathaway I	USBGC	500,000	2.750	05/09/2018	490,280	03/15/2023	165	3.185	497,295	084670BR8	26596	499,08
Pfizer Inc	USBGC	500,000	3.000	06/22/2018	496,550	06/15/2023	257	3.150	495,180	717081DH3	26626	499,51
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	913	0.600	479,285	586145F74	27113	528,92
State of Wisconsin	USBGC	400,000	0.650	03/17/2021	400,000	05/01/2025	943	0.649	363,096	97705MUK9	27202	400,00
California St HIth F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	974	0.952	453,620	13032UXM5	27110	500,00
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,004	0.932	452,815	059231X39	27125	500,00
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,004	0.610	448,745	592112UB0	27174	500,00
Federal Farm Credit	USBGC	2,045,000	0.530	09/29/2020	2,045,000	09/29/2025	1,094	0.530	1,822,381	3133EMBJ0	27077	2,045,00
Federal Farm Credit	USBGC	2,050,000	0.530	09/29/2020	2,050,000	09/29/2025	1,094	0.530	1,822,286	3133EMBH4	27078	2,050,00
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,226	0.699	439,790	037833EB2	27168	500,00
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,230	0.530	437,750	3130AKWA0	27164	499,83
IP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,235	0.500	870,770	46632FRV9	27171	1,000,00
Federal Home Loan Ba	USBGC	125,000	0.500	02/25/2021	125,000	02/25/2026	1,243	0.500	110,328	3130AKXX9	27180	125,00
ederal Home Loan Ba	USBGC	1,000,000	0.630	02/26/2021	1,000,000	02/26/2026	1,244	0.630	877,680	3130ALB94	27195	1,000,00
ederal Farm Credit	USBGC	1,650,000	0.800	03/09/2021	1,650,000	03/09/2026	1,255	0.800	1,457,973	3133EMSU7	27201	1,650,00
Bank of America Corp	USBGC	500,000	1.200	06/28/2021	500,000	06/25/2026	1,363	1.199	427,755	06048WM64	27227	500,00
MassMutual Global Fu	USBGC	500,000	1.200	08/02/2021	503,610	07/16/2026	1,384	1.050	434,250	57629WDE7	27248	502,76
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,425	1.250		06048WN22	27256	50,00
SMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,485	1.567	175,840	872898AA9	27331	201,42
Public Storage	USBGC	275,000	1.500	11/19/2021	274,095	11/09/2026	1,500	1.569	243,306	74460DAG4	27311	274,25
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,500	1,475	221,188	74460DAG4	27337	250,24



SCPA Balancing Account

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Ba	USBGC	100,000	0.800	12/29/2021	100,000	12/29/2026	1,550	1.509	89,085	3130AQER0	27343	100,000
John Deere Capital C	USBGC	525,000	1.700	01/14/2022	524,223	01/11/2027	1,563	1.731	462,336	24422EWA3	27362	524,334
Federal Home Loan Ba	USBGC	300,000	1.000	01/28/2022	300,000	01/28/2027	1,580	1.691	268,839	3130AQN66	27365	300,000
Federal Home Loan Ba	USBGC	500,000	3.000	04/29/2022	500,000	04/29/2027	1,671	4.219	477,130	3130ARR52	27399	500,000
Alameda County	USBGC	130,000	3.460	08/24/2022	130,000	08/01/2027	1,765	3.509	122,762	010878BF2	27440	130,000
Federal Home Loan Ba	USBGC	370,000	4.200	08/25/2022	370,000	08/25/2027	1,789	4.200	363,347	3130ASVC0	27441	370,000
	Fund Total and Average	\$ 25,253,541	1.576		\$ 25,291,413		740	1,575	\$ 23,640,160			\$ 25,283,768
General Operating	Reserve											
Local Agency Investm	LAIF	0	0.742		0		1	0.742	0	SYS70000	70002	0
First American Govt.	USBGC	36,571	2,010		36,571		1	2.010	36,571	SYS70019	70019	36,571
US Bank	USB	0	0.000	07/01/2022	0		1	0.000	0	SYS70051	70051	0
California Asset Mgm	CMP	10,109,241	2,300	12/14/2018	10,109,241		1	2.300	10,109,241	SYS70071	70071	10,109,241
Visa Inc.	USBGC	500,000	2.800	04/26/2018	492,600	12/14/2022	74	3,145	498,810	92826CAC6	26584	499,676
US Bank, N.A.	USBGC	750,000	2,850	01/30/2019	741,900	01/23/2023	114	3.140	747,165	90331HNL3	26737	749,367
Bank of NY Mellon Co	USBGC	500,000	2,950	04/26/2018	491,790	01/29/2023	120	3,325	498,005	06406RAE7	26575	499,434
Praxair Inc	USBGC	500,000	2.700	04/26/2018	488,350	02/21/2023	143	3,225	498,370	74005PBF0	26581	499,060
Berkshire Hathaway I	USBGC	500,000	2.750	04/26/2018	488,920	03/15/2023	165	3,243	497,295	084670BR8	26576	498,967
United Parcel Servic	USBGC	500,000	2,500	04/26/2018	483,135	04/01/2023	182	3,245	495,805	911312BK1	26583	498,290
Arizona Board of Reg	USBGC	1,785,000	2,011	04/17/2020	1,818,897	06/01/2023	243	1.387	1,758,047	040484VN4	26984	1,792,238
Walmart, Inc.	USBGC	500,000	3,400	02/07/2019	510,960	06/26/2023	268	2.864	497,565	931142EK5	26758	501,839
Montgomery Water Wor	USBGC	2,145,000	1,799	04/17/2020	2,200,234	09/01/2023	335	1,020	2,101,135	613105KV6	26985	2,160,014
Pfizer Inc	USBGC	500,000	3.200	01/30/2019	506,250	09/15/2023	349	2,908	493,865	717081EN9	26738	501,291
Honolulu City and Co	USBGC	1,770,000	2.141	04/17/2020	1,837,189	10/01/2023	365	1,020	1,735,733	4386705V9	26983	1,789,444
Citibank NA	USBGC	500,000	3,650	02/07/2019	507,490	01/23/2024	479	3,319	493,145	17325FAS7	26756	501,979
JP Morgan	USBGC	500,000	3,875	02/07/2019	515,120	02/01/2024	488	3,535	494,090	46625HJT8	26757	504,045
US Bank, N.A.	USBGC	440,000	3,375	10/31/2019	462,862	02/05/2024	492	2,093	432,428	91159HHV5	26906	447,213
JP Morgan	USBGC	1,000,000	1,514	05/27/2020	1,006,120	06/01/2024	609	1,356	976,280	46647PBQ8	27007	1,002,543
East Side Union High	USBGC	565,000	0.820	10/29/2020	565,000	08/01/2024	670	0.820	527,230	275282PR6	27107	565,000
Honolulu City and Co	USBGC	1,500,000	1,832	04/13/2020	1,522,710	08/01/2024	670	1,058	1,433,265	438687KT1	26980	1,509,683
California State Uni	USBGC	250,000	0.685	09/17/2020	250,000	11/01/2024	762	0.665	231,053	13077DMK5	27072	250,000
Federal Home Loan Ba	USBGC	1,820,000	2,750	03/25/2020	1,981,288	12/13/2024	804	0.830	1,759,212	3130A3GE8	26962	1,895,230
US Bank, N.A.	USBGC	500,000	2,800	02/07/2020	522,560	01/27/2025	849	1.846	478,430	90331HMS9	26951	510,536
W W Grainger Inc.	USBGC	500,000	1.850	04/30/2020	516,000	02/15/2025	868	1.161	468,650	384802AE4	27000	507,921
W W Grainger Inc.	USBGC	500,000	1.850	05/21/2020	514,500	02/15/2025	868	1.217	468,650	384802AE4	27005	507,267
Memphis Center City	USBGC	500,000	2.948	11/23/2020	550,395	04/01/2025	913	0.600	479,285	586145F74	27114	528,926
Tulsa County OK Ind.	USBGC	1,000,000	1,500	05/26/2020	1,016,450	04/01/2025	913	1.038	928,240	899559QD3	27006	1,008,484
City of Huntsville A	USBGC	515,000	2.750	11/06/2020	560,351	05/01/2025	943	0.750	493,911	447025A56	27112	541,115
Honeywell Internatio	USBGC	1,000,000	1,350	06/03/2020	1,023,560	06/01/2025	974	0.866	920,380	438516CB0	27008	1,012,579
County of Jasper IA	USBGC	420,000	2,350	06/11/2020	443,558	06/01/2025	974	1.299	396,623	471376FJ7	27011	432,634
Precision Castparts	USBGC	1,500,000	3,250	06/25/2020	1,667,985	06/15/2025	988	1.033	1,447,650	740189AM7	27017	1,591,406

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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
JP Morgan	USBGC	750,000	1.050	06/23/2020	750,000	06/23/2025	996	1.050	670,755	48128GU40	27024	750,000
City of Baltimore	USBGC	500,000	0.845	12/02/2020	500,000	07/01/2025	1,004	0.845	452,815	059231X39	27126	500,000
Wisconsin Dept Trans	USBGC	500,000	0.774	07/30/2020	500,000	07/01/2025	1,004	0.774	452,515	977123X78	27042	500,000
Met Life Glob Fundin	USBGC	4,000,000	0.950	03/04/2022	3,847,200	07/02/2025	1,005	2.145	3,585,520	59217GEJ4	27376	3,873,602
East Side Union High	USBGC	815,000	0.940	10/29/2020	815,000	08/01/2025	1,035	0.940	732,147	275282PS4	27108	815,000
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,052	0,600	894,760	3136G4G72	27056	1,000,000
Federal Agricultural	USBGC	1,000,000	0.570	09/17/2020	1,000,000	09/17/2025	1,082	0.570	891,160	31422BV23	27071	1,000,000
Federal Farm Credit	USBGC	2,000,000	0.530	09/29/2020	2,000,000	09/29/2025	1,094	0.530	1,777,840	3133EMBH4	27079	2,000,000
Federal Farm Credit	USBGC	1,720,000	0.530	09/29/2020	1,720,000	09/29/2025	1,094	0.530	1,532,761	3133EMBJ0	27080	1,720,000
Federal Home Loan Ba	USBGC	1,000,000	0.520	09/29/2020	1,000,000	09/29/2025	1,094	0.520	887,320	3130AKAZ9	27081	1,000,000
Federal Home Loan Mt	USBGC	500,000	0.540	10/27/2020	500,000	10/27/2025	1,122	0.540	443,385	3134GW4Z6	27104	500,000
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,151	0.798	854,950	06048WK41	27122	1,000,000
Federal Farm Credit	USBGC	500,000	0.560	12/01/2020	500,000	12/01/2025	1,157	0.560	442,155	3133EMJC7	27124	500,000
Guardian Life	USBGC	1,520,000	0.875	05/05/2021	1,507,384	12/10/2025	1,166	1.060	1,326,854	40139LBC6	27223	1,511,241
JP Morgan	USBGC	250,000	0.825	12/22/2020	250,000	12/22/2025	1,178	0.825	217,885	48128GY53	27139	250,000
Federal National Mtg	USBGC	500,000	0.640	12/30/2020	501,000	12/30/2025	1,186	0.599	442,805	3135G06Q1	27141	500,649
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,226	0.699	439,790	037833EB2	27169	500,000
JP Morgan	USBGC	1,000,000	0.500	02/17/2021	1,000,000	02/17/2026	1,235	0.500	870,770	46632FRV9	27172	1,000,000
Charles Schwab Corp	USBGC	630,000	0.900	04/30/2021	625,407	03/11/2026	1,257	1.054	550,236	808513BF1	27220	626,748
Federal Home Loan Ba	USBGC	1,000,000	0.790	03/25/2021	997,500	03/16/2026	1,262	0.841	881,270	3130ALEL4	27203	998,262
Federal Home Loan Ba	USBGC	175,000	0.975	08/11/2022	157,876	03/23/2026	1,269	3.330	155,640	3130ALGJ7	27438	158,534
Federal Home Loan Ba	USBGC	1,000,000	1.010	03/30/2021	1,000,000	03/30/2026	1,276	1.010	887,180	3130ALTT1	27213	1,000,000
Oregon State Dept o	USBGC	500,000	1.119	04/27/2021	500,000	04/01/2026	1,278	1.119	444,540	68607V2Q7	27216	500,000
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,298	1.084	448,065	3130ALXR0	27215	500,000
United Health Group	USBGC	550,000	1.150	06/28/2021	551,826	05/15/2026	1,322	1.079	486,739	91324PEC2	27232	551,355
Bank of America Corp	USBGC	1,108,000	1.250	05/28/2021	1,108,000	05/28/2026	1,335	1.250	946,875	06048WM31	27226	1,108,000
Bank of America Corp	USBGC	1,250,000	1.200	06/28/2021	1,250,000	06/25/2026	1,363	1.199	1,069,388	06048WM64	27228	1,250,000
State University of	USBGC	370,000	1.591	12/02/2021	370,000	07/01/2026	1,369	1.590	329,470	65000BGU6	27329	370,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,384	1.050	868,500	57629WDE7	27249	1,005,524
Home Depot Inc.	USBGC	415,000	2.125	04/12/2022	400,052	09/15/2026	1,445	3.000	376,276	437076BN1	27387	401,638
John Deere Capital C	USBGC	100,000	1.300	10/18/2021	100,313	10/13/2026	1,473	1.235	87,222	24422EVW6	27297	100,253
Nationwide Bldg Soci	USBGC	2,035,000	1.500	06/16/2022	1,792,286	10/13/2026	1,473	4.569	1,730,401	63859UBH5	27420	1,808,654
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,485	1.567	747,320	872898AA9	27333	856,034
Public Storage	USBGC	1,585,000	1.500	11/15/2021	1,585,745	11/09/2026	1,500	1.490	1,402,329	74460DAG4	27308	1,585,614
Public Storage	USBGC	365,000	1.500	11/19/2021	363,799	11/09/2026	1,500	1.569	322,934	74460DAG4	27312	364,008
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	1,500	1.475	941,374	74460DAG4	27339	1,065,030
JP Morgan	USBGC	1,200,000	1.500	11/30/2021	1,200,000	11/30/2026	1,521	1.500	1,078,944	48130UZH1	27313	1,200,000
Federal Home Loan Ba	USBGC	150,000	0.800	12/29/2021	150,000	12/29/2026	1,550	1.509	133,628	3130AQER0	27345	150,000
John Deere Capital C	USBGC	438,000	1.700	01/14/2022	437,352	01/11/2027	1,563	1.731	5.000 M. 1000		27363	437,444
ederal Home Loan Ba	USBGC	500,000	3.375	04/28/2022	500,000	01/28/2027	1,580	3.375	12-12-04-12-040	3130ARP62	27398	500,000
Amazon.com Inc	USBGC	1,030,000	3.300	06/16/2022	993,208	04/13/2027	1,655	4.123	972,444	023135CF1	27419	995,432
TSMC Arizona Corp.	USBGC	1,770,000	3.875	05/26/2022	1,789,399	04/22/2027	1,664	3,628		872898AF8	27404	1,788,026



09/30/2022

General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Qualcomm Inc	USBGC	1,035,000	3.250	06/16/2022	995,059	05/20/2027	1,692	4.122	969,081	747525AU7	27421	997,423
State of Connecticut	USBGC	500,000	3.631	06/22/2022	500,000	06/15/2027	1,718	3.631	473,405	20772KQK8	27423	500,000
Amazon.com Inc	USBGC	75,000	3.150	09/21/2022	71,737	08/22/2027	1,786	4.136	69,891	023135BC9	27457	71,755
	Fund Total and Average	\$ 73,355,812	1.770		\$ 73,591,825		879	1.697	\$ 68,231,384			\$ 73,262,219
	GRAND TOTALS:	\$ 193,958,854	1.782		\$ 194,277,782		608	1.763	\$ 184,255,796			\$ 193,911,406

^{*}Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2022

Callable Dates:

Inv#			Inv#			Inv#		
26848	WMT	1/11/2023	27110	CASMED	Anytime	27216	ORSGEN	Anytime
26906	USBANK	1/5/2024	27113	MEMGEN	Anytime	27220	SCHW	2/11/2026
26947	USBANK	Anytime starting 12/27/2024	27114	MEMGEN	Anytime	27225	BAC	Semi-annually
26951	USBANK	Anytime starting 12/27/2024	27124	FFCB	Anytime starting 12/1/2022	27226	BAC	Semi-annually
26980	HON	Anytime	27125	BALGEN	Anytime	27227	BAC	Semi-annually
26983	HON	Anytime	27126	BALGEN	Anytime	27228	BAC	Semi-annually
26984	AZSHGR	Anytime	27137	FNMA	Annually starting 11/18/2022	27251	JPM	Annually starting 8/17/2023
27007	JPM	6/1/2023 and then starting on 5/1/2024	27138	JPM	Quarterly starting 12/22/2023	27252	FHLB	Quarterly
27011	JAS	6/1/2024	27139	JPM	Quarterly starting 12/22/2023	27255	BAC	Semi-annually
27024	JPM	Quarterly starting 6/23/2024	27141	FNMA	Quarterly	27256	BAC	Semi-annually
27029	MAS	Anytime	27149	TOY	1/20/2025 and 7/20/2025	27276	FHLB	Quarterly
27041	WISTRN	Anytime	27164	FHLB	Anytime	27313	JPM	Quarterly starting 11/30/2022
27042	WISTRN	Anytime	27168	APPL	Anytime starting 1/8/2026	27329	NYSHGR	Anytime
27055	CASWTR	Anytime	27169	APPL	Anytime starting 1/8/2026	27342	FHLB	12/29/2023
27056	FNMA	Quarterly	27171	JPM	Quarterly starting 2/17/2023	27343	FHLB	12/29/2023
27058	PHOGEN	Anytime	27172	JPM	Quarterly starting 2/17/2023	27345	FHLB	12/29/2023
27071	FAMC	Semi-annually	27178	LOUIS	Anytime	27364	FHLB	7/28/2023
27072	CASHGR	Anytime	27195	FHLB	Quarterly	27365	FHLB	7/28/2023
27077	FFCB	Anytime	27200	FFCB	Anytime starting 3/9/2023	27366	FHLB	2/27/2023
27078	FFCB	Anytime	27201	FFCB	Anytime starting 3/9/2023	27398	FHLB	Quarterly
27079	FFCB	Anytime	27202	WIS	Anytime	27399	FHLB	Quarterly
27080	FFCB	Anytime	27203	FHLB	Quarterly	27423	CTS	Anytime
27081	FHLB	Anytime	27213	FHLB	Quarterly	27438	FHLB	Monthly
27104	FHLMC	Annually starting 10/27/2022	27215	FHLB	4/21/2023	27440	ALA	Anytime
			21210	111110	THE ITEMES	27441	FHLB	Quarterly starting 11/25/2022

Northern California Power Agency Treasurer's Report 09/30/2022

Geo 2016A Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Ba	USBT	292,000	2.870	08/29/2022	289,486	12/15/2022	75	2.935	289,988	313385T30	27443	290,254
Federal Home Loan Ba	USBT	292,000	2.765	07/27/2022	288,524	12/29/2022	89	2.837	289,603	313385U95	27437	290,004
Federal Home Loan Ba	USBT	292,000	3.470	09/27/2022	289,382	12/29/2022	89	3.550	289,603	313385U95	27459	289,495
	Fund Total and Average	\$ 876,000	3,035		\$ 867,392		84	3.107	\$ 869,194			\$ 869,753
Geothermal Specia	al Reserve											
First American Govt.	USBGC	5,000	2.010		5,000		1	2,010	5,000	SYS70015	70015	5,000
Federal National Mtg	USBGC	1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,133	0.460	1,331,357	3135G06G3	27167	1,496,834
	Fund Total and Average	\$ 1,500,000	0.505		\$ 1,502,796		1129	0,465	\$ 1,336,357			\$ 1,501,834
Geo Decommission	ing Reserve											
Local Agency Investm	LAIF	0	0.742		0		1	0.742	0	SYS70027	70027	0
First American Govt.	USBGC	679	2.010		679		1	2.010	679	SYS70034	70034	679
California Asset Mgm	CMP	96,743	2,300	09/01/2022	96,743		1	2.300	96,743	SYS70074	70074	96,743
Crook County School	USBGC	355,000	1.563	05/07/2020	356,211	06/15/2023	257	1.450	348,663	227183DH0	27003	355,275
Solano County CCD	USBGC	385,000	5.500	04/09/2020	434,938	08/01/2023	304	1.471	388,523	83412PCN0	26978	397,568
Enerbank USA	USBGC	250,000	3.200	08/30/2018	250,000	08/30/2023	333	3.203	248,023	29278TCP3A	30309	250,000
Citibank NA	USBGC	250,000	3.300	09/07/2018	250,000	09/07/2023	341	3.301	248,178	17312QS34A	30314	250,000
Sacramento Suburban	USBGC	330,000	3.480	04/09/2020	349,473	11/01/2024	762	1.846	324,110	78607QAY1	26977	338,895
W W Grainger Inc.	USBGC	425,000	1.850	04/30/2020	438,600	02/15/2025	868	1.161	398,353	384802AE4	27002	431,733
California St Hith F	USBGC	500,000	0.952	11/04/2020	500,000	06/01/2025	974	0.952	453,620	13032UXM5	27111	500,000
Houston Airport Sys	USBGC	750,000	1.372	10/20/2020	750,000	07/01/2025	1,004	1.372	683,048	442349EM4	27102	750,000
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,004	0.610	448,745	592112UB0	27175	500,000
East Side Union High	USBGC	1,000,000	0.940	10/29/2020	1,000,000	08/01/2025	1,035	0.940	898,340	275282PS4	27109	1,000,000
Guardian Life	USBGC	505,000	0.875	05/05/2021	500,809	12/10/2025	1,166	1.060	440,830	40139LBC6	27224	502,090
Apple Inc.	USBGC	1,000,000	0.700	02/08/2021	1,000,000	02/08/2026	1,226	0.700	879,580	037833EB2	27162	1,000,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,307	1.200	430,290	48128G3G3	27218	500,000
Bank of America Corp	USBGC	750,000	1.200	06/28/2021	750,000	06/25/2026	1,363	1.199	641,633	06048WM64	27229	750,000
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,425	1.250	42,382	06048WN22	27258	50,000
Apple Inc.	USBGC	1,895,000	2.050	01/12/2022	1,930,607	09/11/2026	1,441	1.629	1,723,503	037833DN7	27361	1,925,114
Caterpillar Financia	USBGC	150,000	1.150	10/13/2021	149,450	09/14/2026	1,444	1.227	130,715	14913R2Q9	27289	149,558
TSMC Arizona Corp.	USBGC	1,375,000	1.750	12/08/2021	1,386,715	10/25/2026	1,485	1.567	1,208,900	872898AA9	27334	1,384,761
Public Storage	USBGC	765,000	1.500	11/15/2021	765,360	11/09/2026	1,500	1.490	676,834	74460DAG4	27309	765,296
Public Storage	USBGC	1,722,000	1.500	12/08/2021	1,723,998	11/09/2026	1,500	1.475	1,523,540	74460DAG4	27340	1,723,667
New York City Genera	USBGC	750,000	3.862	05/26/2022	750,000	05/01/2027	1,673	3.862	719,003	64966QC99	27405	750,000
Valmart, Inc.	USBGC	1,400,000	3.950	09/21/2022	1,389,024	09/09/2027	1,804	4.125	1,359,162	931142EX7	27458	1,389,085
New York City Genera	USBGC	585,000	2.040	04/30/2021	583,204	03/01/2030	2,708	2.078	472 844	64966QUX6	27219	583,493

Northern California Power Agency Treasurer's Report

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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 Val
Federal Home Loan Ba	USBGC	1,000,000	1.000	02/10/2021	1,000,000	02/10/2031	3,054	1.360	784,420	3130AKX76	27163	1,000,00
Federal Agricultural	USBGC	972,000	1.460	02/18/2021	972,000	02/18/2031	3,062	1.460	770,096	31422XAU6	27177	972,00
Federal Agricultural	USBGC	600,000	1.460	07/30/2021	598,800	02/18/2031	3,062	1.482	475,368	31422XAU6	27246	598,94
Federal Home Loan Ba	USBGC	1,700,000	1.750	08/17/2022	1,482,587	06/20/2031	3,184	3.439	1,359,099	3130ANUL2	27439	1,485,59
Federal Home Loan Ba	USBGC	2,000,000	1.740	07/29/2021	2,006,440	07/29/2031	3,223	1.704	1,596,140	3130AN7G9	27245	2,005,68
Marin Community Coll	USBGC	500,000	1.710	09/14/2021	506,610	08/01/2031	3,226	1.565	385,335	56781RKZ9	27272	505,90
County of Bexar TX	USBGC	385,000	2.134	09/23/2021	385,000	08/15/2031	3,240	2.134	305,586	088518PA7	27274	385,00
County of Bexar TX	USBGC	250,000	2.134	09/23/2021	250,000	08/15/2031	3,240	2.134	198,433	088518NH4	27275	250,00
Federal Farm Credit	USBGC	2,500,000	1.800	01/11/2022	2,445,000	01/05/2032	3,383	2.044	1,990,575	3133ENJZ4	27360	2,448,97
Federal Agricultural	USBGC	975,000	4.120	05/25/2022	970,125	04/27/2032	3,496	4.181	908,427	31422XXY3	27403	970,29
	Fund Total and Average	\$ 27,171,422	1.924		\$ 27,022,373		2073	1.930	\$ 23,559,720	Ö		\$ 26,966,36
	GRAND TOTALS:	\$ 29,547,422	1.884		\$ 29,392,561		1966	1.890	\$ 25,765,271			\$ 29,337,95

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2022

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
27245	FHLB	Anytime
27246	FAMCA	Semi-annually
27258	BAC	Semi-annually
27403	FAMCA	Quarterly starting 4/27/2023
27405	NYC	Anytime
27439	FHLB	Monthly

Northern California Power Agency Treasurer's Report

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Cap Facilities 2019A Debt Svc

Issuer	Trustee / Custodian	State	ed Value	Interest Rate	Purchase Date	nased rice	Maturity Date	Days to Maturity	Bond* Equiv Yield	Mar	ket Value	CUSIP	Investment #	Car	rying Value
US Bank Trust	USBT		37,307	0.005		37,307		1	0,005		37,307	SYS79017	79017		37,307
U.S. Treasury	USBT		429,000	2.784	08/29/2022	424,024	01/26/2023	117	2.855		424,354	912796S34	27449		425,118
Federal Home Loan Ba	USBT		392,000	3.640	09/27/2022	386,966	02/01/2023	123	3.738		387,116	313384BH1	27465		387,125
	Fund Total and Average	\$	858,307	3,052		\$ 848,297		115	3.133	\$	848,777			\$	849,550
	GRAND TOTALS:	\$	858,307	3.052		\$ 848,297		115	3.133	\$	848,777.			\$	849,550

^{*}Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2022



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	0	0.742		0		1	0.742	0	SYS70028	70028	
First American Govt.	USBGC	0	2.010		0		1	2.010	0	SYS70031	70031	
California Asset Mgm	СМР	13,111,790	2.300	09/01/2022	13,111,790		1	2.300	13,111,790	SYS70073	70073	13,111,79
Visa Inc.	USBGC	500,000	2.800	03/14/2018	494,470	12/14/2022	74	3.051	498,810	92826CAC6	26547	499,76
Toyota Motor Credit	USBGC	500,000	2.700	06/13/2018	489,100	01/11/2023	102	3.215	497,915	89236TEL5	26619	499,33
United Parcel Servic	USBGC	500,000	2.500	06/13/2018	484,900	04/01/2023	182	3.182	495,805	911312BK1	26620	498,42
Colgate-Palmolive Co	USBGC	550,000	2.100	08/09/2018	528,660	05/01/2023	212	2.985	543,791	19416QEC0	26652	547,36
J Paul Getty Trust	USBGC	1,000,000	0.391	01/28/2021	1,000,000	01/01/2024	457	0.401	950,770	374288AB4	27161	1,000,000
Met Life Glob Fundin	USBGC	209,000	0.700	04/12/2022	199,867	04/05/2024	552	2.988	195,975	58989V2C7	27385	202,03
Met Life Glob Fundin	USBGC	419,000	0.700	04/12/2022	400,690	04/05/2024	552	2,988	392,888	58989V2C7	27386	405,03
Nashville Met Gov	USBGC	250,000	1.030	12/17/2020	250,000	08/01/2024	670	1.029	233,368	592090GB4	27134	250,000
Califorina Infra & E	USBGC	100,000	0.645	12/17/2020	100,000	10/01/2024	731	0.683	92,489	13034AL57	27135	100,00
Walmart, Inc.	USBGC	500,000	2.650	02/07/2020	520,975	12/15/2024	806	1.744	484,020	931142DV2	26950	509,52
Bank of NY Mellon Co	USBGC	545,000	1.600	04/30/2021	561,197	04/24/2025	936	0.839	503,378	06406RAN7	27221	555,42
Federal Agricultural	USBGC	500,000	0.675	05/19/2020	500,000	05/19/2025	961	0.675	452,560	31422BA26	27004	500,00
Nashville Met Gov	USBGC	250,000	1.230	12/17/2020	250,000	08/01/2025	1,035	1.229	225,555	592090GC2	27133	250,00
City of El Paso TX	USBGC	500,000	4.346	12/07/2020	553,420	08/15/2025	1,049	1.950	497,800	283734TC5	27131	532,72
Califorina Infra & E	USBGC	130,000	0.765	12/17/2020	130,000	10/01/2025	1,096	0.765	115,848	13034AL65	27132	130,00
Bank of America Corp	USBGC	1,000,000	0.650	11/25/2020	1,000,000	11/25/2025	1,151	0.798	854,950	06048WK41	27121	1,000,00
Federal National Mtg	USBGC	500,000	0.650	12/17/2020	500,850	12/10/2025	1,166	0.615	443,100	3135G06J7	27136	500,54
JP Morgan	USBGC	500,000	0.825	12/22/2020	500,000	12/22/2025	1,178	0.825	435,770	48128GY53	27140	500,00
Federal National Mtg	USBGC	500,000	0.640	01/06/2021	501,550	12/30/2025	1,186	0.576	442,805	3135G06Q1	27148	501,01
Federal Home Loan Ba	USBGC	500,000	0.520	02/12/2021	499,750	02/12/2026	1,230	0.530	437,750	3130AKWA0	27165	499,83
Federal Home Loan Ba	USBGC	500,000	0.500	02/25/2021	500,000	02/25/2026	1,243	0.500	441,310	3130AKXX9	27181	500,00
Federal Home Loan Ba	USBGC	500,000	0.625	04/21/2021	500,000	04/21/2026	1,298	1.084	448,065	3130ALXR0	27214	500,00
United Health Group	USBGC	500,000	1.150	06/28/2021	501,660	05/15/2026	1,322	1.082	442,490	91324PEC2	27231	501,23
Federal Home Loan Ba	USBGC	500,000	0.875	08/17/2021	500,000	08/17/2026	1,416	0.875	436,165	3130ANGX2	27253	500,00
Federal Home Loan Ba	USBGC	500,000	1.050	08/24/2021	500,000	08/24/2026	1,423	0.967	438,935	3130ANFT2	27254	500,00
Bank of America Corp	USBGC	50,000	1.250	08/26/2021	50,000	08/26/2026	1,425	1.250	42,382	06048WN22	27257	50,00
TSMC Arizona Corp.	USBGC	200,000	1.750	12/08/2021	201,704	10/25/2026	1,485	1.567	175,840	872898AA9	27332	201,42
Public Storage	USBGC	250,000	1.500	12/08/2021	250,290	11/09/2026	1,500	1.475	221,188	74460DAG4	27338	250,242
Federal Home Loan Ba	USBGC	500,000	0.800	12/29/2021	500,000	12/29/2026	1,550	1.509	445,425	3130AQER0	27344	500,00
Amazon.com Inc	USBGC	150,000	3.150	09/21/2022	143,474	08/22/2027	1,786	4.136	139,782	023135BC9	27456	143,51
Federal Home Loan Ba	USBGC	400,000	4.200	08/25/2022	400,000	08/25/2027	1,789	4.200	392,808	3130ASVC0	27442	400,00
	Fund Total and Average	\$ 26,614,790	1.844		\$ 26,624,347		491	1.888	\$ 25,531,527			\$ 26,639,21
lydro Debt Service												
J.S. Treasury	USBT	26,000	2.730	07/27/2022	25,694	12/29/2022	89	2.800	25,799	912796R27	27429	25,82
J.S. Treasury	USBT	25,000	2.782	08/29/2022	24,764	12/29/2022	89	2.847	24.807	912796R27	27444	24,821

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Northern California Power Agency Treasurer's Report

09/30/2022

Hydro	Debt	Serv	ice
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Issuer	Trustee / Custodian	Sta	sted Value	Interest Rate	Purchase Date	chased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Ma	arket Value	CUSIP	Investment #	Ca	rrying Val
U.S. Treasury	USBT		26,000	3.157	09/27/2022	25,788	12/29/2022	89	3.227		25,799	912796R27	27460		25,7
	Fund Total and Average	\$	77,000	2,891		\$ 76,246		89	2,960	\$	76,405			\$	76,4
Hydro 2018A Debt	Service														
Federal Home Loan Ba	USBGC		1,106,000	2.870	08/29/2022	1,096,477	12/15/2022	75	2,935		1,098,380	313385T30	27445		1,099,3
Federal Home Loan Ba	USBT		1,110,000	2.765	07/27/2022	1,096,786	12/29/2022	89	2.818		1,100,887	313385U95	27430		1,102,4
Federal Home Loan Ba	USBT		1,107,000	3.469	09/27/2022	1,097,077	12/29/2022	89	3,550		1,097,912	313385U95	27461		1,097,5
	Fund Total and Average	\$	3,323,000	3,035		\$ 3,290,340		84	3.101	\$	3,297,179			\$	3,299,3
Hydro 2019A Debt	Service														
Federal Home Loan Ba	USBT		1,204,000	2.870	08/29/2022	1,193,634	12/15/2022	75	2.935		1,195,704	313385T30	27446		1,196,8
Federal Home Loan Ba	USBT		1,209,000	2.765	07/27/2022	1,194,607	12/29/2022	89	2.837		1,199,074	313385U95	27431		1,200,7
Federal Home Loan Ba	USBT		1,206,000	3.469	09/27/2022	1,195,189	12/29/2022	89	3.550		1,196,099	313385U95	27462		1,195,6
	Fund Total and Average	\$	3,619,000	3.035		\$ 3,583,430		84	3.107	\$	3,590,877			\$	3,593,1
Hydro 2022A Debt	Service														
Federal Home Loan Ba	USBT		506,000	2.870	08/29/2022	501,643	12/15/2022	75	2.935		502,514	313385T30	27447		502,9
Federal Home Loan Ba	USBT		507,000	2.764	07/27/2022	500,964	12/29/2022	89	2.837		502,838	313385U95	27432		503,5
Federal Home Loan Ba	USBT		506,000	3,470	09/27/2022	501,464	12/29/2022	89	3,550		501,846	313385U95	27463		501,6
	Fund Total and Average	\$	1,519,000	3.035		\$ 1,504,071		84	3.107	\$	1,507,198			\$	1,508,1
Hydro 2022B Debt	Service														
Federal Home Loan Ba	USBT		168,000	2.870	08/29/2022	166,554	12/15/2022	75	2.935		166,842	313385T30	27448		166,9
Federal Home Loan Ba	USBT		168,000	2.765	07/27/2022	166,000	12/29/2022	89	2.837		166,621	313385U95	27433		166,8
Federal Home Loan Ba	USBT		168,000	3.470	09/27/2022	166,494	12/29/2022	89	3,550		166,621	313385U95	27464		166,5
	Fund Total and Average	\$	504,000	3.035		\$ 499,048		84	3.107	\$	500,084			\$	500,4
Hydro Special Rese	erve														
First American Govt.	USBGC		5,000	2.010		5,000		1	2.010		5,000	SYS70016	70016		5,0
Federal National Mtg	USBGC		1,495,000	0.500	02/16/2021	1,497,796	11/07/2025	1,133	0.460		1,331,357	3135G06G3	27166		1,496,8
	Fund Total and Average	\$	1,500,000	0,505		\$ 1,502,796		1129	0.465	\$	1,336,357			\$	1,501,8
lydro 2012 DSRA															
U.S. Treasury	USBT		19,000	2.578	08/29/2022	18,853	12/15/2022	75	2.635		18,892	912796X79	27453		18,8
0/05/2022 12:49 pi	m														



09/30/2022

Hydro 2012 DSRA

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Equiv Yield	м	arket Value	CUSIP	Investment #	C	arrying Value
U.S. Treasury	USBT	1,875,00	0 1.750	04/27/2022	1,843,359	06/30/2024	638	2.551		1,795,163	9128286Z8	27388		1,849,608
	Fund Total and Average	\$ 1,894,00	1.758		\$ 1,862,212		632	2,552	\$	1,814,055			\$	1,868,506
	GRAND TOTALS:	\$ 39,050,7	2.062		\$ 38,942,490		429	2.145	\$	37,653,682			\$	38,987,075

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Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2022

Callable Dates:

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
27254	FHLB	Monthly
27257	BAC	Semi-annually
27344	FHLB	12/29/2023
27442	FHLB	Quarterly starting 11/25/2022

10/05/2022

12:50 pm

Northern California Power Agency Treasurer's Report 09/30/2022

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 #	Carr	rying Val
Local Agency Investm		0	0.742		0		1	0.742	0	SYS70046	70046		
California Asset Mgm	CMP	462,585	2.300	09/13/2022	462,585		1	2.300	462,585	SYS70077	70077		462,58
	Fund Total and Average	\$ 462,585	2,300		\$ 462,585		1	2.300	\$ 462,585			\$	462,58
LEC Issue #1 2010I	B DS Fund												
US Bank Trust	USB	483	0.005		483		1	0.005	483	SYS79004	79004		48
Federal Home Loan Ba	USBT	725,000	3.190	09/27/2022	720,888	11/30/2022	60	3.252	721,281	313385R40	27466		721,14
Federal Home Loan Ba	USBT	728,000	2,200	06/29/2022	721,104	12/01/2022	61	2.251	723,945	313385R57	27426		725,28
Federal Home Loan Ba	USBT	728,000	2,660	07/27/2022	721,169	12/01/2022	61	2,722	723,945	313385R57	27434		724,7
U.S. Treasury	USBT	113,000	1,550	06/03/2022	112,119	12/01/2022	61	1.583	112,462	912796P94	27413		112,70
U,S, Treasury	USBT	726,000	2,756	08/29/2022	720,776	12/01/2022	61	2.814	722,544	912796P94	27450		722,61
	Fund Total and Average	\$ 3,020,483	2.657		\$ 2,996,539		61	2.715	\$ 3,004,660			\$	3,006,94
LEC Issue #2 2010	B DS Fund												
US Bank Trust	USB	301	0.005		301		1	0,005	301	SYS79012	79012		30
Federal Home Loan Ba	USBT	784,000	3.189	09/27/2022	779,554	11/30/2022	60	3.252	779,978	313385R40	27467		779,8
Federal Home Loan Ba	USBT	787,000	2.200	06/29/2022	779,545	12/01/2022	61	2.251	782,616	313385R57	27427		784,06
Federal Home Loan Ba	USBT	786,000	2.660	07/27/2022	778,624	12/01/2022	61	2.722	781,622	313385R57	27435		782,4
U.S. Treasury	USBT	60,000	2.149	06/15/2022	59,394	12/01/2022	61	2.202	59,714	912796P94	27417		59,7
U.S. Treasury	USBT	785,000	2.755	08/29/2022	779,351	12/01/2022	61	2.814	781,263	912796P94	27451		781,3
	Fund Total and Average	\$ 3,202,301	2,690		\$ 3,176,769		61	2.749	\$ 3,185,494			\$	3,187,7
LEC Issue#1 2017A	DS Fund												
Federal Home Loan Ba	USBT	670,000	3,189	09/27/2022	666,200	11/30/2022	60	3.252	666,563	313385R40	27468		666,4
Federal Home Loan Ba	USBT	673,000	2.200	06/29/2022	666,625	12/01/2022	61	2.251	669,251	313385R57	27428		670,4
Federal Home Loan Ba	USBT	673,000	2,660	07/27/2022	666,685	12/01/2022	61	2.722	669,251	313385R57	27436		669,9
U.S. Treasury	USBT	11,000	1,549	06/03/2022	10,914	12/01/2022	61	1,583	10,948	912796P94	27414		10,9
U.S. Treasury	USBT	670,000	2,756	08/29/2022	665,179	12/01/2022	61	2.814	666,811	912796P94	27452		666,8
		2	2.696		\$ 2,675,603		61	2.755	\$ 2,682,824			\$	2,684,7
	Fund Total and Average	\$ 2,697,000											
LEC Issue #1 2010		\$ 2,697,000											
LEC Issue #1 2010		\$ 2,697,000	0.005		160		1	0,005	160	SYS79005	79005		16
	DSR Fund			06/15/2022	160 4,207,105	12/01/2022	1 61	0,005		SYS79005 912796P94	79005 27418	a	16 4,234,51



09/30/2022

LEC Issue	#1	2010	DSR	Fund
-----------	----	------	-----	------

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
U.S. Treasury	USBT	37,000	2.809	09/27/2022	36,812	12/01/2022	61	2.863	36,824	912796P94	27469	36,82
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	1,248	0.840	3,922,278	3133EMSK9	27199	4,430,00
Federal Home Loan Ba	USBT	150,000	0.875	08/27/2021	150,528	06/12/2026	1,350	0.799	132,966	3130AN4T4	27270	150,40
	Fund Total and Average	\$ 9,381,160	1.502		\$ 9,334,060		643	1.527	\$ 8,833,551			\$ 9,364,20
LEC Iss#1 2010B B	ABS Subs Resv											
US Bank Trust	USB	531	0.005		531		1	0.005	531	SYS79006	79006	53
U.S. Treasury	USBT	2,277,000	1,550	06/03/2022	2,259,255	12/01/2022	61	1.583	2,266,161	912796P94	27415	2,271,02
	Fund Total and Average	\$ 2,277,531	1.550		\$ 2,259,786		61	1.584	\$ 2,266,692			\$ 2,271,55
LEC Issue #2 2010E	B DSR BABS											
US Bank Trust	USB	698	0.005		698		1	0.005	698	SYS79013	79013	698
U.S. Treasury	USBT	154,000	1.549	06/03/2022	152,800	12/01/2022	61	1.583	153,267	912796P94	27416	153,59
U.S. Treasury	USBT	786,000	2.756	08/29/2022	780,344	12/01/2022	61	2.814	782,259	912796P94	27454	782,32
	Fund Total and Average	\$ 940,698	2.556		\$ 933,842		61	2,611	\$ 936,224			\$ 936,62
LEC O & M Reserve	•											
Local Agency Investm		О	0.742		0		1	0.742	0	SYS70047	70047	j.
First American Govt.	USBGC	22,609	2.010		22,609		1	2.010	22,609	SYS70041	70041	22,60
California Asset Mgm	CMP	2,102,318	2.300	09/09/2022	2,102,318		1	2,300	2,102,318	SYS70075	70075	2,102,31
Caterpillar Financia	USBGC	465,000	3.250	02/03/2020	496,569	12/01/2024	792	1.776	451,245	14912L6G1	26952	479,16
Nashville Met Gov	USBGC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,004	0.610	448,745	592112UB0	27176	500,00
Federal National Mtg	USBGC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	1,032	0,579	896,700	3136G4D75	27047	1,000,56
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,052	0,600	894,760	3136G4G72	27057	1,000,00
Federal Farm Credit	USBGC	750,000	0.530	09/29/2020	750,000	09/29/2025	1,094	0,530	666,690	3133EMBH4	27083	750,00
Federal Farm Credit	USBGC	670,000	0.530	09/29/2020	670,000	09/29/2025	1,094	0,530	597,064	3133EMBJ0	27084	670,00
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,226	0.699	439,790	037833EB2	27170	500,00
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	1,307	1.200	430,290	48128G3G3	27222	500,00
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	1,384	1,050	868,500	57629WDE7	27250	1,005,52
Bank of America Corp	USBGC	100,000	1,250	08/26/2021	100,000	08/26/2026	1,425	1.250	84,764	06048WN22	27259	100,00
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	1,444	1.227	435,715	14913R2Q9	27290	498,52
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	1,485	1.567	747,320	872898AA9	27335	856,03
Public Storage	USBGC	515,000	1,500	11/15/2021	515,242	11/09/2026	1,500	1.490	455,646	74460DAG4	27310	515,19
Public Storage	USBGC	1,064,000	1,500	12/08/2021	1,065,234	11/09/2026	1,500	1.475	941,374	74460DAG4	27341	1,065,03
City of Beverly Hill	USBGC	200,000	1,327	06/28/2022	179,194	06/01/2027	1,704	3.654	173,546	088006KB6	27424	180,28
	Fund Total and Average	\$ 11,738,927	1,333		\$ 11,764,793		1021	1.282	\$ 10,657,076	2		\$ 11,745,25

GRAND TOTALS: \$ 33,720,685 1,797 \$ 33,603,977 557 1.806 \$ 32,029,106. \$ 33,659,680

*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 09/30/2022

Callable Dates:

Inv#

27047	FHLMC	Quarterly
27057	FNMA	Quarterly
27083	FFCB	Anytime
27084	FFCB	Anytime
27170	APPL	Anytime starting 1/8/2026
27199	FFCB	Anytime
27222	JPM	Annually starting 4/30/2023
27259	BAC	Semi-annually





Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022													
SUBJECT:	UBJECT: Disposal of Northern California Power Agency Surplus Property												
AGENDA CAT	EGORY: Conse	nt											
FROM:	Monty Hanks	HA	METHOD OF	SEL	ECTION:								
	Assistant Genera	Man	ager N/A										
Division:	Administrative Se	ervice	s										
Department:	Accounting & Fin	ance											
IMPACTED N	AEMDEDS:												
INIPACTEDIN			SM0077 14745 655	Assistant .	STERROS MESSERE NO SOS SE								
	All Members	\boxtimes	City of Lodi		City of Shasta Lake								
Alameda N	lunicipal Power		City of Lompoc		City of Ukiah								
San Frar	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC								
	City of Biggs		City of Redding		Port of Oakland								
	City of Gridley		City of Roseville		Truckee Donner PUD								
Cit	y of Healdsburg		City of Santa Clara		Other								
			If other, please specify										

SR: 241:22

RECOMMENDATION:

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

· 2008 Ford F150 from Hydro facility traded-in

BACKGROUND:

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

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

FISCAL IMPACT:

This report has no direct fiscal impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted.

RANDY S. HOWARD General Manager

Attachments: Declarations of Surplus

Receipts of disposal

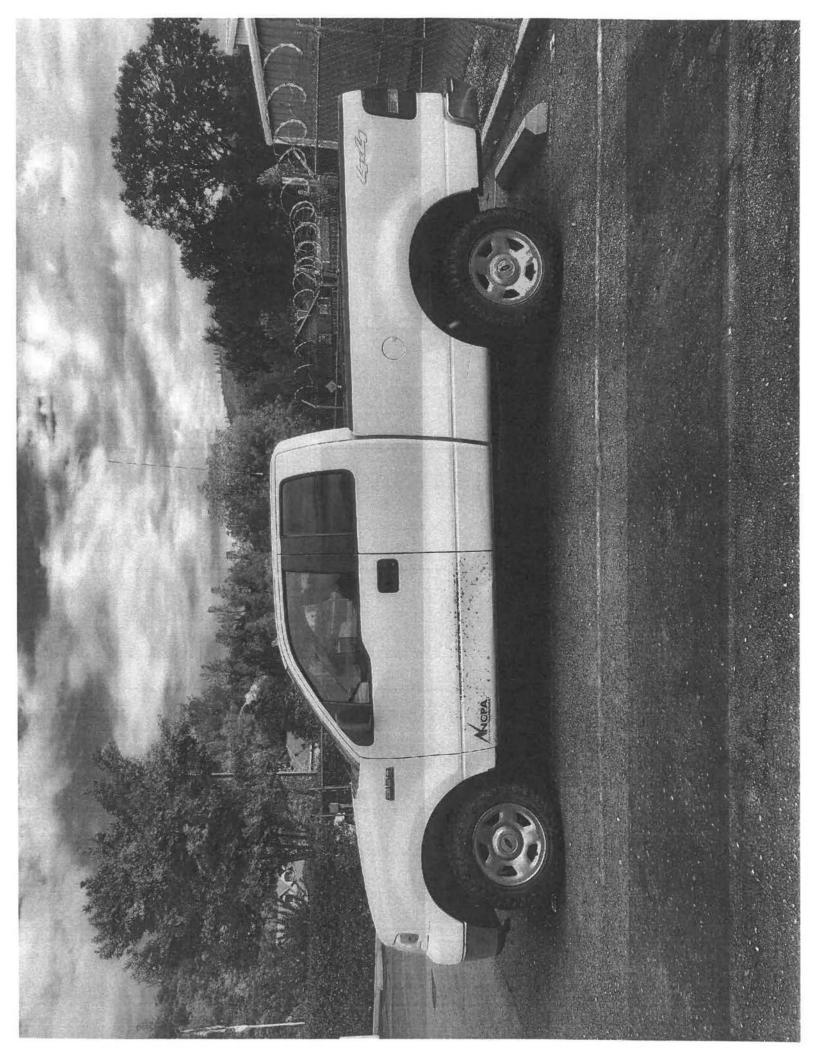
SR: 241:22



NORTHERN CALIFORNIA POWER AGENCY DECLARATION OF EXCESS

Date: 9/13/2022

	QTY	U/M*	DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs)		ESTIMAT	TED VALUE	NCPA Property# / Stock # / Fleet # or Project #	SITE LOCATION
					UNIT	TOTAL		
1.	1	Each	2008 Ford F150 Pick Up Truck (Pool General) 1FTPX14518FA57581	(P)	1	\$4,000.00	#882	Hydro
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
			R EXCESS/DISPOSAL: Replacing this 14-year old truck vision of the second	1.55	miles for a newer mor	re reliable vehicle.		
APP	PARED E ORG ROVED E HORIZA ROCEEL	i. BY:V TION		i In	*U/M = UNIT OF	SAL - NO NET SCE MEASURE EXCELLENT (E),	PRIVATE SALE RAP VALUE GOOD (G), AVERAGE	





Commission Staff Report

COMMISSION M	IEETING DATE	:	November 3, 2022											
SUBJECT: Acceptance of the Annual Financial Statements and Associated Audit Report and Letters for the Years Ended June 30, 2022 and 2021														
AGENDA CATEGORY: Consent														
FROM: M	lonty Hanks	A	METHOD OF	SELI	ECTION:									
1874	Assistant General Manager/CFO		N/A	N/A										
Division: A	dministrative Se	rvice	s											
Department: A	ccounting & Fina	ance												
IMPACTED MEI	MBERS:													
	All Members	\boxtimes	City of Lodi		City of Shasta Lake									
Alameda Mui	nicipal Power		City of Lompoc		City of Ukiah									
	sco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC									
	City of Biggs		City of Redding		Port of Oakland									
c	ity of Gridley		City of Roseville		Truckee Donner PUD									
City o	of Healdsburg		City of Santa Clara		Other									
			If other, please specify											

SR: 237:22

Acceptance of the Annual Financial Statements and Associated Audit Report and Letters November 3, 2022 Page 2

RECOMMENDATION:

Northern California Power Agency staff and the Finance Committee recommend that the Commission accept and file the Annual Financial Statements and Associated Audit Report and Letters for the years ended June 30, 2022 and 2021.

BACKGROUND:

On October 11, 2022, the Finance Committee held a meeting to review the draft Northern California Power Agency and Associated Power Corporations (collectively "NCPA") Financial Statements and Associated Audit Report and Letters for fiscal years ending June 30, 2022 and 2021. The audit partner from NCPA's audit firm, Baker Tilly, reviewed the highlights of the financial statements and answered questions from the Committee. The financial report was given an unmodified or "clean" opinion by the auditors. No evidence of fraud or illegal acts were noted in the course of the audit. In addition, the auditors presented a Power Point (copy is attached) which includes required communications by the auditor. Additional auditor reports include an internal control letter, negative assurance letters for bond indentures, NCPA's investment policy, and State Controller's Minimum Audit Requirements. Copies of these letters are attached to this report. Nothing of significance was noted in any of the letters.

The final financial statements do not contain substantial changes.

FISCAL IMPACT:

This financial report for the years ended June 30, 2022 and 2021 has no direct budget impact to NCPA; it reports on the fiscal impacts for the last fiscal year.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation for the draft financial statements was reviewed by the Finance Committee on October 11 and was recommended for Commission acceptance and filing with no substantial changes by a unanimous vote.

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Acceptance of the Annual Financial Statements and Associated Audit Report and Letters November 3, 2022
Page 3

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments:

- Financial Statements for the years ended June 30, 2022 and 2021
- Baker Tilly correspondence dated October 13, 2022
 - o Required communications by the Auditor to those charged with governance
 - o Compliance with Bond Indentures Letter
 - o Compliance with Investment Policy Letter
 - o Compliance with State Controller's Minimum Audit Requirements Letter
- PowerPoint presented to Finance Committee by auditors on October 11, 2022

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AND

ASSOCIATED POWER CORPORATIONS

Combined Financial Statements Including Independent Auditors' Report

As of and For the Years Ended June 30, 2022 and 2021

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

Combined Financial Statements

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As of and For the Years Ended June 30, 2022 and 2021

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Independent Auditors' Report

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

Opinion

We have audited the accompanying financial statements of the Northern California Power Agency and Associated Power Corporations (Agency), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2022 and 2021, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note B, the Agency adopted the provisions of GASB Statement No. 87, Leases, effective July 1, 2021. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or
 error, and design and perform audit procedures responsive to those risks. Such procedures include examining,
 on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting
 estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information. The other information comprises the schedule of generation entitlement shares as identified in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Madison, Wisconsin October 13, 2022

cer Tilly US, LLP

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

The management of Northern California Power Agency (the Agency or NCPA) offers the following narrative discussion and analysis of its financial performance for the years ended June 30, 2022 and 2021. This discussion should be read in conjunction with the Agency's combined financial statements and accompanying notes, which follow this section.

BACKGROUND

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

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

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

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

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

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

During the year, the impact of COVID-19 to NCPA and our members stabilized. Members' revenue and disconnections returned to pre-pandemic levels. The State of California created the California Arrearage Payment Program that offers financial assistance for California energy utility customers to help reduce past due energy bill balances accrued during the COVID-19 pandemic.

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

The Agency continues to face continued drought in the western region of the country. The Agency has assisted its participants in meeting hydro generation shortfalls by procuring alternative resources to ensure their loads are met. To date, the drought has not materially impacted revenue for the Hydroelectric project. The Agency has strategically placed ancillary services from the plant into the market during times of high prices, thereby essentially offsetting the reduced generation revenue from the plant.

FINANCIAL REPORTING

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

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

Implemented in FY 2022, GASB Statement of Government Accounting Standards No. 87, Leases, established standards for certain assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This Statement requires the measurement of lease assets and liabilities be based on the value of the contract over its life.

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

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

FINANCIAL HIGHLIGHTS

The following is a summary of the Agency's combined financial position and results of operations for the years ended June 30, 2022, 2021, and 2020.

Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347				Jun	e 30,		
Assets and Deferred Outflows of Resources Current assets \$ 177,909 \$ 206,369 \$ 184,673 Non-current assets \$ 140,337 \$ 146,024 \$ 148,482 Electric plant, net \$ 518,691 \$ 486,541 \$ 474,821 Other assets \$ 197,060 \$ 210,264 \$ 226,154 Total Assets \$ 1,033,997 \$ 1,049,198 \$ 1,034,130 Deferred outflows of resources \$ 77,321 \$ 91,950 \$ 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities \$ 137,039 \$ 137,087 \$ 118,860 Non-current liabilities \$ 340,297 \$ 328,350 \$ 282,347	Condensed Statement of Net Position			(in the	usands)		
Resources Current assets \$ 177,909 \$ 206,369 \$ 184,673 Non-current assets 140,337 146,024 148,482 Electric plant, net 518,691 486,541 474,821 Other assets 197,060 210,264 226,154 Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	<u> </u>	2	022	2021 (Restated)	2	020
Current assets \$ 177,909 \$ 206,369 \$ 184,673 Non-current assets 140,337 146,024 148,482 Electric plant, net 518,691 486,541 474,821 Other assets 197,060 210,264 226,154 Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	Assets and Deferred Outflows of						
Non-current assets	Resources			200			
Electric plant, net 518,691 486,541 474,821 Other assets 197,060 210,264 226,154 Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	Current assets	\$	2.5	\$		\$	
Other assets 197,060 210,264 226,154 Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347							
Total Assets 1,033,997 1,049,198 1,034,130 Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	Electric plant, net		518,691		and the same of th		474,821
Deferred outflows of resources 77,321 91,950 101,256 \$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	Other assets		197,060		210,264		226,154
\$ 1,111,318 \$ 1,141,148 \$ 1,135,386 Liabilities, Deferred Inflows of Resources and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities \$ 137,039 \$ 137,087 \$ 118,860 Non-current liabilities \$ 340,297 \$ 328,350 \$ 282,347					1,049,198		1,034,130
Liabilities, Deferred Inflows of Resources and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	Deferred outflows of resources		77,321		91,950		101,256
and Net Position Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	_	\$	1,111,318	\$	1,141,148	\$	1,135,386
Long-term debt, net \$ 503,352 \$ 553,778 \$ 600,636 Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347	and the state of the						
Current liabilities 137,039 137,087 118,860 Non-current liabilities 340,297 328,350 282,347		\$	503 352	\$	553 778	\$	600 636
Non-current liabilities 340,297 328,350 282,347		~		*		7	
Total Liabilities 980.688 1.019.215 1.001.843	Total Liabilities		980,688		1,019,215		1,001,843
							93,152
Net position:					2 .,000		33,232
A CONTROL OF THE PROPERTY OF T	B. 아이트 (* 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10		(100,776)		(109,274)		(117,426)
TO STATE OF THE PROPERTY OF TH							30,407
	Unrestricted		7.00		92.7		127,410
STATE OF THE PROPERTY OF THE P		\$		\$		\$	1,135,386
Year ended June 30,			9	Vear ende	ed June 30		
	- Condensed Statements of Bossesses						
	CONTRACTOR	-	0022			2	020
Expenses and Changes in Net Position 2022 2021 (Restated) 2020	expenses and changes in Net Position		.022	2021 (1	restated)		020
Operating revenues \$ 879,672 \$ 807,535 \$ 604,894	Operating revenues	\$	879,672	\$	807,535	\$	604,894
Operating expenses (842,096) (767,990) (565,454)	Operating expenses		(842,096)		(767,990)		(565,454)
Net operating revenues 37,576 39,545 39,440	Net operating revenues		37,576		39,545		39,440
Other expenses (35,049) (22,205) (27,329)	Other expenses		(35,049)		(22,205)		(27,329)
Future refundable costs (12,122) (15,622) 2,201	Future refundable costs		(12,122)		(15,622)		2,201
Refunds to participants (1,336) (14,481) (12,297)	Refunds to participants		(1,336)		(14,481)		(12,297)
Change in net position (10,931) (12,763) 2,015	Change in net position		(10,931)		(12,763)		2,015
Net position, beginning of year 27,628 40,391 38,376	Net position, beginning of year		27,628		40,391		38,376
Net position, end of year \$ 16,697 \$ 27,628 \$ 40,391	Net position, end of year	\$	16,697	\$	27,628	\$	40,391

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets

2022 Compared to 2021 - Current assets decreased \$28.5 million or 13.8% from the prior year, primarily due to reduction in cash and investments resulting from the timing of payments for energy and transmission costs, offset by increase in receivables from participants for energy and transmission credited to them.

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

Non-current Assets

2022 Compared to 2021 - Non-current assets, consisting mainly of long-term investments, decreased \$5.7 million or 3.9% from the prior year. This is primarily due to temporary decreases in mark to market valuation of investments.

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

Electric Plant, net

2022 Compared to 2021 - The Agency has invested approximately \$518.7 million in capital plant assets, net of accumulated depreciation and amortization, at June 30, 2022. Net capital plant assets include \$423.3 million in net utility plant and \$95.3 million in net leased assets. Net capital plant comprises approximately 46.7% of the Agency's assets and deferred outflows. The \$32.1 million or 6.6% increase from the prior year consists of an increase of \$61.4 million in additional leased assets, increase of \$4.1 million in capital plant expenditures, offset by an increase in accumulated depreciation and amortization of \$33.4 million. For additional detail, refer to Note B - Significant Accounting Policies.

2021 Compared to 2020 - The Agency has invested approximately \$486.5 million in plant assets, net of accumulated depreciation and amortization, at June 30, 2021. Net capital plants assets include \$449.2 million in net utility plant and \$37.3 million in net leased assets. Net capital plant comprises approximately 42.4% of the Agency's assets and deferred outflows. The \$11.7 million or 2.5% increase from the prior year consists of an increase of \$37.8 million in additional leased assets, increase of \$4.4 million in capital plant expenditures, offset by an increase in accumulated depreciation and amortization of \$30.5 million. For additional detail, refer to Note B - Significant Accounting Policies.

Deferred Outflows

2022 Compared to 2021 - Total deferred outflows of resources decreased \$14.6 million or 15.9% due to the scheduled amortization and write-off of excess of cost on refunding of debt totaling \$10.5 million, decrease of deferred pension and OPEB contributions of \$4.0 million and decrease of deferred ARO of \$0.1 million.

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

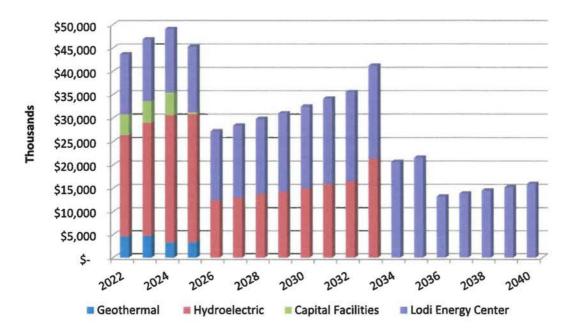
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Long-Term Debt, net

2022 Compared to 2021 - Long-term debt, net decreased \$50.4 million or 9.1% in 2022 as a result of scheduled principal payments of \$43.4 million, net premium amortization of \$7.9 million, offset a net increase for the net transfer of the current portion of long-term debt of \$0.9 million. For additional detail, refer to Note F - Projects and Related Financing.

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

The following table shows the Agency's scheduled annual debt service principal payments through FY 2040 as of June 30, 2022:



NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

Current Liabilities

2022 Compared to 2021 - Current liabilities decreased by \$0.1 million or 0.1% in 2022. This is primarily due to increases in lease liabilities of \$5.7 million. The current liabilities also include increases in the current portion of long-term debt of \$0.9 million, decreases in project operating reserves of \$3.6 million, decreases in accounts payable of \$1.5 million and decreases in accounts payable of \$1.6 million.

2021 Compared to 2020 - Current liabilities increased by \$18.2 million or 15.3% in 2021. This is primarily due to increases in accounts payable of \$12.7 million for accrued purchased energy, transmission costs and natural gas. The current liabilities increase also includes increases in the current portion of long-term debt of \$3.0 million and increases in project operating reserves of \$3.8 million and decreases in accrued interest payable of \$1.8 million.

Other Non-Current Liabilities

2022 Compared to 2021 - Non-current liabilities increased by a net amount of \$11.9 million or 3.6% in 2022. This was primarily due to increased lease liability of \$52.3 million and increased asset retirement obligations of \$1.5, offset by decreased net pension and OPEB obligations of \$21.0 million, decreased operating reserves of \$4.9 million for operating reserves and termination of interest rate swap liability of \$16.0 million.

2021 Compared to 2020 - Non-current liabilities increased by a net amount of \$46.0 million or 16.3% in 2021. This was primarily due to the implementation of lease liabilities resulting in \$36.7 million in liabilities not previously recognized. Additionally, there were increased operating reserves of \$10.7 million for deposits and interest earnings, and increased asset retirement obligations of \$1.5 million offset by decreased interest rate swap liability of \$2.9 million.

Deferred Inflows

2022 Compared to 2021 - Total deferred inflows of resources increased \$19.6 million or 20.8% due to deferral of certain gains related to pension and OPEB liability of \$17.7 million and deferral of refunding gains of \$5.2 million. These deferrals are offset by a decrease in deferrals of certain revenues related to the amortization of construction advances and operating fixed assets totaling \$3.3 million.

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

CHANGES IN NET POSITION

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

Operating Revenues

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

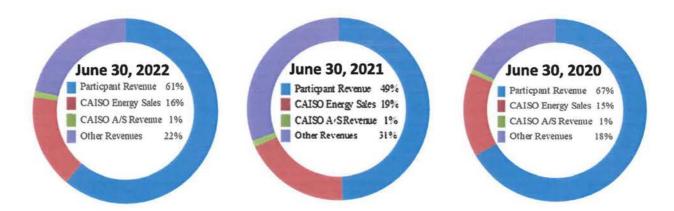
2022 Compared to 2021 - Operating revenues for fiscal year 2022 were approximately \$72.1 million or 8.9% more than in the prior fiscal year. This was the net result of increased revenue from members of \$139.3 million for the sale of

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

energy, offset by decreased non-member revenue of \$67.2 million for their share of energy contracts and transmission costs.

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

OPERATING REVENUES BY SOURCES



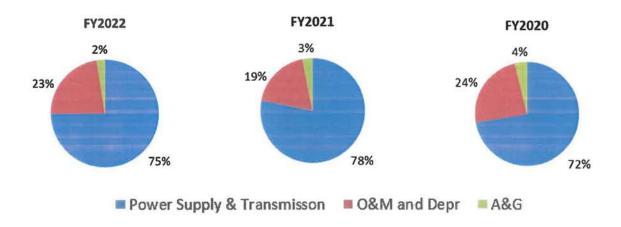
Operating Expenses

2022 Compared to 2021 - Operating expenses were \$842.1 million in FY 2022, an increase of \$74.1 million from FY 2021. Purchased power expense was \$1.7 million higher in FY 2022 primarily due to increased energy purchased to fulfill energy requirements for member and non-member participants. Operations expense increased \$39.3 million primarily due to increased fuel usage for the natural gas combustion turbine plants. Transmission expense increased \$29.0 million primarily due to increased ISO wheeling charges. Maintenance expenses were \$7.7 million higher in FY 2022 primarily due to increased maintenance projects at the plants resulting in higher maintenance costs.

2021 Compared to 2020 - Operating expenses were \$768.7 million in FY 2021, an increase of \$202.5 million from FY 2020. Purchased power expense was \$190.7 million higher in 2021 primarily due to increased energy purchased to fulfill energy requirements for member and non-member participants. Operations expense increased \$17.6 million primarily due to increased fuel usage for the natural gas combustion turbine plants. Maintenance expenses were \$6.7 million lower in FY 2021 primarily due to a lower inventory adjustment and reduced maintenance projects at the plants resulting in lower maintenance costs.

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

The following charts compare the components of Operating Expenses in fiscal years ended June 30, 2022, 2021, and 2020:



FINANCING ACTIVITIES

In April 2022, the Agency issued Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series A (\$120,300,000) to refund Hydroelectric Project Number One Revenue Bond, 2012 Refunding Series A and Hydroelectric Project Number One Revenue Bond, 2008 Refunding Series A and 2022 Refunding Series B (\$12,010,000) to terminate the variable rate swap. The refunding was completed through the issuance of \$132,310,000 fixed rate debt (2022 Series A and B) with a yield of 1.84% with varying principal maturities ranging from a total of \$1,770,000 to \$21,370,000 through July 1, 2032. The refunding is estimated to have decreased project debt service by an estimated \$28.34 million over the next 10 years, which results in an estimated economic gain to the Agency of approximately \$12.25 million.

The Agency on a periodic basis has informal discussions and formal presentations with each of the credit rating agencies in order to maintain ongoing communications. During fiscal year 2022, Fitch performed a surveillance review for the Lodi Energy Center project and concluded no change to the existing rating or outlook; Fitch also affirmed the AA- rating on the Hydroelectric project during the year. In fiscal year 2022, Moody's affirmed the Aa3 rating on the Hydroelectric project and issued a credit opinion on the Lodi Energy Center project affirming the A1 rating with a stable outlook.

Ratings assigned to the Agency's outstanding project bonds as of June 30, 2022 are as follows:

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

INVESTMENT IN ASSOCIATED COMPANY

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

SUMMARY

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

CONTACTING AGENCY MANAGEMENT

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

Agency Financials

COMBINED STATEMENTS OF NET POSITION

		June 3	30,	
	2	022	2021 (Resta	ated)
ASSETS		(in thous	ands)	
CURRENT ASSETS				
Cash and cash equivalents				
Restricted	\$	53,301	\$ 5	66,133
Unrestricted		55,571	8	31,103
Investments				
Restricted		12,969	1	17,301
Unrestricted		14,411	2	25,614
Accounts receivable				
Participants		22,257		174
Other		9,463	1	16,132
Interest receivable		667		775
Inventory and supplies		6,055		5,888
Prepaid expenses		3,215		3,249
TOTAL CURRENT ASSETS		177,909	20	06,369
NON-CURRENT ASSETS				
Investments				
Restricted		6,048		4,401
Unrestricted		134,289	14	11,623
Electric plant in service, including lease assets		1,600,677	1,53	35,135
Less: accumulated depreciation and amortization		(1,082,013)	(1,04	18,594)
Construction work-in-progress		27		-
TOTAL NON-CURRENT ASSETS		659,028	63	32,565
OTHER ASSETS				
Regulatory assets		184,932	20	09,999
Net OPEB assets - Restricted		11,863		
Investment in associated company		265		265
TOTAL OTHER ASSETS		197,060	21	10,264
TOTAL ASSETS		1,033,997	1,04	19,198
DEFERRED OUTFLOWS OF RESOURCES				
Excess cost on refunding of debt		1,416	1	11,969
Pension and OPEB deferrals		14,141		18,099
Asset retirement obligations		61,764	6	51,882
TOTAL DEFERRED OUTFLOWS OF RESOURCES		77,321		91,950
TOTAL ASSETS AND DEFERRED				
OUTFLOWS OF RESOURCES	\$	1,111,318	\$ 1,14	11,148

COMBINED STATEMENTS OF NET POSITION

			June 3	30,	
		20)22	2021	(Restated)
LIABILITIES			(in thous	ands)	
CURRENT LIABILITIES					
Accounts payable and accrued expenses		\$	61,287	\$	62,820
Member advances		NO.50	993		993
Operating reserves			19,557		23,160
Current portion of lease liability			6,303		567
Current portion of long-term debt			44,315		43,400
Accrued interest payable			4,584		6,147
TOTAL CURRENT LIABILITIES			137,039		137,087
NON-CURRENT LIABILITIES					
Net pension and OPEB liabilities			41,975		62,959
Operating reserves and other deposits			139,607		144,492
Interest rate swap liability			51857 C.256* C.556		16,045
Asset retirement obligations			69,677		68,136
Long-term lease liability			89,038		36,718
Long-term debt, net			503,352		553,778
TOTAL NON-CURRENT LIABILITIES			843,649		882,128
TOTAL LIABILITIES	_		980,688		1,019,215
DEFERRED INFLOWS OF RESOURCES					
Regulatory credits			88,796		92,118
Pension and OPEB deferrals			19,949		2,187
Deferred gain on debt refunding			5,188		
TOTAL DEFERRED INFLOWS OF RESOURCES			113,933		94,305
NET POSITION					
Net investment in capital assets			(100,776)		(109, 274)
Restricted			56,571		42,444
Unrestricted			60,902		94,458
TOTAL NET POSITION			16,697		27,628
TOTAL LIABILITIES, DEFERRED INFLOWS					
OF RESOURCES AND NET POSITION		\$	1,111,318	\$	1,141,148

COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

		Years Ended	June 30,	
	202	2	2021 (R	estated)
	Y-	(in thous	ands)	
OPERATING REVENUES				
Participants	\$	537,723	\$	398,399
Other Third-Party		341,949		409,136
TOTAL OPERATING REVENUES		879,672		807,535
OPERATING EXPENSES				
Purchased power		416,422		414,705
Operations		128,671		89,397
Transmission		214,673		185,713
Depreciation and amortization		33,545		30,550
Maintenance		27,909		24,239
Administrative and general		20,876		23,386
TOTAL OPERATING EXPENSES	·	842,096		767,990
NET OPERATING REVENUES		37,576		39,545
NON OPERATING (EXPENSES) REVENUES				
Interest expense		(26,169)		(30,862)
Interest income (loss)		(9,926)		848
Loss on swap termination		(11,928)		-
Other		12,974		7,809
TOTAL NON OPERATING EXPENSES	1	(35,049)		(22,205)
FUTURE RECOVERABLE AMOUNTS		(12,122)		(15,622)
REFUNDS TO PARTICIPANTS		(1,336)		(14,481)
(DECREASE) INCREASE IN NET POSITION		(10,931)		(12,763)
NET POSITION, Beginning of year		27,628		40,391
NET POSITION, End of year	\$	16,697	\$	27,628

COMBINED STATEMENTS OF CASH FLOW

		Years Ended Ju	ine 30,	
	202		2021 (Re	estated)
		(in thousan	ds)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from participants	\$	517,571	\$	402,244
Received from others		343,597		412,380
Payments for employee services		(44,565)		(44,501)
Payments to suppliers for goods and services		(780,245)		(683,996
NET CASH FLOWS FROM OPERATING ACTIVITIES		36,358		86,127
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturities and sales of investments		184,923		184,269
Interest received on cash and investments		3,085		3,805
Purchase of investments		(175,000)		(176,310
NET CASH FLOWS FROM INVESTING ACTIVITIES		13,008		11,764
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of electric plant		(4,270)		(4,472
Insurance receipts on asset disposals		-		6,549
Swap termination fee		(11,928)		-
Interest paid on lease liability		(1,254)		(703)
Interest paid on long-term debt		(26,128)		(28,045)
Payments on lease liability		(3,369)		(519)
Principal repayment on long-term debt		(43,389)		(39,890)
Proceeds from bond issues		157,405		
Payments to refund debt		(155,885)		-
NET CASH FLOWS FROM CAPITAL AND				
RELATED FINANCING ACTIVITIES		(88,818)		(67,080
CASH FLOWS FROM NON-CAPITAL AND				
RELATED FINANCING ACTIVITIES				
Other proceeds		12,297		7,894
Refunds to participants		(1,209)		(14,157)
NET CASH FLOWS FROM NON-CAPITAL AND				
RELATED FINANCING ACTIVITIES		11,088		(6,263
NET CHANGE IN CASH AND CASH EQUIVALENTS		(28,364)		24,548
CASH AND CASH EQUIVALENTS				
Beginning of year		137,236		112,688
End of year	\$	108,872	\$	137,236

COMBINED STATEMENTS OF CASH FLOW-Continued

		Years Ended	June 30,	
	202	22	2021 (Re	stated)
		(in thous	ands)	12.
RECONCILIATION OF NET OPERATING REVENUES TO NET CASH FLOWS FROM OPERATING ACTIVITIES Operating income Adjustments to reconcile net operating revenues to net cash from operating activities:	\$	37,576	\$	39,545
Depreciation and amortization		33,545		30,550
		71,121		70,095
CASH FLOWS IMPACTED BY CHANGES IN Accounts receivable		(15,414)		(9,332)
Inventory, prepaid expense, and unused vendor credits		(133)		(1,259)
Operating reserves and other deposits		(8,488)		14,524
Regulatory assets		(11,059)		(3,752)
Regulatory credits		1,864		3,703
Accounts payable and other liabilities		(1,533)		12,148
NET CASH FROM OPERATING ACTIVITIES	\$	36,358	\$	86,127
DESCRIPTION OF CASH AND CASH FOLINAL ENTS TO STATEMENTS OF		,,,,,,,		
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION				
Cash and cash equivalents - current assets	\$	53,301	\$	56,133
Cash and cash equivalents - restricted assets		55,571		81,103
End of year	\$	108,872	\$	137,236
NON-CASH TRANSACTIONS:				
Lease assets	\$	60,959	\$	37,803
Future recoverable/(refundable) costs		(12,122)		(15,622)
Amortization		(7,122)		(6,812)
Interest rate swap change in fair value		(16,045)		(2,923)
Gain/loss on investments		(227)		257

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

AS OF AND FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE A -- ORGANIZATION

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

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

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

NOTE B -- SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

<u>Electric Plant, including Lease Assets</u> Electric plant in service is recorded at historical cost. The cost of additions, renewals and betterments in excess of \$25,000 for plant assets and \$5,000 for all other assets are capitalized; repairs and minor replacements are charged to operating expenses as incurred. Depreciation and amortization expense are computed using the straight-line method over the estimated useful lives of the related assets. The provision for depreciation and amortizations was approximately 2.0% of the average electric plant in service for the Agency during both 2022 and 2021. Depreciation and amortization are calculated using the following estimated lives:

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

Lease Assets Term of the lease

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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A summary of changes in electric plant for the year ended June 30, 2022 is as follows:

		Balance)	Balance
	June 30, 2021		Add	itions	Deleti	ons	Jun	e 30, 2022
				(in thousa	ands)			
Structures and Leasehold								
Improvements	\$	321,804	\$	366	\$	280	\$	322,170
Reservoirs, Dams and Waterways		249,338		-				249,338
Equipment		750,326		3,208		(126)		753,408
Furniture and Fixtures		3,919		667		-		4,586
Lease Assets		37,803		61,427				99,230
		1,363,190		65,668		(126)		1,428,732
Accumulated Depreciation and								
Amortization		(1,048,594)		(33,545)		126		(1,082,013)
		314,596		32,123		5 3		346,719
Construction Work-In-Progress				27		-		27
Land and Land Rights		171,945				-		171,945
Electric Plant, Net	\$	486,541	\$	32,150	\$	12	\$	518,691

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

	Balance e 30, 2020	Ado	litions	Delet	ions	Balance e 30, 2021
			(in thousa	ands)		
Structures and Leasehold						
Improvements	\$ 320,779	\$	1,594	\$	(569)	\$ 321,804
Reservoirs, Dams and Waterways	249,338		=		-	249,338
Equipment	747,717		2,811		(202)	750,326
Furniture and Fixtures	3,911		62		(54)	3,919
Lease Assets	37,803		5		1	37,803
	1,359,548		4,467		(825)	1,363,190
Accumulated Depreciation and						
Amortization	(1,018,869)		(30,550)		825	(1,048,594)
	340,679		(26,083)			314,596
Construction Work-In-Progress	-		-			:: :::::::::::::::::::::::::::::::::::
Land and Land Rights	171,945		-		14	171,945
Electric Plant, Net	\$ 512,624	\$	(26,083)	\$	=	\$ 486,541

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

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

The items of expense that have been deferred are net pension and OPEB liabilities, asset retirement obligations, swap termination payment and those originally paid from bond proceeds, including depreciation, certain bond amortizations, and interest paid from bond proceeds. These amounts are recorded to future recoverable amounts. Revenues used to acquire electric plant through debt issuance have also been deferred to future years. As of June 30, 2022, and 2021, the Agency had accumulated regulatory assets, net of regulatory credits, of approximately \$96,136,000 and \$117,881,000, respectively.

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

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

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

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

Other Post-Employment Benefits (OPEB) For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB and OPEB expenses, information about the fiduciary net position of the Agency's California Employers' Retirement Benefit Trust (CERBT) Fund and additions to/deductions from Fund's fiduciary net position have been determined on the same basis as they are reported by CalPERS, the trust administrator. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

<u>Leases</u> For the purposes of measuring the lease asset and liability, interest expense and amortization expense, the present value of future payments is determined using the interest rate implicit in the lease, if available, or the incremental borrowing rate for the Agency. Any payments made to the lessor at or before the commencement of the lease term would also be included in the measurement of the lease asset, and amortized over the life of the lease. Lease modifications are only remeasured if the remeasurement would result in a material change from the initial or previous measurement. See Note E – Leases.

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

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

Changes in long-term operating reserves for the year ended June 30, 2022, are as follows:

	(F-1)	lance at y 1, 2021	In	creases	De	ecreases	alance at e 30, 2022
				(in th	ousa	inds)	
General Operating Reserve	\$	83,933	\$	2,564	\$	13,752	\$ 72,745
CAISO Security & SC Balancing Account		38,473		18,940		16,396	41,017
Capital Development Reserve		18,992		2,526		-	21,518
Power Management Service		1,342		114		-	1,456
Transmission Upgrade & GHG Allowances		252		5,420		4,301	1,371
Special Fund Reserve		1,500		(#S			1,500
	\$	144,492	\$	29,564	\$	34,449	\$ 139,607

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

	 lance at / 1, 2020	In	creases	De	creases	1000	alance at e 30, 2021
			(in the	ousa	nds)		
General Operating Reserve	\$ 82,488	\$	6,343	\$	4,898	\$	83,933
CAISO Security & SC Balancing Account	30,633		8,253		413		38,473
Capital Development Reserve	17,211		4,649		2,868		18,992
Power Management Service	1,697		1,004		1,359		1,342
Transmission Upgrade & GHG Allowances	218		1,555		1,521		252
Special Fund Reserve	1,500		-		. .		1,500
	\$ 133,747	\$	21,804	\$	11,059	\$	144,492

<u>Rates</u> Power sales to participants for their resale include both power generated by operating plants and power purchased from outside sources. Collection rates for power sales are designed to recover costs that include budgeted annual operating costs and debt service. Additional amounts for operating reserves or rate stabilization may be included in collection rates under the terms of bond indentures. During fiscal years 2022 and 2021, no amounts were specifically collected for rate stabilization.

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

Power, Transmission and Fuel Forward Transactions In the normal course of its business, the Agency is required to manage loads, resources, and energy price risk on behalf of its members. Consequently, the Agency buys and sells power, transmission, and fuel in wholesale markets as required. The Agency does not enter into such agreements solely for trading purposes. All such transactions are normal purchases and sales subject to settlement at the agreed to contract prices for quantities delivered. While authorized to transact forward purchase contracts for terms of up to five years, forward contract purchases at fiscal year ended June 30, 2022 were for periods not greater than three years duration beyond the current fiscal year. In the event of default, undelivered transactions are required to be marked-to-market subject to the following limitations. If the Agency, as buyer, is the defaulting entity, the Agency's termination settlement amount is capped at the agreed to contract cost for all future undelivered commodities. If the selling counterparty is the defaulting entity, the seller's termination settlement is not capped for all future undelivered commodities. The defaulting entity is also subject to resultant transmission charges, brokerage fees, attorney fees, and all other reasonable expenses. See Note J - Commitments and Contingencies, Power Purchase Contracts.

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

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

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

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Swaps - The fiscal year 2021 fair values take into consideration the prevailing interest rate environment, the specific terms and conditions of a given transaction, and any upfront payments that were received. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments were then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps. The net mark-to-market value at June 30, 2022 are zero related to the swap termination on May 5, 2022. See Note F – Projects and Related Financing.

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

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

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

Unrestricted - This component consists of net position that does not meet the definition of "net investment in capital assets" or "restricted". This component includes regulatory assets and credits regardless of the classification of the underlying assets and liabilities.

The Agency and the Associated Power Corporations are intended to operate on a not-for-profit basis. Therefore, any balance of net position represents differences between total revenues collected, using collection rates based on estimated operating expenses and debt service, and the total actual expenses incurred. In subsequent periods of operation, excess collections (net of encumbrances) that the participating members do not direct be held by or released to the Agency, are refunded to the participating members. Estimated encumbrances at June 30, 2022 and 2021 were \$5,678,000 and \$5,363,000, respectively. In the event the Agency incurs a negative net position balance, the balance would be subject to recovery in collection rates under the terms of the related take-or-pay member agreements. See Note F – Projects and Related Financing.

<u>Deferred Outflows and Inflows of Resources</u> The statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred Outflows of Resources consist of excess cost on refunding of debt, pension and OPEB deferrals and asset retirement obligations. Pension contributions made in the current year are reported as deferred outflows of resources as the CalPERS' valuation measurement date is June 30, 2021; those contributions were expensed in fiscal year 2022.

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

Recent Accounting Pronouncements In October 2021, GASB issued Statement No. 98, The Annual Comprehensive Financial Report. The objective of this Statement is to establish a new term to replace the previous term used by state and local governments. The Statement is effective for the periods ending after December 15, 2021, or fiscal year 2022. The Agency does not prepare Annual Comprehensive Financial Report.

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

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objective of the Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The Statement is effective for the periods beginning after June 15, 2021 or fiscal year 2022. This standard did not have an impact on the Agency.

In August 2018, GASB issued Statement No. 90, Majority Equity Interest. The objective of the Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for the periods beginning after December 15, 2020 or fiscal year 2022. The Agency did not have any Majority Equity Interest during FY 2022 and FY 2021.

In June 2018, GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. The objective of the Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The Statement is effective for the periods beginning after December 15, 2020 or fiscal year 2022. The Agency did not incur any construction interest during FY 2022 and FY 2021.

In June 2017, GASB issued Statement No. 87, Leases. The objective of the Statement is to recognize in the Financial Statements certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement is effective for the periods beginning after June 15, 2021 or fiscal year 2022. The Agency implemented the standard effective July 1, 2021 and prior year balances were restated to comply with the standard. See Notes E.

In March 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR), most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form on December 31, 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. The Statement originally is effective for the periods beginning after June 15, 2020, or fiscal year 2021. GASB 95 postponed implementation to periods beginning after June 15, 2021 or fiscal year 2022. The Agency do not currently has any obligations tied to the Interbank Offered Rates.

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Accounting Pronouncements Effective in Future Fiscal Years

- GASB Statement No. 91 In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The objective of
 the Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity
 in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt
 obligations, and (3) related note disclosures. The Statement originally is effective for the periods beginning after
 December 15, 2020, or fiscal year 2022. GASB 95 postponed implementation to periods beginning after
 December 15, 2021 or fiscal year 2023. The Agency has not determined the effect of the statement.
- GASB Statement No. 94 In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or non-governmental entity) to provide public services by conveying control of the right to operate or use a non-financial asset, such as infrastructure or other capital asset for a period of time in an exchange or exchange-like transaction. The Statement is effective for the periods beginning after June 15, 2022, or fiscal year 2023. The Agency has not determined the effect of the statement.
- GASB Statement No. 96 In June 2020, GASB issued Statement No. 96, Subscription-Based Information Technology
 Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based
 information technology arrangements (SBITAs) for governments. This Statement:
 - Defines a SBITA,
 - Establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability,
 - Provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and
 - Requires note disclosure regarding a SBITA.

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

- GASB Statement No. 99 In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of the Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. The Agency has not determined the effect of the statement.
- GASB Statement No. 100 In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections
 — An Amendment of GASB Statement No. 62. The objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement is effective for the periods beginning after June 15, 2023 or fiscal year 2024. The Agency has not determined the effect of the statement.

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GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of
the Statement is to better meet the information needs of financial statement users by updating the recognition and
measurement guidance for compensated absences by aligning the recognition and measurement guidance under a
unified model and by amending certain previously required disclosures. The Statement is effective for the periods
beginning after December 15, 2023 or fiscal year 2025. The Agency has not determined the effect of the statement.

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

<u>Prior Year Restatement</u> As a result of implementing GASB Statement No. 87, *Leases*, certain balances at June 30, 2021 were restated for comparative purpose. The objective of the Statement is to recognize in the Financial Statements certain lease assets and liabilities for leases. The restated amounts for FY 2021 are as follows:

As R	eported -			As R	eported -	
Original		Adjus	tments	Restated		
\$	1,497,332	\$	37,803	\$	1,535,135	
	(1,048,076)		(518)		(1,048,594)	
	(-		(567)		(567)	
	03		(36,718)		(36,718)	
\$	449,256	\$	120	\$	449,256	
		\$ 1,497,332 (1,048,076) -	Original Adjus \$ 1,497,332 \$ (1,048,076)	Original Adjustments \$ 1,497,332 \$ 37,803 (1,048,076) (518) - (567) - (36,718)	Original Adjustments Re \$ 1,497,332 \$ 37,803 \$ (1,048,076) (518) - (567) - (36,718)	

Effective July 1, 2021, the Agency modified its methodology on calculating restricted and unrestricted net positions. Regulatory assets and liabilities are deemed to be unrestricted, regardless of the classification of the underlying asset or liability. The restated net position amounts for FY 2021 are as follows:

As Re	ported -			As Re	ported -
Original		Adjus	tments	Restated	
\$	(25,088)	\$	(84,186)	\$	(109,274)
	42,444		<u>=</u>		42,444
	10,272		84,186		94,458
\$	27,628	\$	-	\$	27,628
		\$ (25,088) 42,444 10,272	Original Adjust \$ (25,088) \$ 42,444 10,272	Original Adjustments \$ (25,088) \$ (84,186) 42,444 - 10,272 84,186	Original Adjustments Res \$ (25,088) \$ (84,186) \$ 42,444 - - 10,272 84,186 -

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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NOTE C -- INVESTMENTS

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

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

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

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

<u>Credit Risk</u> To mitigate the risk that an issuer will not fulfill its obligation to the investment, the Agency limits investments in non-federally secured instruments to those rated, at a minimum, "A" rating category or equivalent for long/medium term notes by a nationally recognized statistical rating organization. Investments in municipal bonds, corporate bonds, and certificates of deposit are limited to the top three ratings issued by nationally recognized statistical rating organizations and all investments must be investment grade. Credit rating ranges and minimum rating requirements for the Agency's investments as of June 30, 2022 are listed below:

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

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

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Capitalization, credit worthiness, experience, reference checks and services offered criteria are evaluated when selecting a custodian.

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

<u>Concentration of Credit Risk</u> This is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The investment policy of the Agency contains no limitations on the amount that may be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than mutual funds and external investment pools) that represent 5% or more of total Agency investments include the following at June 30, 2022 and June 30, 2021.

Concentration of Credit Risk, June 30, 2022

enderen of ercure more, suite oo, Lone			
Issuer:	Investment Type	Reported Amount	Percentage of Portfolio
1554011	(in thousands)	, and and	OT TOTAL
Federal Home Loan Bank	Federal Agency	\$23,602	10.4%
Federal Farm Credit Bank	Federal Agency	\$17,690	7.8%
tration of Credit Risk. June 30, 2021			
tration of Credit Risk, June 30, 2021		Reported	Percentage
tration of Credit Risk, June 30, 2021 Issuer:	Investment Type	Reported Amount	Percentage of Portfolio
	Investment Type (in thousands)	Copperation and the common	
		Copperation and the common	

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

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The following tables reflect the carrying and fair values and the weighted average maturity in years for the Agency's investment portfolio for fiscal years ended June 30, 2022 and 2021, respectively.

Investments at June 30, 2022					Wtd. Avg
	Carrying			air	Maturity
Description	Value			lue	(In years)
		(in thou	sands)		
U.S. Agencies	\$	54,860	\$	50,652	4.22
U.S. Treasury		12,662		12,636	0.56
Municipal Bonds		33,458		31,379	2.99
Corporate Bonds		77,470		72,298	3.29
Certificates of Deposit		750		752	0.51
TOTAL INVESTMENTS	\$	179,200	\$	167,717	

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

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NOTE D -- FAIR VALUE MEASUREMENT

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

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

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

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

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

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

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The Agency has the following fair value measurements as of June 30, 2022:

Fair Value Using

June 30, 2022		Quoted prices in active markets for identical assets (Level 1)		Significant other observable inputs (Level 2)		Significant unobservable inputs (Level 3)	
\$	50,652	\$	6,381	\$	44,271	\$	=
	12,636		12,636		**		2
	31,379				31,379		8
	72,298				72,298		-
	752				752		
+	167,717		19,017	-	148,700		-
\$	167,717	\$	19,017	\$	148,700	\$	=
	\$	\$ 50,652 12,636 31,379 72,298 752	\$ 50,652 \$ 12,636 31,379 72,298 752	\$ 50,652 \$ 6,381 12,636 12,636 31,379 - 72,298 - 752 - 167,717 19,017	\$ 50,652 \$ 6,381 \$ 12,636 31,379 - 72,298 - 752 - 167,717 19,017	active markets for identical assets (Level 1) Significant other observable inputs (Level 2) \$ 50,652	\$ 50,652 \$ 6,381 \$ 44,271 \$ 12,636 12,636 131,379 72,298 752 752 167,717 19,017 148,700

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

Fair Value Using

	June	30, 2021	active n	d prices in narkets for cal assets evel 1) (in thou	observ	icant other vable inputs evel 2)	unob ir	nificant servable aputs evel 3)
Investments by fair value level								
Debt Securities								
U.S. Agencies	\$	74,490	\$	13,811	\$	60,679	\$	(i=)
U.S. Treasury		7,891		7,891		-		-
Municipal Bonds		29,262		17		29,262		
Corporate Bonds		75,736		*		75,736		· —
Certificates of Deposit		1,560		- 4		1,560		
Total debt securities		188,939		21,702		167,237		12
Total investments by fair value level	\$	188,939	\$	21,702	\$	167,237	\$	
Derivative Instruments by fair value level					2.0		248	
Swap liability instruments	\$	(16,045)	\$		\$	(16,045)	\$	
Total Derivative Instruments by fair value								
level	\$	(16,045)	\$	-	\$	(16,045)	\$	-

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NOTE E - LEASES

The Agency is leasing areas of land for 50 years, starting January 1, 2013. The largest land lease is paid monthly with payments of \$101,534 made in 2022 and payments of \$99,057 made in 2021. Two additional land leases are paid annually in amounts of \$20,310 each for 2022, and \$20,310 and \$12,863 for 2021. The interest rate used for all land leases is the incremental borrowing rate for the Agency of 1.879%. Amortization expense for land leases totaled \$565,924 in 2022 and \$518,492 in 2021. Accumulated amortization for land leases totaled \$1,084,416 million in 2022 and \$518,492 in 2021. Total lease asset amounts at June 30, 2022 are:

South Feather PPA	\$ 61,426,516
Land -	
Lodi Energy Center	37,201,913
Capital Facilities	601,898
	\$ 99,230,327

The Agency has entered a power purchase agreement which is classified as a lease due to the nature of the contract. This lease agreement is for a term of ten years, starting January 1, 2022, with monthly payments of \$560,560 using the incremental borrowing rate for the Agency of 1.879%. Monthly payments are considered to be for the initial monthly generation set out in the contract, with additional generation being purchased by the Agency at a rate of \$33.98 per MWh. Variable payments made pursuant to this lease totaled \$1.6 million in 2022. Amortization expense and accumulated amortization for the lease asset related to the power purchase agreement totaled \$2.8 million in 2022.

			Le				
	-	Pr	incipal	In	terest		Total
(in thousands)	-						
	2023	\$	6,303	\$	1,713	\$	8,016
	2024		6,424		1,593		8,017
	2025		6,551		1,465		8,016
	2026		6,676		1,341		8,017
	2027		6,793		1,223		8,016
	2028-2032		32,549		4,169		36,718
	2033-2037		3,842		2,605		6,447
	2038-2042		4,220		2,227		6,447
	2043-2047		4,626		1,821		6,447
	2048-2052		5,059		1,388		6,447
	2053-2057		5,557		890		6,447
	2058-2062		6,103		344		6,447
	2063		639		3		642
		\$	95,342	\$	20,782	\$	116,124

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NOTE F -- PROJECTS AND RELATED FINANCING

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

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Current Portion
Geothermal Project		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(in thousands)		1011011
2012 Series A - Original Issue Amount \$12,910 Term, 2.289% due 2023 (direct placement)	2,165		1,440	725	725
2016 Series A - Original Issue Amount \$17,530 Term, 1.670% due 2024 (direct placement) Total Geothermal Project	13,340 15,505	-	3,250 4,690	10,090 10,815	3,305 4,030
Hydroelectric Project					
2008 Refunding Series A - Original Issue Amount \$85,160					
Term, adjustable rate-weekly reset, due 2033	81,475	-	81,475	-	-
2012 Refunding Series A - Original Issue Amount \$76,665 Serial, 5.00% through 2033	76,665	-	76,665		¥
2012 Refunding Series B - Original Issue Amount \$7,120					
Serial, 4.32% through 2025	7,120	-	-	7,120	·
2018 Refunding Series A – Original Issue Amount \$68,875					
Serial, 5.00% through 2025	49,260	-70	11,310	37,950	11,850
2019 Refunding Series A - Original Issue Amount \$39,250 Serial, 4.00-5.00% through 2025	30,480	90	8,185	22,295	8,645
2022 Refunding Series A – Original Issue Amount \$120,300					
Serial, 5.00% through 2032	-	120,300	2	120,300	2
2022 Refunding Series B – Original Issue Amount \$12,010					
Serial, 2.36% through 2027	30	12,010		12,010	2,180
Add: Unamortized Premium, net	10,822	25,098	7,100	28,820	20
Total Hydroelectric Project	\$ 255,822	\$ 157,408	\$ 184,735	\$ 228,495	\$ 22,675

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	500	alance 1, 2021	A	dditions	-	irements	- 1	Balance une 30, 2022	Current Portion
Capital Facilities Project					(in t	housands)			
2019 Refunding Series A - Original Issue Amount \$39,250									
Serial, 4.00-5.00% through 2025		17,875		•		4,080		13,795	4,365
Add: Unamortized Premium Total Capital Facilities Project		1,441 19,316		-		534 4,614		907 14,702	4,365
Lodi Energy Center, Issue One									
2010 Series B (Federally Taxable - Direct Payment Build America Bonds) - Original Issue Amount									
\$176,625 Term, 7.311% due 2040		176,625		-		2		176,625	723
Lodi Energy Center, Issue Two 2010 Series B (Federally Taxable - Direct Payment Build America Bonds) - Original Issue Amount \$110,225									
Term, 4.63% due 2020		-		-		-		-	-
Term, 5.679% due 2035		99,650		-		5,565		94,085	5,770
Lodi Energy Center, Issue One 2017 Series A – Original Issue Amount \$38,970									
Serial, 2.70% through 2025 (direct placement)		30,260		: €		7,315		22,945	7,475
Total Lodi Energy Center Project		306,535		-		12,880		293,655	13,245
Total Long-Term Debt, Net	\$	597,178	\$	157,408	\$	206,919	\$	547,667	\$ 44,315

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Debt service requirements for each of the next five years and in five-year cumulative increments thereafter as of June 30, 2022:

		Revenue	Bor	nds		Notes fro Placer		TOTAL OF	
	Р	rincipal	- 1	nterest	Р	rincipal	Int	erest	Total
a						(in thousa	nds)		
2023	\$	32,810	\$	23,657	\$	11,505	\$	714	\$ 68,686
2024		37,875		26,821		11,005		464	76,165
2025		38,440		24,935		11,250		235	74,860
2026		27,200		23,217				~	50,417
2027		28,410		21,685		7 <u>2</u>		-	50,095
2028-2032		163,035		82,154					245,189
2033-2037		110,630		35,117		(i=)		-	145,747
2038-2042		45,780		6,798		-		-	52,578
Add: Unamortized Bond Premium		29,725		2 5				-	29,725
	\$	513,905	\$	244,384	\$	33,760	\$	1,414	\$ 793,462

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

Changes in long-term debt obligations for the year ended June 30, 2022, are as follows:

	alance at ly 1, 2021	lı	ncreases	D	ecreases	alance at ne 30, 2022	ue Within One Year
			(ii	n tho	usands)		
Revenue bonds	\$ 539,150	\$	132,310	\$	184,030	\$ 484,180	\$ 32,810
Notes from direct placements Add: Unamortized Premium,	45,765		-		12,005	33,760	11,505
net	12,263		25,095		10,884	29,724	
Total	\$ 597,178	\$	157,405	\$	206,919	\$ 547,664	\$ 44,315

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

	alance at ly 1, 2020	Increases		De	ecreases	alance at ne 30, 2021	ie Within ine Year
			(i	n thou	ısands)		
Revenue bonds	\$ 567,815	\$	-	\$	28,665	\$ 539,150	\$ 31,395
Notes from direct placements Add: Unamortized Premium,	57,510		-		11,745	45,765	12,005
net	15,721		-		3,458	12,263	-
Total	\$ 641,046	\$	- 2	\$	43,868	\$ 597,178	\$ 43,400

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The Agency's outstanding notes from direct placements of \$33,760,000 contain provisions that in an event of default, outstanding amounts become immediately due if (1) the Agency is unable to pay the principal or interest when due, (2) files bankruptcy or becomes insolvent, or (3) S&P issues a downgrade below "BBB-."

The Agency's outstanding revenue bonds of \$484,180,000 contain provisions that in the event of a participant default, the project entitlement percentage of each non-defaulting project participant will increase on a prorated basis up to a maximum of 25% for Hydroelectric, Geothermal and Capital Facilities projects and 35% for Lodi Energy Center project.

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

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

On April 5, 2022, the Agency issued Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series A in the amount of \$120,300,000 with an average interest rate of 5.00% to refund Hydroelectric Project Number One Revenue Bond, 2012 Refunding Series A and Hydroelectric Project Number One Revenue Bond, 2008 Refunding Series A. NCPA also issued Hydroelectric Project Number One Revenue Bonds 2022 Refunding Series B in the amount of \$12,010,000 with an average interest rate of 2.36% to terminate the variable rate swap. The refunding was completed through the issuance of \$132,310,000 fixed rate debt (2022 Series A and B) with an average interest rate of 4.91% with varying principal maturities ranging from a total of \$1,770,000 to \$21,370,000 through July 1, 2032. The cash flows of the refunded debt was \$203.8 million, and the cash flows for the refunding debt is \$189.1 million for a net decrease in project debt service of \$14.7 million over the next 10 years, which results in an estimated economic gain to the Agency of approximately \$12.25 million.

As a result, the old bonds are considered defeased and the liability for that portion of the old bonds has been removed from the statement of net position. The outstanding 2008 Series A Bonds were redeemed in full in the amount of \$79,220,000 on May 5, 2022. The outstanding 2012 Series A Bonds were redeemed in full in the amount of \$76,665,000 on July 1, 2022.

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

		2022		2021
		(in the		
Hydroelectric:	Project No. One, 1985 Series A	\$ *	\$	12,150
	Project No. One, 1986 Series A	•		31,360
	Project No. One, 2012 Series A	76,665		-
		76,665		43,510
	Total Defeased Debt Outstanding	\$ 76,665	\$	43,510

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The Hydroelectric Project No. One 1985 Series A and 1986 Series A Bonds were redeemed in full in the amounts of \$12,150,000 and \$31,360,000, respectively, on July 1, 2021.

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

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

As part of a refinancing plan in November 2004, the Agency entered into two forward starting interest rate swaps in an initial notional amount of \$85,160,000 and \$1,574,000. Payments under the swap agreements with Citigroup Financial Products, Inc. began on April 2, 2008. To complete the refinancing transaction and realize the debt service savings under the 2004 swap agreement, on April 2, 2008 the Agency completed a bond refunding of 2023 to 2032 maturities of the 1998 Hydroelectric Refunding Series A bonds. These fixed rate bonds were refinanced through the issuance of tax-exempt 2008 Hydroelectric Refunding Series A (\$85,160,000) bonds and taxable 2008 Hydroelectric Refunding Series B (\$3,165,000) bonds. Both issues were variable interest rate bonds bearing interest at weekly interest rates, payable semi-annually on July 1 and January 1 each year.

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

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

On May 5, 2022, the Agency redeemed the outstanding 2008 Hydroelectric Refunding Series A variable rate bonds with proceeds from the 2022 Hydroelectric Refunding Series A fixed rate bonds. In conjunction with this redemption, NCPA terminated the remaining 2008 Hydroelectric Refunding Series A swap with Citigroup and made a swap termination payment fee of \$11,928,000. The termination fee payment was funded with proceeds from the 2022 Hydroelectric Refunding Series B fixed rate bonds in addition to \$630,322 paid directly by NCPA from the Hydroelectric Project revenue account. Concurrently, NCPA terminated the Letter of Credit with Bank of America.

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

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payments) of approximately \$5.9 million. The actual total savings at the time of the variable rate bond redemption and the termination of the swap and letter of credit was \$14,300,000.

The Agency deferred the loss on the swap termination and recorded \$11,928,000 in deferred outflows that will be amortized over the ten-year life of the 2022 Hydroelectric Refunding Series B fixed rate bonds when the amounts will be recovered through rates.

The swap information for the period ending June 30, 2021 is as follows:

2008 Hydroelectric Refunding Revenue Bonds Forward Starting Swap

Associated Interest Rate Swaps starting April 2, 2008	Series A	
Counterparty to Interest Rate Swap	Citigroup Financ Products Inc.	al
Notional Value of Interest Rate Swap	\$ 81,475,000	
Fair ValueDue from (to) Counterparty	\$(16,044,959)	
Credit Downgrade Required Collateral Posting:		
For Counterparty, Fair Value Above	\$10 million	
If S&P or Moody's Credit Rating falls to	A-/A3 and BBB-/B	aa3
For Agency (Credit of Agency's Insurer National Public Finance Guarantee formerly MBIA and		
NCPA credit), Fair Value Above	\$10 million	
If S&P or Moody's Credit Rating falls to	A+/A1	
Termination Date	July 1, 2032	
	Terms	Rates
Payments to (from) Counterparty	Fixed	3.819 %
Variable Payments (from) to Counterparty	54% LIBOR+.54%*	(0.62:)%
Net Interest Rate Swap Payments		3.197 %
Variable-Rate Bond Payments	SIFMA**	0.072 %
Effective Interest Rate on Bonds		3.268%

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

As noted, the swap was terminated on May 5, 2022 and as a result, there was no remaining notional value or fair value due from (to) the counterparty at June 30, 2022.

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

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Changes in interest rate swap liability for the year ended June 30, 2022, are as follows:

	Bal	ance at					Balanc	e at
	July	1, 2021	Increase	S	Dec	reases	June 30,	2022
2			(in	thous	ands)			
Interest rate swap liability	\$	16,045	\$	-	\$	16,045	\$	-

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

	Bal	ance at					Bala	ance at
	July	1, 2020	Increas	ses	Decr	eases	June	30, 2021
			(iı	n thous	ands)			
Interest rate swap liability	\$	18,968	\$	-	\$	2,923	\$	16,045

The total fair value of outstanding swap instruments was a net liability of \$0 and \$16,045,000 at June 30, 2022 and June 30, 2021, respectively. The amount for June 30, 2021 was reported as a non-current liability. The interest rate swaps beginning in FY 2013 were both ineffective hedges and considered investment derivative instruments. The change in fair value was \$16.0 million and \$2.9 million for years ended June 30, 2022 and 2021, respectively and are recorded net of interest expense in the Statement of Revenues, Expenses, and Changes in Net Position. The net settlement payments of interest on these investment derivative instruments total \$1.9 million and \$2.6 million, which is recorded as interest expense in the Statement of Revenues, Expenses, and Changes in Net Position for FY 2022 and FY 2021, respectively. The value of the swaps noted above reflects the estimated fair value of the swaps at June 30, 2021 as determined by the Agency's financial advisor and a zero balance at June 30, 2022 resulting from the May 5, 2022 swap termination.

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

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

As a result of the swap termination and the refunding of the variable rate debt with fixed rate debt, the Agency eliminated the basis, interest rate, market access, and credit risks.

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The swaps utilized the International Swap Dealers Association (ISDA) Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. However, an additional provision under the Schedule to the ISDA Master Agreement allowed the swap to be terminated by the Agency if the counterparty's credit rating fell below A- by Standard & Poor's or A3 by Moody's. If a swap was terminated, the applicable bonds would no longer carry a synthetic fixed interest rate. In addition, because the swap had a negative fair value at the time of the termination, the Agency was required to pay the counterparty the negative fair value of \$11,928,000.

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

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

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

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

The Issue One Series B and the Issue Two Series B bonds were issued as Taxable Subsidy Bonds constituting Build America Bonds (BABs) for the purposes of the American Recovery and Reinvestment Act of 2009. The Act provides for a direct payment to the Agency from the federal government equal to 35% of the interest costs. The direct payment was reduced by 5.7% in 2022 and 2021 due to federal government budget sequestration. Such payments may continue to be affected by sequestrations.

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NOTE G - ASSET RETIREMENT OBLIGATION

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

Geothermal Plant Decommissioning

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

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

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

The Agency authorized a decommissioning study for the Geothermal Project, and Black and Veatch provided that study to NCPA in December 2016. The study included detailed cost estimates totaling approximately \$59.3 million (figures compiled prior to fiscal year 2016) for all retirement obligation activities. The study also projected the costs through 2020 using an Extrapolation Escalation Methodology for the following categories: 1) direct labor and subcontract costs less salvage value; 2) indirect costs; 3) construction equipment; 4) engineering and construction management; 5) and contingency. NCPA personnel then calculated the effective change between the escalated 2016 base and 2020 escalated costs to develop a composite escalation rate and assumed that the escalation rate was applicable evenly for each of the five years beginning in 2016; the resulting calculated annual escalation factor was 2.26%. The estimated retirement obligation costs for years ended June 30, 2022 and 2021 are \$69,316,000 and \$67,784,000, respectively. The annual retirement expense for years ended June 30, 2022 and 2021 are \$1,659,534 and \$1,619,214, respectively.

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NCPA has been collecting monies to pay the expected decommissioning costs since 2007 and holds \$26.4 million in a designated reserve for such purpose as of June 30, 2022. The initial ARO recognition included a reclassification of that reserve from a liability to the members to a deferred inflow that will be reduced as the decommissioning costs are funded in the future.

Lodi Energy Center and Capital Facilities Project Well Plugging

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

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

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

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

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

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The estimated retirement obligation costs for the LEC well plugging is \$192,330 with an annual retirement obligation expense of \$8,465 for year ended June 30, 2022. The estimated retirement obligation costs for the LEC well plugging is \$187,491 with an annual retirement obligation expense of \$8,210 for year ended June 30, 2021. The estimated retirement obligation costs for the Capital Facilities Project well plugging is \$168,976 with an annual retirement obligation expense of \$7,437 for year ended June 30, 2022. The estimated retirement obligation costs for the Capital Facilities Project well plugging is \$164,724 with an annual retirement obligation expense of \$7,213 for year ended June 30, 2021.

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

NOTE H -- RETIREMENT PLAN

General Information about the Pension Plans

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

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

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The Plans' provisions and benefits in effect at June 30, 2022 and 2021, are summarized as follows:

Hire date	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 full-time years	5 full-time years
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	60 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	2.0% to 2.5%
Required employee contribution rates	8.00%	6.50%
Required employer contribution rates	35.227%	35.227%

Employees Covered – At June 30, 2022 and 2021, the following employees were covered by the benefit terms for each Plan:

	2022	2021
Inactive employees or beneficiaries currently receiving benefits	163	155
Inactive employees entitled to but not yet receiving benefits	16	16
Active employees	159	152
Total	338	323

Contributions Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2021 and 2020 (the measurement dates), the average active employee contribution rates were 7.022% and 9.434%, respectively, of annual pay and the Agency's contribution rates are 49.145% and 40.970%, respectively, of annual payroll. Employer contribution rates may change if plan contracts are amended.

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

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Actuarial Assumptions - The total pension liabilities as of June 30, 2022 and 2021 were determined using the following actuarial assumptions:

	2022	2021
Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	7.150%	7.150%
Inflation	2.5%	2.625%
Payroll Growth	2.75%	2.875%
Projected Salary Increase	2.75%-8.50% (1)	2.75%-8.50% (1)
Investment Rate of Return	7.000% (2)	7.250% (2)
Mortality	(3)	(3)

- (1) Depending on age and service.
- (2) Net of pension plan investment expenses, including inflation.
- (3) Derived using CalPERS' specific membership data with projected on-going mortality improvement using Scale BB published by the Society of Actuaries.

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

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.00% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15%. For the measurement year ended June 30, 2021 and 2020, using this lower discount rate resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the agent multiple-employer plan.

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

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

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

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

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

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

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

For measurement period ending June 30, 2021:

Asset Class	Strategic Allocation	Real Return Years 1-10 ¹	Real Return Years 11+2
Global Equity	50.00%	4.80%	5.98%
Private Equity	8.00%	6.30%	7.23%
Fixed Income	28.00%	1.00%	2.62%
Liquidity	1.00%	0.00%	-0.92%
Real Estate	13.00%	3.75%	4.93%
Inflation Assets	0.00%	0.77%	1.81%

¹ An expected inflation of 2.0% used for this period

For measurement period ending June 30, 2020:

Asset Class	Strategic Allocation	Real Return Years 1-10 ³	Real Return Years 11+4
Global Equity	50.00%	4.80%	5.98%
Private Equity	8.00%	6.30%	7.23%
Fixed Income	28.00%	1.00%	2.62%
Liquidity	1.00%	0.00%	-0.92%
Real Estate	13.00%	3.75%	4.93%
Inflation Assets	0.00%	0.77%	1.81%

³ An expected inflation of 2.0% used for this period

² An expected inflation of 2.9% used for this period

⁴ An expected inflation of 2.9% used for this period

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Changes in the Net Pension Liability

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

				Increase/(De	ecrease)		
	Total Pension			Plan Fiduciary		Net Pension	
Description	Li	iability	Ne	t Position	Liability/(Asset)		
Balance at June 30, 2020	\$	178,863,628	\$	116,171,774	\$	62,691,854	
Service cost incurred		3,711,215		×		3,711,215	
Interest on total pension liability		12,712,760		-		12,712,760	
Differences between actual and expected							
experience		1,671,523		9		1,671,523	
Change in assumption		1 10		-		-	
Change in benefits		727		2		2	
Net Plan to Plan Resource Movement		(*)		7.		=	
Contributions – employer		-		11,158,575		(11,158,575)	
Contributions – employee		100		1,594,388		(1,594,388)	
Net investment income`				26,174,998		(26,174,998)	
Differences between projected and actual earnings							
on plan investments		3 =		발음		<u></u>	
Benefit payments		(9,179,829)		(9,179,829)		=	
Administrative expense		241		(116,049)		116,049	
Other Miscellaneous Income/(Expense)		(6)		-		-	
Net changes		8,915,669		29,632,083		(20,716,414)	
Balance at June 30, 2021	\$	187,779,297	\$	145,803,857	\$	41,975,440	

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				Increase/(De	ecrease)	
Description	Total Pension Liability		Plan Fiduciary Net Position		Net Pension Liability/(Asset)	
Balance at June 30, 2019	\$	169,590,988	\$	108,609,501	\$	60,981,487
Service cost incurred		3,605,566		·		3,605,566
Interest on total pension liability		12,102,589		-		12,102,589
Differences between actual and expected experience		2,181,919		-		2,181,919
Change in assumption				900		: - :
Change in benefits		-				-
Net Plan to Plan Resource Movement		-		-		3+3
Contributions – employer		+		8,878,939		(8,878,939)
Contributions – employee				2,044,537		(2,044,537)
Net investment income`		121		5,409,344		(5,409,344)
Differences between projected and actual earnings on plan investments		*		<u> </u>		
Benefit payments		(8,617,434)		(8,617,434)		3 9 3
Administrative expense		120		(153,113)		153,113
Other Miscellaneous Income/(Expense)		2 7 0		π.		:#:
Net changes		9,272,640		7,562,273		1,710,367
Balance at June 30, 2020	\$	178,863,628	\$	116,171,774	\$	62,691,854

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

The following presents the net pension liability of the Plan, calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15% for 2022 and 2021) or 1-percentage point higher (8.15% for 2022 and 2021) than the current rate:

2022	Discount Rate – 1% (6.15%)					
Plan's Net Pension Liability	\$ 65,648,144	\$ 41,975,440	\$ 22,229,985			
2021	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)			
Plan's Net Pension Liability	\$ 85,549,969	\$ 62,691,854	\$ 43,654,455			

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

For the years ending June 30, 2022 and 2021, the Agency incurred pension expense of \$2,933,271 and \$8,355,692, respectively. At June 30, 2022 and 2021, the Agency has deferred outflows of resources and deferred inflows of resources related to pensions as follows:

2022	red Outflows Resources	erred Inflows Resources
Pension contributions subsequent to measurement date	\$ 9,491,683	\$ -
Changes in assumptions	5 5	(119,567
Differences between actual and expected experience	2,711,522	7
Net differences between projected and actual earnings on plan investments		(12,767,264)
Total	\$ 12,203,205	\$ (12,886,831)
2021	red Outflows Resources	erred Inflows Resources
Pension contributions subsequent to measurement date	\$ 11,158,004	\$ -
Changes in assumptions	-	 (1,315,245)
Differences between actual and expected experience	2,542,860	(86,936
Net differences between projected and actual earnings on plan investments	1,175,122	
Total	\$ 14,875,986	\$ (1,402,181)

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Pension contributions subsequent to measurement date of \$9,491,683 and \$11,158,004 reported as deferred outflows of resources for years ending June 30, 2022 and 2021, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023 and 2022, respectively.

For reporting year ended June 30, 2022, amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30:		red Outflows/ s) of Resources
2022	\$	(1,865,648)
2023		(2,061,421)
2024		(2,691,877)
2025		(3,556,363)
2026		¥)
Thereafter	-	
Total	\$	(10,175,309)

Payable to the Pension Plan At June 30, 2022 and 2021 the Agency did not have an outstanding amount of contributions payable to the pension plan required for the years ended.

NOTE I -- OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

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

The Agency makes its Actuarially Determined Contribution (ADC) to this OPEB plan annually. The ADC represents the service cost plus an amortized amount of net OPEB liabilities (NOL). The amortization of NOL is based on a 30-year level dollar amount on a "closed" basis. There are 22 years remaining as of the measurement date of June 30, 2021.

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Summary of certain plan provisions and benefits in effect during fiscal year ended June 30, 2021:

Required service for eligibility Pre-1/1/2009 Hires, 5 full-time years

On or After 1/1/2009 Hires, 5 full-time years and

minimum 10 years CalPERS service

Minimum retirement age

Benefit payments

Pre-1/1/2009 Hires, 100% at 5 years Vesting for eligible employees

On or After 1/1/2009 Hires, 50% at 10 years;

5%/year up to 100% at 20 years

Maximum monthly benefit Hired pre-1/1/2019, 90% of Kaiser Family rate for

50

Monthly for life

the Sacramento area (Region 1). For Hydroelectric and Geothermal based employees, their cap is increased by \$75. Hired 1/1/2019 and later, capped at 100% of Kaiser Senior Advantage rate for Sacramento area (Region 1). For Geothermal based employees where the Kaiser plan is not available,

their cap is increased by \$75.

Employees Covered - At June 30, 2022 and 2021, the following employees were covered by the benefit terms for each Plan:

	<u>2022</u>	<u>2021</u>
Inactive employees or beneficiaries currently receiving benefits	159	148
Inactive employees entitled to but not yet receiving benefits	; - *	
Active employees	<u>159</u>	<u>150</u>
Total	<u>318</u>	298

Contributions The Actuarially Determined Contribution (ADC) and funded status of the OPEB plan were determined based on current cost trends of the CalPERS health plans in which the employees currently participate at the time of the actuarial valuation. The June 30, 2021 actuarial valuation (rollforward to June 30, 2022) was prepared on the basis of the OPEB assumption model, as prescribed by the CalPERS, in effect at the time of the valuation. At fiscal year-end June 30, 2022, the Agency had 159 active eligible employees and 159 retirees drawing benefits under this program.

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

The Agency's ADC (based on actuarially established rates) was determined as part of a June 30, 2021 actuarial valuation using the entry age normal actuarial cost method. The primary actuarial assumptions included: valuation using the Entry Age Normal Cost Method, 6.00% annual discount rate, payroll growth of 2.80% to 8.08%, 2.75% inflation, and maximum employer contribution increases derived from the Getzen Model for developing long-term health care cost trends.

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

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

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

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Actuarial Assumptions The total OPEB assets/liabilities as of June 30, 2022 and 2021 are determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2022	2021
Valuation Date	June 30, 2021	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	6.00%	6.75%
Inflation	2.80%	2.75%
Payroll Growth	2.80%-8.08%	3.52%-9.27%
Projected Salary Increase	Varies (1)	Varies (1)
Investment Rate of Return	6.00% (2)	6.75% (2)
Mortality	(3)	(3)
Healthcare cost trend rates	(4)	(4)

- (1) Depending on age and service.
- (2) Net of OPEB trust investment expenses, including inflation.
- (3) Mortality rates are based on the 2020 California PERS (CalPERS) Pension report and includes a projection to 2028 using scale BB to account for anticipated future mortality improvement.
- (4) Medical inflation was based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trends. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The trend also reflects the removal of the Health Insurer Fee for calendar year 2019. This fee was assessed again in calendar year 2021.

Discount Rate The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that the Agency's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability. To the extent that OPEB trust assets are insufficient to finance all OPEB benefits, the discount rate should be based on 20-year tax-exempt AA or higher Municipal Bonds as of the measurement date.

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

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For measurement period ending June 30, 2021:

Asset Class	Target Allocation	Expected Real Rate of Return
Global Equity	40.00%	8.96%
US Fixed Income	43.00%	4.61%
Treasury Inflation-Protected Securities	5.00%	3.36%
Real Estate Investment Trusts	8.00%	8.49%
Commodities	4.00%	4.23%

For measurement period ending June 30, 2020:

Target Allocation	Long-Term Expected Real Rate of Return
59.00%	8.15%
25.00%	6.38%
5.00%	3.72%
8.00%	7.77%
3.00%	5.32%
	25.00% 5.00% 8.00%

Changes in the Net OPEB Liability (Asset)

			ncrease/(Decrease)	
Description		Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
•	ć	38,821,039	,	
Balance at June 30, 2020	3		\$ 38,553,585	
Service cost incurred		994,705		994,705
Interest on total OPEB liability		2,618,181	9	2,618,181
Differences between actual and expected experience		(3,011,160)	-	(3,011,160)
Change in assumption		(52,374)	9	(52,374)
Change in benefits		-	9	
Contributions – employer		¥.	1,890,942	(1,890,942)
Contributions – employee		-	5	5000 B 5000
Net investment income		17.0	10,804,119	(10,084,119)
Differences between projected and actual earnings on plan				
investments		#D	-	:::::
Benefit payments		(2,089,871)	(2,089,871)) . . .
Administrative expense			(14,901)	14,901
Net changes		(1,540,519)	10,590,289	(12,130,808)
				\$
Balance at June 30, 2021	\$	37,280,520	\$ 49,143,874	(11,863,354)

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		In	crease/(Decrease)		
Description	Total OPEB Liability		Plan Fiduciary Net Position	Li	Net OPEB iability/(Asset)
Balance at June 30, 2019	\$ 37,441,896	\$	35,420,034	\$	2,021,862
Service cost incurred	931,808		-		931,808
Interest on total OPEB liability	2,521,369		-		2,521,369
Differences between actual and expected experience	=		-		(#)
Change in assumption	-		ω		-
Change in benefits	-		2		-
Contributions – employer	-		3,913,580		(3,913,580)
Contributions – employee	-		2		-
Net investment income	=		1,311,739		(1,311,739)
Differences between projected and actual earnings on plan investments	Ħ		÷		-
Benefit payments	(2,074,034))	(2,074,034))	
Administrative expense	<u></u>		(17,734))	17,734
Net changes	1,379,143		3,133,551		(1,754,408)
Balance at June 30, 2020	\$ 38,821,039	\$	38,553,585		\$ 267,454

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the Plan, calculated using the discount rate, as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.00%) or 1-percentage point higher (7.00%) than the current rate:

2022	Discount Rate – 1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate + 1% (7.00%)
Plan's Net OPEB Liability (Asset)	\$ (7,639,580)	\$ (11,863,354)	\$ (15,405,413)
2021	Discount Rate – 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
Plan's Net OPEB Liability (Asset)	\$ 4,826,347	\$ 267,454	\$ (3,528,870)

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

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

	Healthcare Costs Trend Rate – 1%	Current Healthcare Costs Trend	Healthcare Costs Trend Rate + 1%			
2022		Rate				
Plan's Net OPEB Liability (Asset)	\$ (15,900,353)	\$ (11,863,354)	\$ (6,972,213)			
	Healthcare Costs	Current Healthcare	Healthcare Costs			
	Trend Rate - 1%	Costs Trend	Trend Rate + 1%			
2021		Rate				
Plan's Net OPEB Liability (Asset)	\$ (4,307,488)	\$ 267,454	\$ 5,846,948			

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

For the year ending June 30, 2022 and 2021, the Agency incurred OPEB expense of \$(858,478) and \$986,621, respectively. At June 30, 2022 and 2021, the Agency has deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

2022	d Outflows of esources	Deferred Inflows of Resources			
OPEB contributions subsequent to measurement date	\$ 1,758,163	\$	(-)		
Differences between actual and expected experience	.=:		(2,807,151)		
Changes in assumptions	180,006		(42,746)		
Net differences between projected and actual earnings on					
plan investments	-		(4,212,864)		
Total	\$ 1,938,169	\$	(7,062,761)		

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

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

Outflows	eferred s/(Inflows) of sources
\$	(1,664,925)
	(1,614,685)
	(1,563,722)
	(1,791,639)
-	(247,784)
\$	(6,882,755)
	Outflows Res

Payable to the OPEB Plan At June 30, 2022 and 2021, the Agency did not have an outstanding amount of contributions payable to the OPEB plan required for the year ended.

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

NOTE J -- COMMITMENTS AND CONTINGENCIES

<u>Power Purchase Contracts</u> The Agency had commitments of approximately \$48.6 million in connection with various power purchase contracts as of June 30, 2022. The contracts, extending through November 2041, are normal purchases at agreed to contract prices for fixed quantities of energy. Certain of the Agency's members have individually entered into certain other long-term contracts, which the Agency dispatches and schedules for them. See Note B - Summary of Significant Accounting Policies.

Some of these power purchase contracts include Renewable Energy Certificates (RECs) which are qualified by Western Renewable Energy Generation Information Systems (WREGIS) and used to meet California's Renewable Energy Portfolio. Generation from solar, wind, geothermal and certain sized hydroelectric units receive RECs for each MWh of renewable generation. Excess RECs may be sold in the California compliance market. At June 30, 2022, negotiated REC prices range from \$11 to \$16 per REC.

Resource Adequacy Contracts
The Agency had commitments of approximately \$2.8 million in connection with various resource adequacy capacity contracts as of June 30, 2022. The contracts, extending through November 2041, are normal purchases at agreed to contract prices for fixed quantities of capacity. Certain of the Agency's members have individually entered into other long-term capacity contracts.

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

- A 30-year agreement terminating in October 2023 with various natural gas pipeline management companies under which the Agency has acquired firm natural gas pipeline transportation capacity in four separate natural gas pipelines between Alberta, Canada and northern California. The estimated minimum annual natural gas transmission commitment is approximately \$884,000. The Agency's firm natural gas pipeline transportation capacity is scheduled by Mercuria Energy Gas Trading, LLC (Mercuria) pursuant to the term and conditions of an Asset Management Agreement for Pipeline Transportation Capacity that became effective on January 1, 2015.
- On behalf of the participants in the Combustion Turbine Project Number One and the Capital Facilities project, the
 Agency entered into an agreement with EDF Trading North America, LLC (EDF) effective January 1, 2013 to provide
 natural gas supply and scheduling, nomination, balancing and settlement services. The contract automatically
 renews each year on January 1, unless terminated earlier by six-months written notice by either party.
- The Agency had approximately \$6.3 million of gas purchase commitments at June 30, 2022. The commitments, extending through December 2024, are normal purchases at agreed to prices for fixed quantities of gas.

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

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

CLAIMS AND LITIGATION

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

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

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

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

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

The Agency's Lodi Energy Center gas plant, Steam Injected Gas Turbine gas plant and electricity imports (purchased power) are subject to the compliance rules established by CARB for the cap-and-trade program. As such, the Agency acquires sufficient compliance instruments to cover its compliance obligations or receives transfers of required compliance instruments from its project participants. At June 30, 2022, the Agency had cumulative compliance obligations of 651,706 MT with 1,129,262 MT of acquired allowances to meet its compliance obligations. At June 30, 2021, the Agency had cumulative compliance obligations of 1,210,065 MT with 1,366,031 MT of acquired allowances to meet its compliance obligations.

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

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

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

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

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Assistance was added to the Disaster Declaration on October 9, 2015. The Agency recovered \$531,317 from the project insurance policy in fiscal year 2017. The Agency collected a total of \$477,164 in public assistance grants between fiscal years 2016 and 2022, and this project is in the project-close-out process. NCPA recorded \$186,964 in other non-operating revenue during fiscal year 2022.

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

In December 2019, a novel (new) coronavirus known as SARS.CoV-2 (COVID-19) was detected in Wuhan, China, causing outbreaks that have spread globally. The Secretary of Health and Human Services (HHS) declared a public health emergency on January 31, 2020. The Federal Government, along with State and local governments, has taken preventive and proactive measures to slow the spread of COVID-19, treat those affected, and accelerate the acquisition of personal protective equipment. On March 13, 2020, a Presidential National Emergency Declaration was issued including Public Assistance. In accordance with Section 502 of the Stafford Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of the public health officials' may be reimbursed under Category B of Federal Emergency Management Agency's (FEMA) Public Assistance program. The Agency implemented certain procedures to mitigate the spread of COVID-19 in accordance with recommendations by the Centers for Disease Control and Prevention (CDC) and the Placer County Health Department. The Agency has filed a claim to recover costs associated with these new procedures. As of June 30, 2022, the claim remained active with no disbursements received from FEMA.

Risk Management

The Agency is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, cyber security attacks, and employees' on-the-job injuries. These risks are covered through the purchase of property, commercial, cyber liability, directors and officers, and worker's compensation insurance, with minimal deductibles. Settled claims with insurers have not exceeded the commercial liability limits in the past three years. Multiple catastrophic California wildfires that occurred over the last several years have had a significant impact on the liability insurance market in California. In addition, some insurers have left the market entirely, while others have reduced capacities and/or excluded wildfire coverage altogether. As a result, the Agency experienced upward price pressure for liability coverage during FY 2022. Wildfire liability insurance coverage limits remained the same at \$35.0 million while premiums increased by 9.5%.

NCPA contracted Property insurance with a new insurer for fiscal year 2022 who places emphasis on engineering for resilience and focuses on working with their clients to prevent losses before they occur. Working with the insurer, the Agency is implementing some additional risk mitigation measures at the generating plants. NCPA signed a two-year rate lock extending to 2023. This switch reduced the annual premium by 36.6% while increasing overall policy limits and coverages. The Agency also initiated a new cyber security liability insurance program to protect the Agency from ransomware and cyber-attacks.

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

Required Supplementary Information

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

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

	F	Y 2021	 FY 2020	F	Y 2019	F	Y 2018	F	Y 2017	F	Y 2016	F	Y 2015	 Y 2014
Total Pension Liability														
Service cost	\$	3,711,215	\$ 3,605,566	\$	3,521,688	\$	3,511,108	\$	3,548,776	\$	3,152,017	\$	3,256,167	\$ 3,220,329
Interest on total pension liability Differences between expected and actual experience		12,712,760 1,671,523	12,102,589 2,181,919		11,463,532 1,919,478		10,837,217		10,678,090 (1,980,198)		10,328,232 581,539		9,734,270 (1,437,389)	9,285,364
Changes in assumptions		100	*				(4,902,279)		8,835,307				(2,354,661)	. *
Changes in benefits Benefit payments, including refunds of employee contributions		(9,179,829)	- (8,617,434)		(7,925,026)		(7,101,870)		(6,410,415)		(5,988,393)		(5,522,982)	(5,059,144)
Net change in total pension liability		8,915,669	9,272,640		8,979,672		2,020,138		14,671,560		8,073,395		3,675,405	7,446,549
Total pension liability - beginning		178,863,628	169,590,988		160,611,316		158,591,178		143,919,618		135,846,223		132,170,818	124,724,269
Total pension liability - ending (a)	\$	187,779,297	\$ 178,863,628	\$	169,590,988	\$	160,611,316	\$	158,591,178	\$	143,919,618	\$	135,846,223	\$ 132,170,818
Plan fiduciary net position														
Contributions - employer	\$	11,158,575	\$ 8,878,939	\$	8,704,519	\$	7,769,425	\$	6,752,236	\$	5,406,928	\$	5,584,985	\$ 5,507,642
Contributions - employee		1,594,388	2,044,537		1,826,209		1,532,206		1,556,483		1,453,722		1,433,343	1,410,488
Net investment income		26,174,998	5,409,344		6,536,424		7,654,116		8,979,321		434,144		1,754,108	10,868,237
Benefit payments		(9,179,829)	(8,617,434)		(7,925,026)		(7,101,870)		(6,410,415)		(5,988,393)		(5,522,982)	(5,059,144)
Administrative and other expense		(116,049)	(153,113)		(70,807)		(407,211)		(117,127)		(47,581)		(87,934)	•
Net change in plan fiduciary net position		29,632,083	7,562,273		9,071,319		9,446,666		10,760,498		1,258,820		3,161,520	12,727,223
Plan fiduciary net position - beginning		116,171,774	108,609,501		99,538,182		90,091,182		79,331,018		78,072,198		74,910,678	62,183,455
Plan fiduciary net position – ending (b)	\$	145,803,857	\$ 116,171,774	\$	108,609,501	\$	99,538,182	\$	90,091,516	\$	79,331,018	\$	78,072,198	\$ 74,910,678
Net pension liability - ending (a)-(b)	\$	41,975,440	\$ 62,691,854	\$	60,981,487	\$	61,073,134	\$	68,499,662	\$	64,588,600	\$	57,774,025	\$ 57,260,140
Plan fiduciary net position as a percentage of the total pension liability		77.65%	64.95%		64.04%		61.97%		56.81%		55.12%		57.47%	56.68%
Covered - employee payroll	\$	21,158,583	\$ 20,008,691	\$	20,379,246	\$	19,045,878	\$	18,573,174	\$	18,121,290	\$	18,365,293	\$ 17,596,462
Net pension liability as percentage of covered-employee payroll		198.38%	313.32%		318.60%		320.66%		368.81%		356.42%		314.58%	325.41%

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

Notes to Schedule:

<u>Benefit changes</u> The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2021. This applies for voluntary benefit changes as well as any offers to Two Years Additional Service Credit (aka Golden Handshakes).

Changes in assumptions In 2022, CalPERS reduced the inflation from 2.625% to 2.50% and reduced the payroll growth rate from 2.875% to 2.75%. CalPERS also reduced the investment rate of return from 7.25% to 7.00%. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, CalPERS reduced the discount rate from 7.65% to 7.15%. In 2016, GASB 68 was modified to state that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. Accordingly, the discount rate was changed from 7.50 percent (net of administrative expense in 2014) to 7.65 percent as of June 30, 2015 measurement date to reflect this required methodology change.

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

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

Schedule of Pension Plan Contributions

Contributions Last 10 Fiscal Years *	FY 2022		FY 2022		FY 2021		FY 2020		FY 2019		FY 2018		FY 2017		FY 2016		Y 2015
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contribution	\$	7,847,070 (11,158,575)	\$ 7,437,021 (8,878,939)	\$	6,839,592 (8,704,519)	\$	6,837,159 (8,703,934)	\$	6,263,130 (7,769,768)	\$	5,715,970 (6,752,236)	\$	5,406,928 (5,406,928)	\$	5,065.861 (5,584,985)		
Contribution Deficiency (Excess)	\$	(3,311,505)	\$ (1,441,918)	\$	(1,864,927)	\$	(1,866,775)	\$	(1,506,638)	\$	(1,036,266)	\$		\$	(519,124)		
Covered-Employee Payroll ¹	\$	21,158,583	\$ 20,008,691	\$	19,140,650	\$	20,379,246	\$	19,045,878	\$	18,573,174	\$	18,121,290	\$	18,365,293		
Contributions as a Percentage of Covered-Employee Payroll ¹		52.74%	44.38%		45.48%		42.71%		40.79%		36.35%		29.84%		30.41%		

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

^{*} Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

REQUIRED SUPPLEMENTARY INFORMATION- Continued (UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

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

	FY2021	021 FY2020		Y2020	FY 2019		FY 2018		FY 2017	
Total OPEB Liability (Asset)			2.0							
Service cost	\$ 99	4,705	\$	931,808	\$	1,036,513	\$	970,972	\$	909,576
Interest on total OPEB liability Differences between expected	2,61	8,181		2,521,369		2,456,709		2,354,734		2,256,395
and actual experience	(3,01	1,160)		170		(873,781)		-		
Changes in assumptions	(5	2,374)		**		450,018		-		-
Changes in benefits Benefit payments, including refunds of employee		80				*		8		-
contributions	(2,08	9,871)		(2,074,034)		(1,941,780)		(1,821,195)		(1,721,416)
Net change in total OPEB liability	(1,54	0,519)		1,379,143		1,127,679		1,504,511		1,444,555
Total OPEB liability - beginning	38,82	1,039		37,441,896		36,314,217		34,809,706		33,365,151
Total OPEB liability - ending (a)	37,28	0,520	\$	38,821,039	\$	37,441,896	\$	36,314,217	\$	34,809,706
Plan fiduciary net position										
Contributions - employer	\$ 1,89	0,942	\$	3,913,580	\$	4,094,854	\$	3,642,455	\$	3,914,644
Contributions - employee				-		=		320		₩.
Net investment income	10,80	4,119		1,311,739		2,012,435		2,147,351		2,390,569
Benefit payments	(2,08	9,871)		(2,074,034)		(1,941,780)		(1,821,195)		(1,721,416)
Administrative expense	(1	4,901)		(17,734)		(6,837)		(14,755)		(11,683)
Net change in plan fiduciary net position Plan fiduciary net position -	10,59	0,289		3,133,551		4,158,672		3,953,856		4,572,114
beginning	38,55	3,585		35,420,034		31,261,362		27,307,506		22,735,392
Plan fiduciary net position - ending (b)	49,14	3,874	\$	38,553,585	\$	35,420,034	\$	31,261,362	\$	27,307,506
Net OPEB liability (asset) - ending (a)-(b)	(11,86	3,354)	\$	267,454	\$	2,021,862	\$	5,052,855	\$	7,502,200
Plan fiduciary net position as a percentage of the total OPEB liability	13	1.82%		99.31%		94.60%		86.09%		78.45%
Covered - employee payroll	\$ 22,70	5,335	\$	21,671,909	\$	20,379,246	\$	19,556,204	\$	18,573,174
Net OPEB liability as percentage of covered-employee payroll	-5	2.25%		1.23%		9.92%		25.84%		40.39%

Notes to Schedule:

<u>Benefit changes</u> The benefit payments for FY 2021, FY 2020, FY 2019 and FY 2018 consist of pay-as-you-go cost of \$1,719,565, \$1,653,682, \$1,521,428, and \$1,426,947, respectively, plus estimated implicit rate subsidy of \$370,306, \$420,352, \$420,352, and \$394,248, respectively.

<u>Changes in assumptions</u> NCPA funds, at minimum, the Actuarially Determined Contribution to the OPEB fund. During measurement period ending June 30, 2021, discount rate decreased from 6.75% to 6.00%. During measurement period ending June 30, 2017, discount rate decreased from 7.00% to 6.75%.

^{*} Measurement fiscal year 2017 was the first year of implementation, therefore only five years are shown.

REQUIRED SUPPLEMENTARY INFORMATION - Continued (UNAUDITED)

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

Schedule of OPEB Plan Contributions Last 10 Fiscal Years *

Last 10 Fiscal Teals	F	Y 2022	F	Y 2021	F	Y 2020	F	Y 2019	F	Y 2018
Actuarially Determined Contribution Contributions in Relation to the Actuarially	\$	1,043,000	\$	1,718,290	\$	1,300,000	\$	1,676,000	\$	1,426,947
Determined Contribution		(2,128,469)		(1,939,713)		(3,911,488)		(3,674,502)		(3,454,933)
Contribution Deficiency (Excess)	\$	(1,085,469)	\$	(221,423)	\$	(2,611,488)	\$	(1,998,502)	\$	(2,027,985)
Covered-Employee Payroll	\$	23,321,202	\$	22,705,334	\$	21,671,910	\$	20,379,247	\$	19,556,203
Contributions as a Percentage of Covered-Employee Payroll ¹		9.13%		8.54%		18.05%		18.03%		17.67%

^{*} Fiscal year 2018 was the first year of implementation, therefore only five years are shown.

Valuation Date:

Mortality

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

Methods and Assumptions used to Determine Contributions Rates:

Actuarial cost method **Entry Age Normal Cost Method** Amortization method Level percentage of payroll, closed Amortization period 15 years Asset valuation method 5-year smoothed market Discount rate 6.00 percent 7.50% for pre-65 and 5.00% for post-65 Healthcare cost trend rates 2.80 percent Salary increases Investment rate of return 6.00 percent Retirement age In the 2021 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience.

(CalPERS) Pension Valuation Report. The mortality rates include an assumed improvement in future mortality based on Scale BB projected

Rates based on statistics taken from the latest California PERS

to 2028.

COMBINING STATEMENT OF NET POSITION

					022						
			GENERA	TING & TRANSMIS	SION RESOURCE	S					
ASSETS	Geotherma	1	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
CURRENT ASSETS											
Cash and cash equivalents											
Restricted	S 6	,294 \$	30,147 S	844 S		\$ 2	s - s	16,014	s - s	- S	53,301
Unrestricted		168	7,992	1	1	2,557		8,928	1,008	34,916	55,571
Investments											
Restricted		-	¥	3,478	-	9,491	-	2	27	2	12,969
Unrestricted	2	,603	2,543	-	2		2	1,749	<u> -</u>	7,516	14,411
Accounts receivable		*******	1275(000)								
Participants		0		- 5	340		4	21,280	26	951	22,257
Other		,940	2		-	2		2,304		5,219	9,463
Interest receivable		145	57		-	43		54	1	367	667
Inventory and supplies		,495	1,592	324	392	2,252				-	6,055
Prepaid expenses		536	884	57	83	606		_	120	929	3,215
Due from Agency and other programs*	17	.013	206	3,096	5,555	9,069		(2,449)	7,033	(39,523)	
TOTAL CURRENT ASSETS		,194	43,421	7,800	6,031	24,020		47,880	8,188	10,375	177,909
NONCURRENT ASSETS											
Investments											
Restricted		83	1,831	2	(20)	4,217	2	2	2	9	6,048
Unrestricted		.790	11,507	- 5		8,805	9	13,271	g.	77,916	134,289
Electric plant in service		,903	395,538	65,470	37,688	447,459	7,736	61,426	1,024	6,433	1,600,677
Less: accumulated depreciation and amortization		,808)	(300,076)	(57,216)	(35,281)	(124,234)	(7,736)	(2,803)	(689)	(4,170)	(1,082,013
Construction work in progress	(545	,000)	(300,076)	(57,210)	(33,281)	(124,234)	(7,730)	(2,003)	(005)	27	27
TOTAL NONCURRENT ASSETS	- 50	,885	108,800	8,254	2,407	336,247		71,894	335	80,206	659,028
			0.001(2)0								7
OTHER ASSETS		02/02/07	0001489	~2/2/2E		2210210					
Regulatory assets		(869)	113,939	1,960		29,724	5			40,178	184,932
Net OPEB assets		25	-			9.50	2	· ·	7.	11,863	11,863
Investment in associated company		-	-	-			-	-		265	265
TOTAL OTHER ASSETS		(869)	113,939	1,960		29,724			•	52,306	197,060
TOTAL ASSETS	80	,210	266,160	18,014	8,438	389,991		119,774	8,523	142,887	1,033,997
DEFERRED OUTFLOWS OF RESOURCES											
Excess cost on refunding of debt		561	~		1	855	2				1,416
Pension and OPEB deferrals		-			180	-	9		-	14,141	14,141
Asset Retirement Obligations		,403		169	4	192					61,764
TOTAL DEFERRED OUTFLOWS OF RESOURCES	61	,964		169		1,047	*		•	14,141	77,321
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 142	.174 \$	266,160 \$	18,183 S	8,438	\$ 391,038	s - s	119,774	s 8,523 S	157,028 \$	1,111,318

^{*} Eliminated in Combination

COMBINING STATEMENT OF NET POSITION

	<u>c</u>				June 30, 2	022				
		GENERA	TING & TRANSMIS	SSION RESOURCE	S					
	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	\$ 543	\$ 719 \$	68 \$	745	2,158	s - s	40,037 \$	76 S	16,941 \$	61,287
Member advances	791	U#.		*			3.53	202		993
Operating reserves	3,172	250	617	3,036	12,482			-		19,557
Current portion of lease liability		1,00	10	-	597		5,696			6,303
Current portion of long-term debt	4,030	22,675	4,365		13,245			-	-	44,315
Accrued interest payable	93	3,160	254	1.	1,077	•	*		•	4,584
TOTAL CURRENT LIABILITIES	8,629	26,804	5,314	3,781	29,559	(*)	45,733	278	16,941	137,039
NON-CURRENT LIABILITIES										
Net pension and OPEB liabilities				-		(*)			41,975	41,975
Operating reserves and other deposits	1,500	21,518			462		41,017	2,365	72,745	139,607
Asset Retirement Obligations	69,316	•	169	*	192		•			69,677
Long-term lease liability			573		35,537		52,928	-		89,038
Long-term debt, net	6,785	205,818	10,337		280,412			•		503,352
TOTAL NON-CURRENT LIABILITIES	77,601	227,336	11,079		316,603		93,945	2,365	114,720	843,649
TOTAL LIABILITIES	86,230	254,140	16,393	3,781	346,162		139,678	2,643	131,661	980,688
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	40,038	3,897	758	2,617	37,933			381	3,172	88,796
Pension and OPEB deferrals		-	-	-					19,949	19,949
Deferred gain on debt refunding	-	4,996	192		2	-	2		-	5,188
TOTAL DEFERRED INFLOWS OF RESOURCES	40,038	8,893	950	2,617	37,933		-	381	23,121	113,933
NET POSITION										
Net investment in capital assets	20,377	(118,819)	(7,866)	40	4,529			-	1,003	(100,776
Restricted for debt service	3,522	21,494	4,067		887	(40)	14,009		12,592	56,571
Unrestricted	(7,993)	100,452	4,639	2,040	1,527	:•:	(33,913)	5,499	(11,349)	60,902
TOTAL NET POSITION TOTAL LIABILITIES, DEFERRED INFLOWS	15,906	3,127	840	2,040	6,943	. €3	(19,904)	5,499	2,246	16,697
OF RESOURCES, AND NET POSITION	\$ 142,174	s 266,160 s	18,183 S	8,438 5	391,038	s - s	119,774 \$	8,523 \$	157,028 \$	1,111,318

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

					Fe	or the Year Ended	June 30, 2022				
	7		GENERA	TING & TRANSMIS	SION RESOURCE	ES					
	Ge	othermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES											
Participants	\$	(3,516) \$	23,564 \$	4,807 \$	4,055	\$ 22,288	s - s	461,720 S	22,693 \$	2,112 \$	537,723
Other Third-party		53,511	33,249	2,000	5,408	86,179		158,916	2,686	(-)	341,949
TOTAL OPERATING REVENUES		49,995	56,813	6,807	9,463	108,467	::*3	620,636	25,379	2,112	879,672
OPERATING EXPENSES											
Purchased power		686	4,496	154	740	3,515		406,831			416,422
Operations		18,265	4,859	2,367	3,404	82,864		4,059	12,853	-	128,671
Transmission		352	382	10	22	531	_	213,371	5		214,673
Depreciation		3,721	9,555	2,226	303	14,706	(2)	2,803	54	177	33,545
Maintenance		9,209	6,047	827	3,202	8,535	-		89	-	27,909
Administrative and general		6,422	7,708	762	1,170	5,646			9,239	(10,071)	20,876
Intercompany (sales) purchases, net*	_	(824)	286	62	99	393		(-)	(16)		
TOTAL OPERATING EXPENSES		37,831	33,333	6,408	8,940	116,190	-	627,064	22,224	(9,894)	842,096
NET OPERATING INCOME	_	12,164	23,480	399	523	(7,723)	78%	(6,428)	3,155	12,006	37,576
NON OPERATING (EXPENSES) REVENUES											
Interest expense		(456)	(10,963)	(80)		(14,109)	200	(561)	3.0	7.00	(26,169)
Interest income		(2,092)	(700)	26	38	(912)		(591)	48	(5,743)	(9,926)
Loss on swap termination		.76	(11,928)	1/7/	5	7.	(*)		357		(11,928)
Other		853		2,376	-	10,165		(926)	219	287	12,974
TOTAL NON OPERATING (EXPENSES) REVENUES		(1,695)	(23,591)	2,322	38	(4,856)	701	(2,078)	267	(5,456)	(35,049)
FUTURE RECOVERABLE AMOUNTS		(1,138)	431	(2,829)	(108)	2,649			-	(11,127)	(12,122)
REFUNDS TO PARTICIPANTS		117	(690)	484	(172)	412	340	(856)	(3,728)	3,097	(1,336)
INCREASE (DECREASE) IN NET POSITION		9,448	(370)	376	281	(9,518)	S = 07	(9,362)	(306)	(1,480)	(10,931)
NET POSITION, Beginning of year		6,458	3,497	464	1,759	16,461	•	(10,542)	5,805	3,726	27,628
NET POSITION, End of year	s	15,906 S	3,127 \$	840 S	2,040	s 6,943	s - s	(19,904) \$	5,499 \$	2,246 \$	16,697

^{*} Eliminated in Combination

COMBINING STATEMENTS OF CASH FLOW

				Fo	r the Year Ended	June 30, 2022				
		GENERATI	NG & TRANSMISSI	ON RESOURCES	3					
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined Total
					39)				-1.70-37	
CASH FLOWS FROM OPERATING ACTIVITIES	one managemen			graden .	a. managan		21 2222222			
Received from participants	s (5,288) S		4,600 S	4,277	** DSS500000				1,647 \$	517,571
Received from others	53,314	35,775	2,000	5,408	86,179	3.50	164,787	2,925	(6,791)	343,597
Payments for employee services	(11,467)	(5,151)	(848)	(1,477)	(6,480)	-	(1)	(10,723)	(8,418)	(44,565)
Payments to suppliers for goods and services	(23,276)	(18,282)	(3,182)	(7,590)	(101,693)	(*)	(622,306)	(10,555)	6,639	(780,245)
Payments from(to) other programs *	824	(286)	(62)	(99)	(393)	-	-	16		
NET CASH FLOWS FROM OPERATING ACTIVITIES	14,107	40,586	2,508	519	(1,849)		(17,080)	4,490	(6,923)	36,358
CASH FLOWS FROM INVESTING ACTIVITIES										
Proceeds from maturities and sales of investments	19,673	52,955	3,292	: *:	64,987	(*)	5,790		38,226	184,923
Interest received on cash and investments	496	353	24	346	356	3.0	728	57	1,071	3,085
Purchase of investments	(18,923)	(49,081)	(3,897)	340	(66,919)		(2,703)	(4)	(33,477)	(175,000)
NET CASH FLOWS FROM		- Audienti	3-1							
INVESTING ACTIVITIES	1,246	4,227	(581)		(1,576)		3,815	57	5,820	13,008
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Acquisition and construction of electric plant	(2,956)	(282)	(3)	(554)	(50)		(*)	(130)	(295)	(4,270)
Swap termination fee	•	(11,928)		9.5	-		3.5			(11,928)
Interest paid on lease liability	*		(11)		(682)		(561)	(⊕)		(1,254)
Interest paid on long-term debt	(236)	(11,978)	(792)	323	(13,122)	-		(#)	:	(26,128)
Payments on lease liability	*	-	(10)	1.2	(556)	2	(2,803)	-		(3,369)
Principal repayment on long-term debt	(4,690)	(21,750)	(4,070)		(12,879)	-	-		9	(43,389)
Proceeds from bond issues		157,405	(·			-			-	157,405
Payments to refund debt		(155,885)				-		9 ,0 0		(155,885)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(7,882)	(44,418)	(4,886)	(554)	(27,289)		(3,364)	(130)	(295)	(88,818)
CASH FLOWS FROM NON-CAPITAL AND										
RELATED FINANCING ACTIVITIES										
Other proceeds	(6,798)	(4,002)	2,047	80	23,076	2	23,425	209	(25,740)	12,297
Refunds to participants	117	(690)	484	(45)	412		(856)	(3,728)	3,097	(1,209)
NET CASH FLOWS FROM NON-CAPITAL	- 117	(050)	404	(43)	412		(830)	(3,720)	3,077	(1,209)
AND RELATED FINANCING ACTIVITIES	(6,681)	(4,692)	2,531	35	23,488		22,569	(3,519)	(22,643)	11,088
NET CHANGE IN CASH AND										
CASH EQUIVALENTS	790	(4,297)	(428)	(25)	(7,226)		5,940	898	(24,041)	(28,364)
Beginning of year	5,672	42,436	1,273	1_	9,785		19,002	110	58,957	137,236
End of year	\$ 6,462 S	38,139 \$	845 \$	1	\$ 2,559	s -	s 24,942	1,008 \$	34,916 S	108,872

^{*} Eliminated in Combination

COMBINING STATEMENT OF CASH FLOW - Continued

	For the Year Ended June 30, 2022														
				GENERATII	NG & TRANSMIS	SSIC	ON RESOURCES	s					E-80 (2018 15)		
		Geothermal	1	Hydroelectric	Multiple Capital Facilities		CT No. One	E	Lodi nergy Center	Transmission		Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
RECONCILIATION OF NET OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES															
Operating income	S	12,164	S	23,480 S	399	S	523	\$	(7,723)	s -	S	(6,428) \$	3,155 \$	12,006 S	37,576
Adjustments to reconcile net operating revenues															
to net cash from operating activities:		0.827		0.000	8272437		2027		517242				122		
Depreciation	_	3,721	_	9,555	2,227	_	303	_	14,707		_	2,803	54	175	33,545
		15,885		33,035	2,626		826		6,984			(3,625)	3,209	12,181	71,121
CASH FLOWS IMPACTED BY CHANGES IN															
Accounts receivable		(1,292)					(*)					(17,953)	251	3,580	(15,414)
Inventory and prepaid expense		159		(14)	22		(88)		12	-		8.0	(36)	(188)	(133)
Operating reserves and other deposits		1,095		2,526			(1,185)		(3,193)	•		2,544	912	(11,187)	(8,488)
Regulatory assets					1.0					.7			•	(11,059)	(11,059)
Regulatory credits		(1,772)		4,966	(208)		222		(1,751)				122	285	1,864
Accounts payable and other liabilities		32		73	68		744		(3,901)	7.		1,954	32	(535)	(1,533)
NET CASH FROM OPERATING ACTIVITIES	S	14,107	\$	40,586 \$	2,508	\$	519	5	(1,849)	s -	s	(17,080) S	4,490 \$	(6,923) \$	36,358
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION															
Cash and cash equivalents - restricted	S	6,294	\$	30,147 \$	844	\$	-	5	2	s -	\$	16,014 \$	- \$	- S	53,301
Cash and cash equivalents - unrestricted	_	168		7,992	1		1		2,557			8,928	1,008	34,916	55,571
End of year	5	6,462	\$	38,139 \$	845	\$	1	\$	2,559	s -	s	24,942 \$	1,008 \$	34,916 S	108,872

COMBINING STATEMENT OF NET POSITION

						June 30, 2	2021				
			GENERA	TING & TRANSMIS	SION RESOURCE	ES					
				Multiple	1.7550	11111200		Purchased	Associated		
				Capital	CT	Lodi	Transmission	Power &	Member	Other	
ASSETS	Geo	thermal	Hydroelectric	Facilities	No. One	Energy Center	No. One	Transmission	Services	Agency	Combined
CURRENT ASSETS											
Cash and cash equivalents											
Restricted	S	5,011		1,272 S			5 - \$			- \$	56,133
Unrestricted		661	5,070	1	1	1,788	8	14,515	110	58,957	81,103
Investments											
Restricted		1,622	5,352	2,870	-	7,457	-	-	2	2	17,301
Unrestricted		2,901	1,570	-	-	1,613	-	1,524	2	18,006	25,614
Accounts receivable											
Participants		-		2	-	-	*	· ·	39	135	174
Other		648	-	(A)	(#)		-	5,631	238	9,615	16,132
Interest receivable		120	105			46		78	*	426	775
Inventory and supplies		1,514	1,572	332	284	2,186		*			5,888
Prepaid expenses		676	890	71	103	684			84	741	3,249
Due from Agency and other programs*		9,348	(478)	2,657	5,832	19,244		21,909	7,033	(65,545)	
TOTAL CURRENT ASSETS		22,501	51,447	7,203	6,220	41,015	•	48,144	7,504	22,335	206,369
NONCURRENT ASSETS											
Investments											
Restricted		-			(a)	4,401	2	9	2	_	4,401
Unrestricted		22,569	13,818	2	2	8,374	2	17,870	0	78,992	141,623
Electric plant in service		574,947	395,293	65,467	37,224	447,409	7,736		894	6,165	1,535,135
Less: accumulated depreciation		(546,087)	(290,558)	(54,989)	(35,068)	(109,527)	(7,736)	2	(635)	(3,994)	(1,048,594)
TOTAL NONCURRENT ASSETS		51,429	118,553	10,478	2,156	350,657	•	17,870	259	81,163	632,565
OTHER ASSETS											
Regulatory assets		289	123,790	4,805		29,810	-		-	51,305	209,999
Investment in associated company		207	123,770	4,003		27,010	-		-	265	265
TOTAL OTHER ASSETS		289	123,790	4,805		29,810				51,570	210,264
TOTAL ASSETS	-	74,219	293,790	22,486	8,376	421,482		66,014	7,763	155,068	1,049,198
101111111111111111111111111111111111111		1 4,000	223,124	22,100	0,070	121,102		00,024	1,100	255,000	2,010,120
DEFERRED OUTFLOWS OF RESOURCES											
Excess cost on refunding of debt		823	9,961	-	20	1,185	-	4			11,969
Pension and OPEB deferrals					(2)			2	2	18,099	18,099
Asset Retirement Obligations		61,530		165	121	187		2			61,882
TOTAL DEFERRED OUTFLOWS OF RESOURCES		62,353	9,961	165	340	1,372	-		*	18,099	91,950
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	s	136,572	s 303,751 s	22,651 \$	8,376	\$ 422,854	s - s	66,014 \$	7,763 S	173,167 S	1,141,148

^{*} Eliminated in Combination

COMBINING STATEMENT OF NET POSITION

	·				June 30, 2	:021				
	1/2	GENERA	TING & TRANSMIS	SION RESOURCE	s		1200 201 1721	Section 2015		
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
LIABILITIES		319							293A - 8	
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 511	\$ 646 \$	- S	1 :	\$ 6,059	s - s	38,083		17,476 S	62,820
Member advances	791	•			-		•	202	-	993
Operating reserves	2,077	250	617	4,221	15,995		-		-	23,160
Current portion of lease liability	-		10		557			2	-	567
Current portion of long-term debt	4,690	21,750	4,080		12,880	-	_	-		43,400
Accrued interest payable	136	4,571	339	12	1,101	2		<u> </u>	12	6,147
TOTAL CURRENT LIABILITIES	8,205	27,217	5,046	4,222	36,592		38,083	246	17,476	137,087
NON-CURRENT LIABILITIES										
Net pension and OPEB liabilities		2		32	1.2	12	2.0		62,959	62,959
Operating reserves and other deposits	1,500	18,992			142		38,473	1,453	83,932	144,492
Interest rate swap liability	1,000	16,045			***		50,175	1,100	00,002	16,045
Asset Retirement Obligations	67,784		165	120	187	12	120	-		68,136
Long-term lease liability	*****	420	583	1940	36,135					36,718
Long-term debt, net	10,815	234,073	15,236	(14)	293,654	-	14.0	-	4	553,778
	3	27 224 224 22	390					1000 17000		
TOTAL NON-CURRENT LIABILITIES	80,099	269,110	15,984		330,118		38,473	1,453	146,891	882,128
TOTAL LIABILITIES	88,304	296,327	21,030	4,222	366,710		76,556	1,699	164,367	1,019,215
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	41,810	3,927	1,157	2,395	39,683	- 2		259	2,887	92,118
Pension and OPEB deferrals	-		-	-		-			2,187	2,187
TOTAL DEFERRED INFLOWS OF RESOURCES	41,810	3,927	1,157	2,395	39,683	-	-	259	5,074	94,305
NET POSITION										
Net investment in capital assets	16,712	(131,512)	(10,107)	0.00	6,486		9.1		9,147	(109,274)
Restricted for debt service	3,964	28,655	3,775		6,050			-		42,444
Unrestricted	(14,218)	106,354	6,796	1,759	3,925		(10,542)	5,805	(5,421)	94,458
TOTAL NET POSITION TOTAL LIABILITIES, DEFERRED INFLOWS	6,458	3,497	464	1,759	16,461	-	(10,542)	5,805	3,726	27,628
OF RESOURCES, AND NET POSITION	\$ 136,572	\$ 303,751 \$	22,651 \$	8,376	s 422,854	s - s	66,014	7,763 \$	173,167 \$	1,141,148

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

					F	or the Year Ended	June 30, 2021				
	V		GENERA	TING & TRANSMIS	SION RESOURCE	ES					
	Geo	thermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES											
Participants	\$	3,018	S 29,468 S	4,458 \$	4,591	\$ 28,202	s -	\$ 305,955	\$ 20,652 \$	2,055 S	398,399
Other Third-party		34,457	22,925	4,474	4,045	69,021	-	271,491	2,723	140	409,136
TOTAL OPERATING REVENUES		37,475	52,393	8,932	8,636	97,223		577,446	23,375	2,055	807,535
OPERATING EXPENSES											
Purchased power		1,041	2,946	402	661	2,152	-	407,503	-	2	414,705
Operations		18,360	4,723	2,878	1,901	48,056	12	2,640	10,839	4	89,397
Transmission		316	241	18	36	879	-	184,219	. 4	3.7	185,713
Depreciation & amortization		3,647	9,480	2,212	219	14,650		-	49	293	30,550
Maintenance		8,318	7,250	844	2,563	5,170	-	-	94		24,239
Administrative and general		5,394	4,809	820	960	5,426	19		7,665	(1,688)	23,386
Intercompany (sales) purchases, net*		(832)	311	70	77	404			(30)		*
TOTAL OPERATING EXPENSES		36,244	29,760	7,244	6,417	76,737	-	594,362	18,621	(1,395)	767,990
NET OPERATING INCOME		1,231	22,633	1,688	2,219	20,486		(16,916)	4,754	3,450	39,545
NON OPERATING (EXPENSES) REVENUES											
Interest expense		(539)	(15,601)	(229)		(14,493)	-				(30,862)
Interest income		254	77	38	52	162	-	631	62	(428)	848
Other	-	1,125		1,241	1	3,970	-	1,150	240	82	7,809
TOTAL NON OPERATING (EXPENSES) REVENUES		840	(15,524)	1,050	53	(10,361)	-	1,781	302	(346)	(22,205)
FUTURE RECOVERABLE AMOUNTS		(1,791)	(8,549)	(2,461)	74	862	-	(w)	<u> </u>	(3,757)	(15,622)
REFUNDS TO PARTICIPANTS		(2,089)	(2,039)	(214)	129	(186)	-	(5,662)	(4,003)	(417)	(14,481)
INCREASE (DECREASE) IN NET POSITION		(1,809)	(3,479)	63	2,475	10,801	(*	(20,797)		(1,070)	(12,763)
NET POSITION, Beginning of year		8,267	6,976	401	(716)	5,660		10,255	4,752	4,796	40,391
NET POSITION, End of year	s	6,458	s 3,497 s	464 \$	1,759	\$ 16,461	s -	\$ (10,542)	\$ 5,805 \$	3,726 \$	27,628

^{*} Eliminated in Combination

COMBINING STATEMENTS OF CASH FLOW

					Fe	r the Year Ende	June 30, 2021				
			GENERATI	NG & TRANSMISSI	ON RESOURCE	S					
		Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined Total
CASH FLOWS FROM OPERATING ACTIVITIES											
Received from participants	s	7,154	29,770 \$	4,417 S	4,777	\$ 27,53	· .	\$ 306,060	\$ 20,567 \$	1,961 \$	402,244
Received from others		35,806	24,707	4,474	4,045	69,02		276,062	2,485	(4,220)	412,380
Payments for employee services		(12,187)	(4,868)	(828)	(1,239)	(5,75) -	(2)	(10,915)	(8,709)	(44,501)
Payments to suppliers for goods and services		(21,758)	(15,493)	(4,257)	(3,587)	(51,36) -	(586,018)	(8,057)	6,534	(683,996)
Payments from(to) other programs *		832	(311)	(70)	(77)	(40) -	-	30	-	
NET CASH FLOWS FROM OPERATING ACTIVITI		9,847	33,805	3,736	3,919	39,04		(3,898)	4,110	(4,434)	86,127
CASH FLOWS FROM INVESTING ACTIVITIES											
Proceeds from maturities and sales of investments		18,041	70,797	1,396	0.00	32,77	-	13,157	-	48,103	184,269
Interest received on cash and investments		567	427	37		32	; -	1,061	64	1,324	3,805
Purchase of investments		(18,147)	(54,763)	(3,699)		(43,68		(13,568)		(42,445)	(176,310)
NET CASH FLOWS FROM	м						7	2 8 30	1244.1	- X	- 10: 10: 10: 10: 10: 10: 10: 10: 10: 10:
INVESTING ACTIVITIE	ES	461	16,461	(2,266)	3.20	(10,58	3) -	650	64	6,982	11,764
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES											
Acquisition and construction of electric plant		(3,096)	(162)	(13)	(349)	(84	5) -	-		(7)	(4,472)
Insurance proceeds on asset disposals		•		153	8.75	6,54	-				6,549
Interest paid on lease liability			-	(10)		(69:					(703)
Interest paid on long-term debt		(323)	(13,151)	(1,075)	5¥3	(13,49)	· -		540	-	(28,045)
Payments on lease liability				(10)	-	(50) -	¥	-	12	(519)
Principal repayment on long-term debt		(4,595)	(20,724)	(2,575)	-	(11,99	6) -				(39,890)
NET CASH FLOWS FROM CAPITAL AN RELATED FINANCING ACTIVITIE		(8,014)	(34,037)	(3,683)	(349)	(20,99)) -			(7)	(67,080)
CASH FLOWS FROM NON-CAPITAL AND											
RELATED FINANCING ACTIVITIES											
Other proceeds		1,125		1,328		3,97		1,150	240	81	7,894
Refunds to participants		(2,089)	(2,027)	(214)	257	(-	(5,662)	(4,003)	(417)	(14,157)
Payments from(to) other programs *		(939)	5,994	2,117	(3,827)	(17,39	-	15,619	(386)	(1,185)	-
NET CASH FLOWS FROM NON-CAPITA AND RELATED FINANCING ACTIVITIE		(1,903)	3,967	3,231	(3,570)	(13,42	5) -	11,107	(4,149)	(1,521)	(6,263)
NET CHANGE IN CASH AND											
CASH EQUIVALENTS		391	20,196	1,018	929	(5,96	-	7,859	25	1,020	24,548
Beginning of year		5,281	22,240	255	1	15,74	<u>-</u>	11,143	85	57,937	112,688
End of year	s	5,672	42,436 \$	1,273 \$	1	\$ 9,78	· s -	s 19,002	s 110 s	58,957 S	137,236

^{*} Eliminated in Combination

COMBINING STATEMENT OF CASH FLOW - Continued

					June 30, 2021							
			GENERA	TING & TRANSMIS	SION RES	OURCES						
	Ge	othermal	Hydroelectric	Multiple Capital Facilities	CT No. O	ne	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
RECONCILIATION OF NET OPERATING INCOME TO												
NET CASH FLOWS FROM OPERATING ACTIVITIES Operating income	S	1,231	S 22,633	1,688		2,219 S	20,486	s -	s (16,916) s	4,754 \$	3,450 S	39,545
Adjustments to reconcile net operating revenues	3	1,231	3 22,033	1,000	3	2,219	20,400		3 (10,910)	4,/34 \$	3,430 3	39,343
to net cash from operating activities:												
Depreciation & amortization		3,647	9,480	2,212		219	14,650			48	294	30,550
		4,878	32,113	3,900		2,438	35,136	:4	(16,916)	4,802	3,744	70,095
CASH FLOWS IMPACTED BY CHANGES IN										8000	50.00	
Accounts receivable		(299)		-		-	- 2	4	(3,163)	(273)	(5,597)	(9,332
Inventory and prepaid expense		(292)	(390)	(101)		20	(273)		(5)	(84)	(139)	(1,259
Operating reserves and other deposits		1,648	1,782	5 7 9		1,311	830		7,839	(330)	1,444	14,524
Regulatory assets											(3,752)	(3,752
Regulatory credits		4,136	302	(41)		186	(664)	-	842	(49)	(167)	3,703
Accounts payable and other liabilities		(224)	(2)	(22)		(36)	4,013	2	8,342	44	33	12,148
NET CASH FROM OPERATING ACTIVITIES	\$	9,847	\$ 33,805	3,736	S	3,919 5	39,042	s -	\$ (3,898) 5	4,110 \$	(4,434) \$	86,127
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION												
Cash and cash equivalents - restricted	S	5,011	\$ 37,366	1,272	S	- S	7,997	s -	s 4,487 S	- \$	- S	56,133
Cash and cash equivalents - unrestricted		661	5,070	1	C.	1	1,788	° .	14,515	110	58,957	81,103
End of year	\$	5,672	\$ 42,436	1,273	s	1 \$	9,785	s -	s 19,002 s	110 S	58,957 \$	137,236

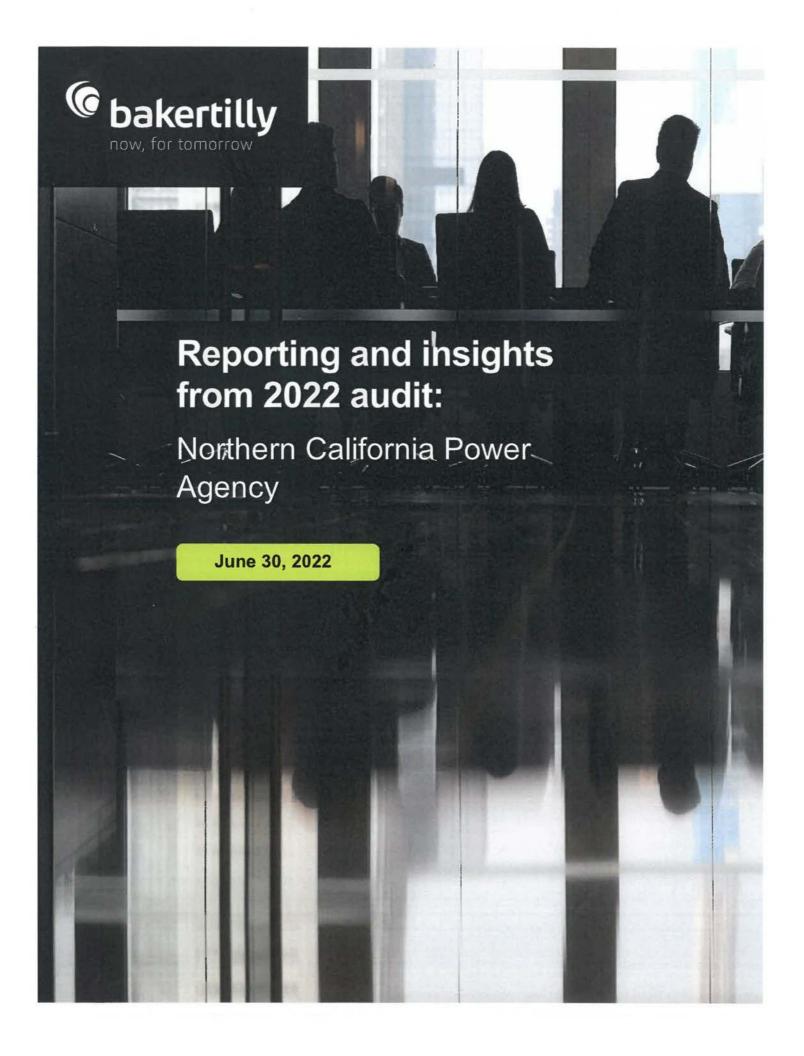
OTHER INFORMATION GENERATION ENTITLEMENT SHARES - UNAUDITED

NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

		Table of G	eneration Entitleme	ent Shares		LEC Deb	t Shares
1	Geothermal	Hydroelectric	Capital Facilities	Combustion	Lodi Energy	LEC Indenture	LEC Indenture
	Project No. 3	Project No. One	Project	Turbine No. One	Center (LEC)	Group A	Group B
NCPA Member Participants:							· ·
Alameda	16.8825%	10.0000%	19.0000%	21.8200%			
BART					6.6000%	11.8310%	
Biggs	0.2270%			0.1970%	0.2679%	0.4802%	
Gridley	0.3360%			0.3500%	1.9643%	3.5212%	
Healdsburg	3.6740%	1.6600%		5.8330%	1.6428%	2.9448%	
Lodi	10.2800%	10.3700%	39.5000%	13.3930%	9.5000%	17.0295%	
Lompoc	3.6810%	2.3000%	5.0000%	5.8330%	2.0357%	3.6491%	
Palo Alto		22.9200%					
Plumas-Sierra REC	0.7010%	1.6900%		1.8170%	0.7857%	1.4084%	
Roseville	7.8830%	12.0000%	36.5000%				
Santa Clara	44.3905%	37.0200%		41.6670%	25.7500%	46.1588%	
Ukiah	5.6145%	2.0400%		9.0900%	1.7857%	3.2010%	
Other Participants:							
Azusa					2.7857%	4.9936%	
California Dept. of Water Resources					33.5000%		100.0000%
Modesto Irrigation District					10.7143%		
Power & Water Resources Pooling Agency					2.6679%	4.7824%	
Turlock Irrigation District	6.3305%						
3	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.000%	100.000%
	Note A	Note A, B		Note A	Note B	16	

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

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



Executive summary

October 13, 2022

To the Board of Commissioners Northern California Power Agency and Associated Power Corporations 651 Commerce Dr. Roseville, California 95678

We have completed our audit of the financial statements of Northern California Power Agency and Associated Power Corporations (the "Agency") for the year ended June 30, 2022, and have issued our report thereon dated October 13, 2022. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your Agency's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

Additionally, we have included information on key risk areas the Agency should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Bethany Ryers, Partner: Bethany.Ryers@bakertilly.com or +1 (608) 240 2382
- Gwen Zech, Senior Manager: Gwen.Zech@bakertilly.com or +1 (608) 240 2443

Sincerely,

Baker Tilly US, LLP

Bethany Ryers, Partner

Given Zeel

Betany LRyen

Gwen Zech, Senior Manager

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Agency's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or those charged with governance of their responsibilities.

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

- Internal control matters
- Qualitative aspects of the Agency's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

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Audit approach and results

Planned scope and timing

Audit focus

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

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards
- Areas of complexity including regulatory assets under GASB Statement No. 62

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

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

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

Other areas of emphasis				
Cash and investments	Revenues and receivables	General disbursements		
Payroll	Pension and OPEB liabilities	Long-term debt		
Capital assets including infrastructure				
Regulatory assets and credi	ts			

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Internal control matters

We considered the Agency's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the Agency's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Agency are described in Note B to the financial statements. As noted in Note B, the Agency changed accounting policies related to leases by adopting GASB Standard No. 87, Leases, in fiscal year 2022. Accordingly, the accounting change has been applied retrospectively to the prior period presented. We noted no transactions entered into by the Agency during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness Reasonable in relation to the financial statements as a whole	
Net pension liability and related deferrals	Evaluation of information provided by the California Public Employees' Retirement System (CalPERS)		
Decommissioning costs	Evaluation of information and assumptions provided by third party consultants	Reasonable in relation to the financial statements as a whole	
Net OPEB liability and related deferrals	Key assumptions set by management with the assistance of a third-party actuary	Reasonable in relation to the financial statements as a whole	

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

 Financial statement disclosures: The disclosures in the financial statements are neutral, consistent, and clear.

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Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the Agency or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and to communicate accumulated misstatements to management. The information following summarizes the uncorrected misstatements that we presented to management, other than those that are clearly trivial, that, in our judgment, may not have been detected except through our auditing procedures. The uncorrected financial statement misstatement includes a prior year adjustment related to the recognition of revenue from a regulatory credit account to offset the costs related to the amortization of the deferred outflow for the asset retirement obligations, which was corrected in the current year. The impact of the uncorrected financial statement entries resulted in participant revenue and the change in net position being overstated by \$3,200,009. In our judgment, none of the uncorrected misstatements, either individually or in the aggregate, indicate matters that could have had a significant effect on the Company's financial reporting process.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other information in documents containing audited basic financial statements

The Agency's audited financial statements will be included in the Agency's annual report. Our responsibility for this information does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. We have read the annual report to determine whether a material inconsistency exists between the other information and the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, was materially inconsistent with the information, or manner of its presentation, in the financial statements.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the Agency's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the Agency that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the Agency's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information, which accompanies the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Audit committee resources

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at https://www.bakertilly.com/insights/audit-committee-resource-page.

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Management representation letter

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October 13, 2022

Baker Tilly US, LLP 4807 Innovate Ln PO Box 7398 Madison, WI 53707-7398

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of June 30, 2022 and 2021 and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the business-type activities of the Agency and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors. We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 2, 2018.
- The financial statements referred to above are fairly presented in conformity with accounting principles
 generally accepted in the United States of America and include all properly classified funds and other
 financial information of the Agency required by accounting principles generally accepted in the United
 States of America to be included in the financial reporting entity.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable.

- 6. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8. We believe the effects of the uncorrected financial statement misstatements are immaterial, both individually and in the aggregate, to the basic financial statements as a whole. The uncorrected financial statement misstatement include a prior year adjustment related to the recognition of revenue from a regulatory credit account to offset the costs related to the amortization of the deferred outflow for the asset retirement obligations, which was corrected in the current year. The impact of the uncorrected financial statement entries resulted in participant revenue being overstated by \$3,200,009 and the change in net position being overstated by \$3,200,009 as reported in the June 30, 2022 audited financial statements.
- There are no known pending or threatened litigation, claims, and assessments; (1) whose effects should be considered when preparing the financial statements; or (2) that must be disclosed in accordance with accounting principles generally accepted in the United States of America that have not already been disclosed.
- Guarantees, whether written or oral, under which the Agency is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11. We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12. We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 15. We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16. There are no related parties or related party relationships and transactions, including side agreements, of which we are aware.

Other

- There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- The Agency has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 19. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

20. There are no:

- a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
- b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
- Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
- d) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
- 21. The Northern California Power Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 22. The Northern California Power Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 23. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any. Component units have been properly presented as either blended or discrete.
- Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 25. Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 26. As of June 30, 2022, the Northern California Power Agency has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 28. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 29. Tax-exempt bonds issued have retained their tax-exempt status.

Baker Tilly US, LLP October 13, 2022 Page 4

- 30. The operations and rate setting process meet the condition for application of accounting for regulated operations as outlined in GASB No. 62. All regulatory items included in the financial statements have been approved and are being accounted for in accordance with specific action taken by the regulatory body and as such the expectation of future recovery or refund is reasonable.
- 31. We have evaluated and identified any legally enforceable asset retirement obligations. We assume responsibility for, and agree with, the findings of specialists in measuring the asset retirement obligations. We have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
- 32. We have appropriately disclosed the Northern California Power Agency's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.
- 33. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 34. With respect to the supplementary information, (SI):
 - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 35. We assume responsibility for, and agree with, the findings of specialists in evaluating the OPEB liability, pension liability and asset retirement obligations and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
- 36. We have implemented GASB Statement No. 87, Leases, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 37. We have reviewed our long-term debt agreements and believe that all terms related to significant events of default with finance related consequences, termination events with finance related consequences and subjective acceleration clauses have been properly identified and disclosed.
- 38. We have identified any leases or other contracts that are required to be reported as leases and are in agreement with the key assumptions used in the measurement of any lease related assets, liabilities or deferred inflows of resources.

- 39. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 Fair Value Measurement. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.
- 40. We assessed the impact of GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, and believe that the standard has no impact on us.
- 41. The auditing standards define an annual report as "a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity's operations and the entity's financial results and financial position as set out in the financial statements." Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditor's report thereon. Our annual report contains reference to the audited financial statements. We will provide you with the final version of the annual report once available, prior to distribution to our stakeholders, such that you may complete your required procedures.

Sincerely,

Northern California Power Agency

Signed:

RANDY S. HOWARD

General Manager

Signed:

MONTY HANKS

Assistant General Manager, Administrative Services/CFO

Signed:

SONDRA AINSWORTH Treasurer-Controller

Client service team



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Accounting changes relevant to NCPA

Future accounting standards update

GASB	Description	Potentially	Effective Date
Statement Number		Impacts you	
91	Conduit Debt		6/30/23*
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	Ø	6/30/23
96	Subscription-Based Information Technology Arrangements	8	6/30/23
99	Omnibus 2022	Ø	6/30/23
100	Accounting Changes and Error Corrections		6/30/24
101	Compensated Absences	Ø	6/30/25

^{*}The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Gui*dance, with the exception of Statement No. 87 which was postponed by one and a half years. The effective date reflected above is the required revised implementation date.

Further information on upcoming GASB pronouncements.

Preparing for the new conduit debt reporting

Conduit debt includes arrangements where there are three separate parties involved including a third party that is obligated for payment, a debt holder or lender and an issuing party which is often a government. This standard provides additional criteria for identifying and classifying conduit debt with the intent of providing consistency in how the debt is recorded and reported in governmental financial statements. The Agency should identify any existing debt arrangements involving third-party obligors and evaluate how those arrangements will be reported under the new standard in order to determine the potential impact of this standard on future financial reporting.

Determining if GASB 94 applies for your organization

GASB 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements provides guidance related to public-private and public-public partnerships (PPP) and availability payment arrangements (APA).

A PPP is an arrangement in which an entity contracts with an operator to provide public services by conveying control of the right to operate or use infrastructure or other capital asset. A common example of PPP is a service concession arrangement.

An APA is an arrangement in which an entity compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an asset.

The Agency should start to identify any contracts that could meet either definition to ensure they are reviewed for applicability and accounted for correctly when the standard is effective. Initial steps include reviewing contracts that didn't meet the definition of a lease under GASB 87 and identifying any other agreements where the organization contracts with or partners with another entity to provide services.

Future accounting for subscription-based IT arrangements

Subscription-based IT arrangements include contracts that convey control of the right to use another party's IT software. It would not include any licensing arrangements that provide a perpetual license, which would still be accounted for as an intangible asset. Subscription-based IT arrangements are becoming more and more popular with IT vendors. This standard mirrors the new lease standard. The Agency will be able to utilize the systems put into place to implement the lease standard to properly account for these contracts. Common examples of these contracts in the utility industry include:

- Leasing space in the cloud
- GIS systems
- SCADA systems
- Some work order or inventory systems as well as some general ledger or billing systems

The Agency should work with its IT department and department managers to determine a population listing of contracts that would fall under this standard to determine the potential future impact to financial reporting.

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Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements.
 - Consider factors that affect the risks of material misstatement.
 - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the Agency will receive an unmodified opinion on its financial statements based on historical results and our discussions with management noting no anticipated significant changes in financial reporting.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?

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- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of May-July. Our final financial fieldwork is scheduled during the summer to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.



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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 13, 2022.

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

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

Madison, Wisconsin October 13, 2022

Baker Tilly US, LLP

Attachment A

- > Geothermal Project Number 3 Revenue Bonds, 2012 Series A, dated September 2012
- > Geothermal Project Number 3 Revenue Refunding Bonds, 2016 Series A, dated September 2016
- > Hydroelectric Project Number One Revenue Bonds, 2012 Refunding Series A & B, dated February 2012
- > Hydroelectric Project Number One Revenue Bonds, 2018 Refunding Series A, dated March 2018
- > Hydroelectric Project Number One Revenue Bonds, 2019 Refunding Series A, dated April 2019
- > Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series A, dated April 2022
- > Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series B, dated April 2022
- > Capital Facilities Project Revenue Bonds, 2019 Refunding Series A, dated December 2019
- > Lodi Energy Center Revenue Bonds, Issue One, 2010 Series B, dated June 2010
- > Lodi Energy Center Revenue Bonds, Issue Two, 2010 Series B, dated June 2010
- > Lodi Energy Center Revenue Bonds, Issue One, 2017 Series A, dated December 2017



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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 13, 2022.

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

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

Madison, Wisconsin October 13, 2022



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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the combined financial statements of the Northern California Power Agency and Associated Power Corporations (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the combined basic financial statements of the Agency, and have issued our report thereon dated October 13, 2022.

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

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

Madison, Wisconsin October 13, 2022

Baker Tilly US, LLP

Reporting and insights from Northern California Power 2022 audit: Agency

October 11, 2022

© bakertilly









Audit Discussion

Agenda

Audit Results

Required communication to Governing Body

Impact of future standards

Discussion



RESPONSIBILITIES

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment
 is a consideration of the Agency's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the
 oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects, and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or those charged with governance of their responsibilities.



AUDIT APPROACH AND RESULTS

Planned scope and timing

Audit focus

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

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

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



AUDIT APPROACH AND RESULTS

Key areas of focus and significant findings

Other key areas of emphasis

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

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



Audit Approach and Results

Audit performed in accordance with *Generally Accepted Auditing Standards*

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

Financial statements of the Agency received an Unmodified Opinion

There were no material weaknesses or significant deficiencies in controls



Auditor communication to those charged with governance

Auditor responsibility & independence

Board responsibility

Accounting policies and estimates

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

No material adjustments to the financial statements

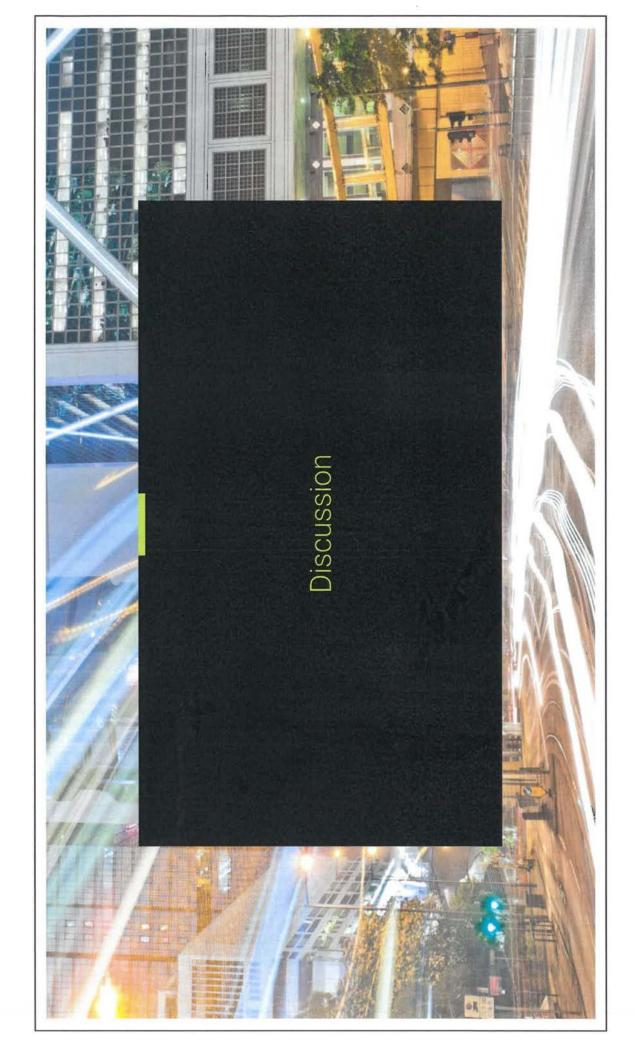
No audit findings or concerns



ACCOUNTING CHANGES RELEVANT TO THE AGENCY

Future accounting standards update

GASB Statement Number	Description	Potentially Impacts You	Effective Date
91	Conduit Debt		6/30/23*
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	\checkmark	6/30/23
96	Subscription-Based Information Technology Arrangements	\checkmark	6/30/23
99	Omnibus 2022		6/30/23
100	Accounting Changes and Error Corrections		6/30/24
101	Compensated Absences	\checkmark	6/30/25







Client service team



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



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





Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

SUBJECT: Authorize Northern California Power Agency General Manager to Execute Confirmation Number 0268 for Precision Iceblast Corporation Services to the City of Roseville/Roseville Electric Utility and Issue a Corresponding Purchase Order Under the Support Services Program

AGENDA CATEGORY: Consent

FROM:	Monty Hanks WVH	METHOD OF SELECTION:				
	Chief Financial Officer/Assistant General Manager	Other				
Division:	Administrative Services	Roseville Acknowledged Satisfaction of City's Purchasing Policies				
Department:	Accounting & Finance					
IMPACTED N	MEMBERS:					
	All Members	City of Lodi ☐ City of Shasta Lake ☐				

All Members	City of Lodi		City of Shasta Lake	
Alameda Municipal Power	City of Lompoc		City of Ukiah	
San Francisco Bay Area Rapid Transit	City of Palo Alto		Plumas-Sierra REC	
City of Biggs	City of Redding		Port of Oakland	
City of Gridley	City of Roseville	\boxtimes	Truckee Donner PUD	
City of Healdsburg	City of Santa Clara		Other	
	If other, please specify			

SR: 231:22

RECOMMENDATION:

Subject to approval by the Roseville City Council of the requested services under the terms of the Northern California Power Agency (NCPA) Support Services Program Agreement, approval of Resolution 22-108 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0268, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Precision Iceblast Corporation for Heat Recovery Steam Generator (HRSG) Deep Cleaning Services.

BACKGROUND:

The City of Roseville became a signatory to the NCPA Support Services Program Agreement (SSPA) on October 5, 2015, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors.

In August 2022 the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for Precision Iceblast Corporation to provide HRSG Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and confined space rescue team services. Pursuant to the Precision Iceblast Corporation proposal, the cost for the services is \$623,770.00. In addition, Roseville staff has requested the addition of a ten percent contingency of \$62,377.00 to allow for additional services as may be requested.

If approved, Confirmation Number 0268 states that NCPA agrees to provide the requested services through its contract with Precision Iceblast Corporation in the amount of not-to-exceed \$686,147.00. There is no guarantee that the full amount of possible services will be paid to Precision Iceblast Corporation but is merely a limit of potential expenditures for services under Confirmation Number 0268. With the addition of NCPA's administrative fees which will be billed out as actually incurred, the total amount expended under the Confirmation will not exceed \$687,492.00.

This item will be considered by the Roseville City Council at an upcoming meeting, and is subject to that approval.

FISCAL IMPACT:

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

SELECTION PROCESS:

Roseville will utilize Precision Iceblast Corporation services through NCPA's Support Services Program and has confirmed through submission of its Task Request that it is responsible for satisfying the City of Roseville's Purchasing Policies.

SR: 231:22

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments:

- Resolution 22-108
- Proposed Confirmation Number 0268

RESOLUTION 22-108

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY AUTHORIZING THE GENERAL MANAGER TO EXECUTE CONFIRMATION NUMBER 0268 FOR PRECISION ICEBLAST CORPORATION SERVICES TO THE CITY OF ROSEVILLE/ROSEVILLE ELECTRIC UTILITY AND ISSUE A CORRESPONDING PURCHASE ORDER UNDER THE SUPPORT SERVICES PROGRAM

(reference Staff Report #231:22)

WHEREAS, the City of Roseville became a signatory to the NCPA Support Services Program Agreement (SSPA) on October 5, 2015, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors; and

WHEREAS, the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for Precision Iceblast Corporation to provide Heat Recovery Steam Generator (HRSG) Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and confined space rescue team services. Pursuant to the Precision Iceblast Corporation proposal, the cost for the services is \$623,770.00. In addition, Roseville staff has requested the addition of a ten percent contingency of \$62,377.00 to allow for additional services as may be requested; and

WHEREAS, Confirmation Number 0268 states that NCPA agrees to provide the requested services through its contract with Precision Iceblast Corporation in the amount of not-to-exceed \$686,147.00. There is no guarantee that the full amount of possible services will be paid to Precision Iceblast Corporation but is merely a limit of potential expenditures for services under Confirmation No. 0268. With the addition of NCPA's administrative fees which will be billed out as actually incurred, the total amount expended under the Confirmation will not exceed \$687,492.00; and

WHEREAS, this item will be considered by the Roseville City Council at an upcoming meeting and is subject to that approval; 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, subject to approval by the Roseville City Council of the requested services under the terms of the Support Services Program Agreement, the Commission of the Northern California Power Agency authorizes the NCPA General Manager or his designee to execute Confirmation Number 0268, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to Precision Iceblast Corporation for HRSG Deep Cleaning services for the City of Roseville/Roseville Electric Utility.

PASSED, ADOPTED and following vote on roll call:	APPROVED this	day of	, 2022, by the
Alameda San Francisco B Biggs Gridley Healdsburg Lodi Lompoc Palo Alto Port of Oakland Redding Roseville Santa Clara Shasta Lake Truckee Donner Ukiah Plumas-Sierra		Abstained	Absent
JERRY SERVENTI CHAIR	ATTEST:	CARY A. PAI ASSISTANT	DGETT SECRETARY

CONFIRMATION UNDER THE NCPA SUPPORT SERVICES PROGRAM AGREEMENT

- 1. This is a Confirmation pursuant to the Support Services Program Agreement and subject to the terms and conditions of that agreement, except as expressly provided in this Confirmation. All capitalized terms have the meaning given to them in the Support Services Program Agreement.
- 2. The Participating Member for this Confirmation is the CITY OF ROSEVILLE in the amount of not-to-exceed \$686,147.00 for the Precision Iceblast Corporation work described in paragraph 3. The amount includes the proposal amount of \$623,770.00, plus a ten percent contingency of \$62,377.00. The dollar amount is not a guarantee that the full amount will be paid to Precision Iceblast Corporation, but is merely a limit of potential expenditures under this Confirmation.
- 3. The Participating Member requests the following described Support Services in the dollar amount specified. NCPA agrees to provide the following Support Services to the Participating Member:

Precision Iceblast Corporation shall provide Heat Recovery Steam Generator Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and Confined Space Rescue Team services, as more fully detailed in the proposal dated September 19, 2022, copy attached as Exhibit "A".

- 4. The Participating Member executing this Confirmation agrees to pay for the Support Services in the not-to-exceed amount specified in paragraph 2 above; plus, the Administrative Cost of not to exceed \$1,345.00 (\$685.00 to develop the Confirmation and first month of administration, plus \$165 per month for four additional months) to be billed as costs are actually incurred, in accordance with the provisions of the Support Services Program Agreement. The total amount expended under this Confirmation will not exceed \$687,492.00.
 - 5. A Security Account deposit is not required for this Confirmation.

Date:	Date:
Participating Member: CITY OF ROSEVILLE By its Designated Representatives:	NORTHERN CALIFORNIA POWER AGENCY
Daniel Beans, Electric Utility Director	Randy S. Howard, General Manager
And	
Michelle Sheidenberger, City Attorney	Assistant Secretary to Commission
	Approved as to form:
	Jane E. Luckhardt, NCPA General Counsel



09-19-2022 Roseville Energy Park

1. CUSTOMER INFORMATION

COMPANY NAME	City of Roseville
COMPANY ADDRESS	5120 Philip Road Roseville CA 95747
CONTACT NAME	Ediberto Vasquez
TELEPHONE CONTACT	916-746-1683
CONTACT EMAIL	EVasquez@roseville.ca.us
SITE ADDRESS	5120 Philip Road Roseville CA 95747
OUTAGE START DATE	Spring 2023
OUTAGE START DATE	Spring 2023

2. PRECISION ICEBLAST

Precision Iceblast Corporation specializes in Power Generation and Heat Recovery Steam Generator Deep Cleaning services. We have been operating for over three decades in the power generation industry, developing inspections and cleaning projects in HRSG boilers applied in cogeneration and combined cycle plants.

In addition to HRSG cleaning services, we are contracted to carry out dry ice blasting projects, surface preparation services and painting equipment and installations in almost every industry. Our revolutionary technology is safer, more efficient, and environmentally friendly to clean any surface, including boiler tubes, the surface of mechanical and electrical equipment, industrial installations, static and rotating equipment.

In the Power Generation industry, Precision Iceblast has conducted over 1200 HRSG cleaning projects worldwide to date working on five different continents. We are a leader in HRSG boiler cleaning services and offer an integrated service for power plants that includes cleaning inspections, HRSG performance analysis and HRSG Deep Cleaning services for owners and O&M operators throughout the entire HRSG lifecycle.



Precision Iceblast Headquarters, 801 Maple Street Peshtigo, WI 54157



09-19-2022 Roseville Energy Park

3. INTRODUCTION

During the operation of Combined Cycle Plants or Cogeneration Plants, naturally the Heat Recovery Steam Generator (HRSG) will suffer fouling due to operational deposits and corrosion produced by the process, causing loss of thermal performance and output for the plant. Seeking to restore the performance of the HRSG and having a higher reliability and availability is critical to every plant. Precision Iceblast's patented deep cleaning method (HRSG DEEP CLEANINGTM) ensures safe cleaning of 95% of HRSG fin tube heating surfaces, providing better thermal efficiency for the HRSG and increasing overall output of the plant.



Fig 1.0 HRSG tubes before cleaning

Fig 1.1 HRSG tubes after cleaning

KEY BENEFITS OF THE HRSG DEEP CLEANING METHOD FOR YOUR PLANT

- ✓ Minimal of 50% back pressure reduction with most clients seeing upwards of 80% reduction.
- ✓ Dramatic reduction in Heat Rates with clients seeing up to 300 btu/kwh reductions.
- ✓ Dramatic increases in Gas Turbine and Steam Turbine MW Output with some clients seeing up to 25 MW gained after cleaning.
- ✓ Increases tube life and slows down corrosive processes that can cause tube failures during HRSG operation.
- ✓ Ensures no risk or damage to pressure parts, owners' equipment or bodily harm.
- ✓ No federal permitting required to perform tube cleaning.
- ✓ Provide complete turn-key solutions with minimal plant support.

www.precision-iceblast.com



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4. SCOPE OF THE PROJECT

Precision Iceblast undertakes to carry out the scope of service referred to in this proposal for the customer City of Roseville. This proposal includes a cleaning and coating services (Patented HRSG DEEP CLEANING TM) combined with ultra-high pressure CO2 dry ice for two Vogt HRSG units, Horizontal gas flow, installed at your Roseville Energy Park facility located in Roseville, California.

In more detail we highlight in Figure 1 the tube bundles in red color that will be cleaned with the HRSG DEEP CLEANING ™ methodology.

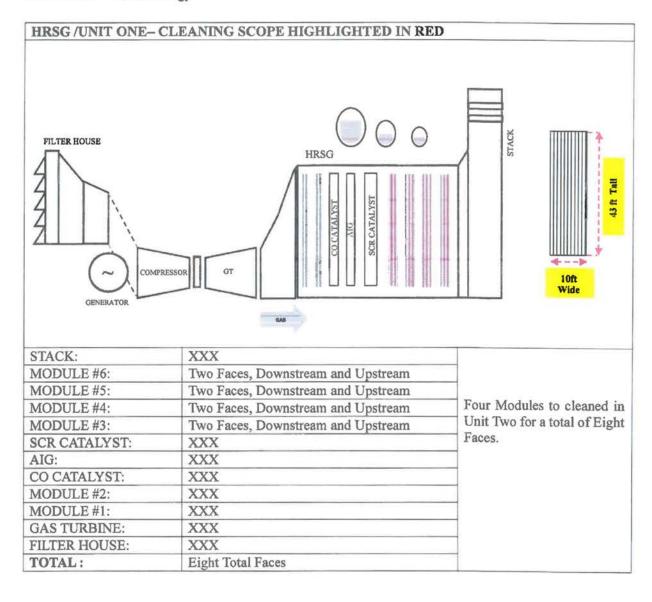
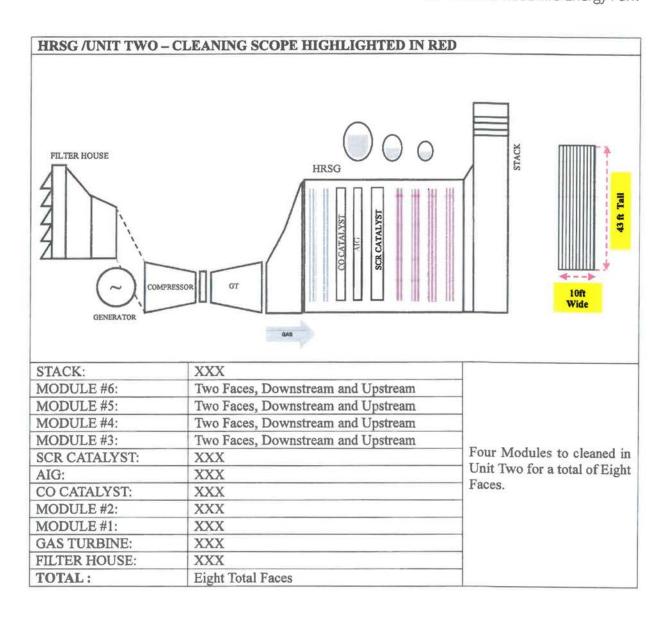


Figure 1.2 - GENERIC HRSG DRAWING Highlighting the tube bundles that will be cleaned with PIC's HRSG DEEP CLEANING TM methodology.





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 $\label{eq:figure 1.3-GENERIC HRSG DRAWING Highlighting the tube bundles that will be cleaned with PIC's HRSG DEEP CLEANING TM methodology.$



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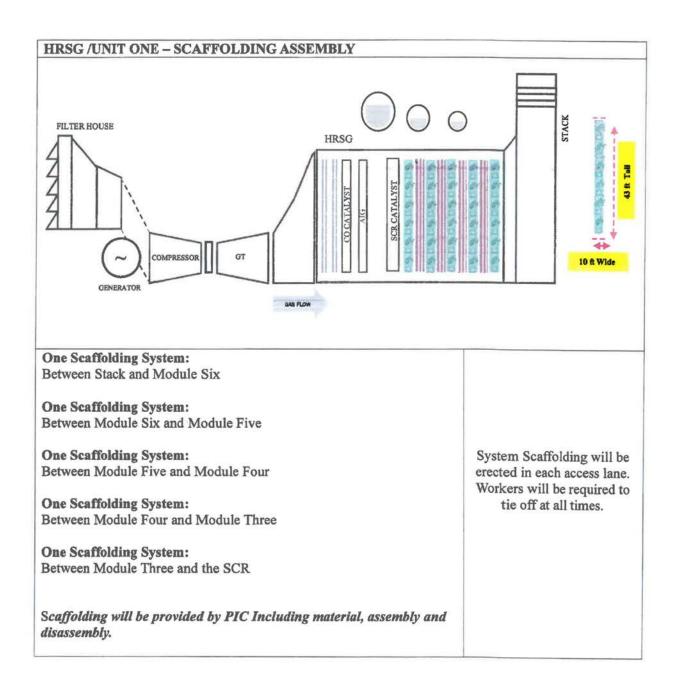


Figure 1.4 -GENERIC HRSG DRAWING highlighting the scaffolding towers that will be assembled and disassembled by customer.



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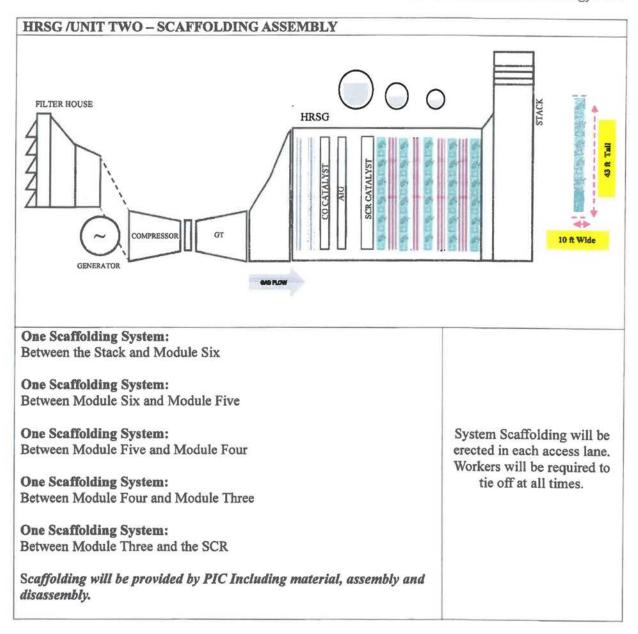


Figure 1.5 -GENERIC HRSG DRAWING highlighting the scaffolding towers that will be assembled and disassembled by customer.



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5. METHODOLOGY AND WORK PROCEDURE

To obtain the best results possible, Precision Iceblast performs different techniques that aim to guarantee the cleaning efficiency of its customers' boiler tube modules between 90% to 95%. During a HRSG cleaning project, our technical team can perform the following procedures mentioned below. all these different processes and approaches will ensure that your HRSG is professionally cleaned. With thirty years of experience and performing over thousand HRSG boiler tube cleaning projects, regardless of the type of fouling found in the HRSG, we can ensure we provide the most detailed cleaning system with our ultra-high pressure dry ice blasting, our deep cleaning alignment tools, HRSG cleaning solution and specialized team we can ensure our process will provide the upmost return on investment over other methods of cleaning. Most importantly, this process is SAFE on all pressure parts and components of your HRSG. To ensure complete satisfaction, the PIC team will borescope inspect each module before and after cleaning to make sure all possible fouling is removed.

Deep Cleaning Procedure

In this procedure, our team of specialists will use deep cleaning alignment equipment that mainly includes an elongated alignment tool to create temporary access lanes between the tubes. The tool is configured to maximize the surface area that contacts the finned tubes, which in turn minimizes the amount of stress on any specific point on the finned tubes. As a result, when the wedge meets the finned tubes, the finned tubes will not be damaged. These tools are designed per site specific and are designed to create access two to three tubes past the middle point of the module. When cleaning from both sides of the module this allows for a four to six tube overlap ensuring all of the heating surface has been cleaned. In return this ensures the client optimal returns on investment.

After creating a temporary access lane between the HRSG tubes, sufficient space can be created between the tubes to insert specialized wands that allow all boiler tubes in the module to be cleaned. Once the access lane is created, a wand is used to blast ultra-high pressure compressed air and our PIC 56 blasting gun with dry ice to clean the tubes.

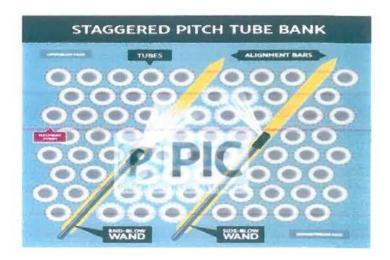


Fig. 1.6 Special wands with different blasting angle settings



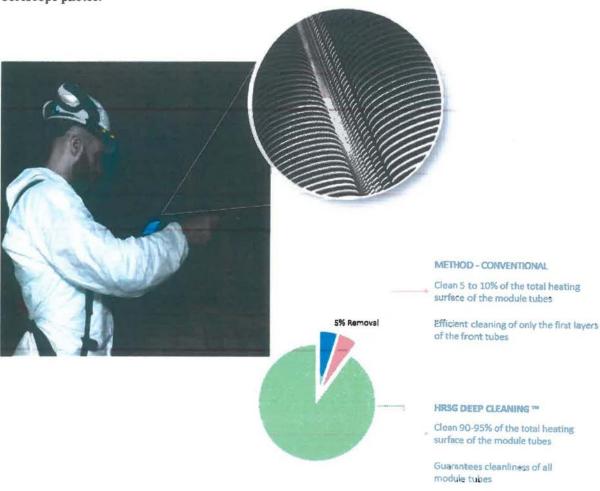
09-19-2022 Roseville Energy Park

Hard Deposits

For deposits that are difficult to remove, Precision Iceblast Corporation has developed its own biodegradable solution to help break down the deposits. This solution is lightly applied to the tubes with a low-pressure sprayer. After allowing the solution to break down the deposits (approximately 15 minutes), the tubes are then blasted with dry ice at ultra-high pressure to remove any loose material. This proprietary solution has been thoroughly tested and is highly effective and completely safe on all tubes. The solution is used on a very minimal basis and only used in units with extreme fouling issues. Most cleanings do not require the use of this solution. If all these processes still do not remove the fouling from the tubes, PIC will add crushed glass medium to the dry ice to create a process aggressive enough to remove the fouling.

Borescope Inspections

With every cleaning project, PIC provides a borescope inspection of each module being cleaned before cleaning, during cleaning and after cleaning is completed ensuring that each module is cleaned 100%. With the borescope inspection PIC will inspect each level at random spots ensuring the tube fouling has been removed ensuring the client the most optimal results possible. Once work is completed PIC will provide the client with all the before and after photos from each cleaning project in a final report which will include the borescope photos.





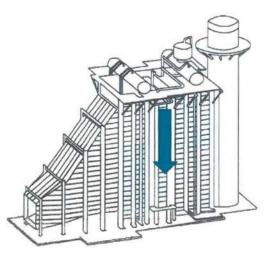
09-19-2022 Roseville Energy Park

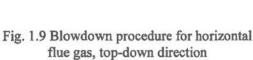
Blowdown Procedure

This procedure consists of performing a final blow down of the tube modules with ultra-high pressure compressed to eliminate the remaining fouling between the tubes, working the debris to the bottom floor of the boiler.

To perform the blowdown procedure, our team starts from the top of the module and blows out all the tube ties and areas of debris build. The blowdown procedure is performed with a wand or ball valve and controlled air.

The blowdown procedure is necessary for situations where the HRSG's tube modules are heavily deposited. Specifically, when there is a lot of fouling in the deep tubes.





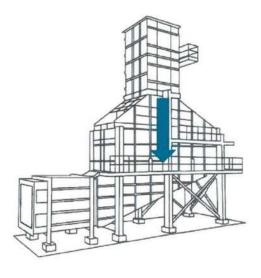


Fig. 2.0 Blowdown procedure for vertical flue gas, top-down direction

HRSG Final Cleaning Procedure

Upon completion of the cleaning, PIC's team of experts will use ultra-high pressure (350psi) compressed air to remove loose debris between HRSG tube modules. Blow down begins at the top of each module and all waste is directed to the bottom floor. The waste is removed from the boiler using buckets. After removing most of the debris, the PIC crew will blow out the bottom floor parts of the boiler. Vacuum cleaners are used to remove remaining debris and the process is repeated until all remaining debris is removed from the unit. After the final cleaning, scaffolding, or suspended equipment will be removed from the unit and then returned to HRSG in operating conditions for the plant.



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6. COMPARISON OF CLEANING METHODS

Conventional Ice Blasting, Air lancing, Sand Blasting, and Chemical Cleaning

These type of cleaning methods mentioned above are performed at the access lane trying to clean in the inward direction of the tube module. These methods have been found to only clean the first one or two rows of tubes leaving most of the heating surfaces untouched with minimal, if any, efficiency results achieved. This type of process also has been found to cause tube failures due to buoyancy instability. This is caused by having a leading tube cleaned and performing to design and then feeding into a tube that is not cleaned and underperforming. Furthermore, these types of methods have been found to pack fouling into the middle of the module instead of removing the debris due to the nature of the process not being capable of cleaning past the first row of tubes.

Please see below photos for representation of cleanliness typically found with conventional cleaning methods. Figure 2.1 is before any type of cleaning methods performed showing heavy corrosion found in the tube module. Corrosion is one of the easiest types of fouling to remove due to the nature of being loosely adhered. Figure 2.2 is the results of conventional cleaning efforts. The first one to two rows of tubes were found to be cleaned, but no cleaning efforts were found beyond the second row of tubes. Also note the amount of debris that was pushed into the center of the module after conventional cleaning efforts.

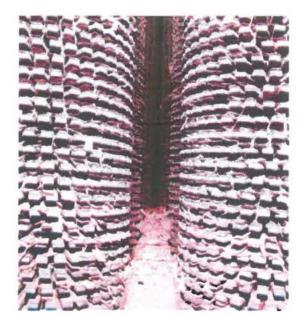


Figure 2.1 Before Cleaning Efforts

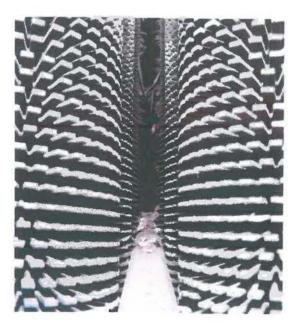


Figure 2.2 After Conventional Cleaning Methods



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Explosion Cleaning, Pulse Waves, Det Cord, Acoustic, and Kinetic Cleaning Efforts

These type of cleanings efforts, just like conventional cleaning efforts, are also performed in the access lane trying to clean the tube module with inward cleaning efforts. These methods have been found to clean up to the third or fourth row of tubes leaving the inner tube module uncleaned. These types of methods also do not allow for thorough inspections of the tube modules after cleaning due to not having scaffolding in the unit. The front leading row of tubes look clean, but physically inspecting the modules inner tubes for cleanliness is impossible during this cleaning. These types of methods have been found to cause damage to penetration seals, expansion joints, gas baffling, and other pressure part items.

Please see below photos for representation of cleanliness typically found with these types of cleaning methods. Figure 2.3 illustrates these type of cleaning methods showing the front leading row of tubes appearing to be clean. Figure 2.4 illustrates the inner tubes from these type of cleaning efforts. The first three to four rows of tubes are found to be cleaned, but borescope inspections found no cleaning found beyond the fourth row of tubes. This example again was corrosion, which is a very easy fouling to remove and the cleaning efforts were found to be less than acceptable. In this scenario, PIC was contracted to perform our Patented Deep Cleaning process to clean after explosion cleaning where an additional 20 tons of debris was removed and reduced the differential pressure by an additional 3.5 inches per each unit.



Figure 2.3 After Explosion Cleaning Front Row

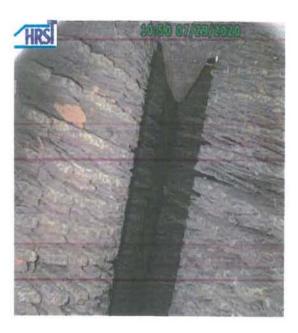


Figure 2.4 After Explosion Cleaning Fourth Row



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7. SCOPE OF RESOURCES AND RESPONSIBILITIES

ITEM	HUMAN RESOURSES AND RESOURCES	QTD	PIC	CLIENT
001	PIC - Blasters	02	X	
002	PIC - Labor	02	X	
003	PIC - Supervisor	01	X	-
004	Forklift (first and last day)	ů.	-	X.
005	PIC Set of Boxes	01	X	-
006	High Pressure Compressor (1150cfm/350psi)	01	X	
007	Scaffolding material	12	X	
800	HRST deep cleaning equipment	01	X	
009	Dry ice	20,000 lbs	X	-
010	Off road fuel	3,600 gal	-	X
011	Dumpster for Debris Disposal / VAC Truck	02		X
ITEM	DELIVERABLE DOCUMENTS	QTD	PIC	CLIENT
	BEFORE JOB			
001	Company documents / policy insurance	01	x	*
002	Crew documents	01	X	g.
003	Equipment's documents / certificates	01	X	-
004	HSE documents / health emergency plan	01	X	8
	AFTER JOB			
001	Work event report signed	01	X	
002	Final project report	01	X	
003	Provide boiler performance data (14 days before and after cleaning)	02	*	X



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8. SCHEDULE (12 HOURS, PER SHIFT, 7AM TO 7PM)

EXECUTION PHASE Unit One	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7
SCAFFOLDING	Setup	Setup					
HRSG DEEP CLEANING			Module 6	Module 6	Module 5	Module 5	Module 4
DEBRIS REMOVAL							
DEMOBILIZE OFF SITE							

EXECUTION PHASE Unit One / Unit Two	Day 8	Day 9	Day 10	Day 11	Day 12	Day 13	Day 14
SCAFFOLDING				Removal	Removal	Setup	Setup
HRSG DEEP CLEANING	Module 4	Module 3	Module 3				
DEBRIS REMOVAL				Х	Х		-
DEMOBILIZE OFF SITE							

EXECUTION PHASE Unit	Day 15	Day 16	Day 17	Day 18	Day 19	Day 20	Day 21
SCAFFOLDING							
HRSG DEEP CLEANING	Module 6	Module 6	Module 5	Module 5	Module 4	Module 4	Module 3
DEBRIS REMOVAL							
DEMOBILIZE OFF SITE							

EXECUTION PHASE Unit One/ Unit Two	Day 22	Day 23	Day 24		
SCAFFOLDING		Removal	Removal		
HRSG DEEP CLEANING	Module 3				
DEBRIS REMOVAL		X	X		
DEMOBILIZE OFF SITE			X		

Notes:

 This schedule includes the mobilization of equipment and crew of one team(s) of five employees per shift, to carry out the cleaning project of two HRSG units in twenty-four days on day shift. If preferred the client can add an additional team to work 24 hours a day for an additional cost to reduce the time to twelve days.



09-19-2022 Roseville Energy Park

9. PROPOSAL VALUE

\$ 159,890.00 USD		
\$ 46,560.00 USD		
\$ 159,890.00 USD		
\$ 46,560.00 USD		
\$ 110,890.00 USD	8	
\$ 99,980.00 USD	\$ 99,980.00 USD 623	
\$ 29,890.00 USD		
	\$ 46,560.00 USD \$ 159,890.00 USD \$ 46,560.00 USD \$ 110,890.00 USD \$ 99,980.00 USD	

10. TERMS

Terms are 25% with Purchase Order, due 30 days prior to project start date. The remaining 75% will be due upon job completion, Net 15 days. A 2% penalty will occur after the initial 15 days of the due date of each invoice and then every 30 days thereafter. Extra costs will occur if Precision Iceblast Corporation's work is delayed as a result of the customer's actions or reasons beyond Precision Iceblast Corporation's control including but not limited to weather. If for any reason work is terminated early, Precision Iceblast Corporation will receive a mobilization charge plus be compensated for work that has already been performed and material costs for work that was not performed. A change order will need to be signed for any change from the original scope of work.

Extra costs will occur if Precision Iceblast Corporation's work is delayed as a result of the customer's actions or reasons beyond Precision Iceblast Corporation's control including but not limited to weather. If for any reason work is terminated early, Precision Iceblast Corporation will receive a mobilization charge plus be compensated for work that has already been performed and material costs for work that was not performed. A change order will need to be signed for any change from the original scope of work.

"This non-binding quote is provided for informational purposes only, and neither Customer nor PIC will have any obligation to the other (contractual or otherwise) with respect to the work described herein. If Customer and PIC wish to proceed, PIC will provide Customer a separate definitive written agreement to be signed by the parties that sets forth their respective rights and obligations."

Deadline to close the order.

We indicate that the order must be closed at least 90 days in advance so that we can guarantee the planning of the necessary resources



09-19-2022 Roseville Energy Park

COMMERCIAL PROPOSAL

FOR:

City of Roseville

Roseville Energy Park

PROPOSAL PREPARED BY

09-19-2022

Jace R Finkenbine

Jace R. Finkenbine

Midwest/Northwest Combined Cycle Sales Manager



Jace Finkenbine





Commission Staff Report

Michael DeBortoli 'yy

COMMISSION MEETING DATE: November 3, 2022

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

METHOD OF SELECTION:

AGENDA CATEGORY: Consent

FROM:

	Assistant General Manager		ager <i>N/A</i>					
Division:	Generation Services		If other, please de	scribe:				
Department:	Combustion Turbines							
IMPACTED MEMBERS:								
	All Members	\boxtimes	City of Lodi		City of Shasta Lake			
Alameda N	lunicipal Power		City of Lompoc		City of Ukiah			
San Fran	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC			
	City of Biggs		City of Redding		Port of Oakland			
	City of Gridley		City of Roseville		Truckee Donner PUD			
Cit	y of Healdsburg		City of Santa Clara		Other			
			If other, please specify					

SR: 232:22

RECOMMENDATION:

Approve Resolution 22-109 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Exponential Power, LLC for battery related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

BACKGROUND:

Various battery 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 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 American Power Systems and Nor-Cal Battery.

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 October 5, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 10, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

SR: 232:22

November 3, 2022 Page 3

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments (2):

- Resolution 22-109
- Multi-Task General Services Agreement with Exponential Power, LLC

SR: 232:22

RESOLUTION 22-109

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

(reference Staff Report 232:22)

WHEREAS, various battery 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, Exponential Power, LLC is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Exponential Power, LLC to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

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

ASSISTANT SECRETARY

CHAIR



MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND EXPONENTIAL POWER, LLC

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Exponential Power, LLC, a C-corporation with its office located at N56W16665 Ridgewood Drive, Menomonee Falls, WI 53051("Contractor") (together sometimes referred to as the "Parties") as of ______, 2022 ("Effective Date") in Roseville, California.

<u>Section 1.</u> 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 <u>Term of Agreement.</u> 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 <u>Assignment of Personnel.</u> Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

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

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

- 2.1 <u>Invoices.</u> 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 <u>Monthly Payment.</u> 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 <u>Authorization to Perform Work.</u> 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 <u>Timing for Submittal of Final Invoice.</u> 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.
- <u>Section 3.</u> <u>FACILITIES AND EQUIPMENT.</u> 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 <u>General Liability/Umbrella Insurance.</u> 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. Contractor shall maintain professional liability insurance appropriate to Contractor'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 Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) 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 claimsmade 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 Pollution Insurance. Not Applicable.
- 4.5 All Policies Requirements.
 - 4.5.1 <u>Verification of coverage.</u> 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.

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.

- 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.
- materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site

to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

6.2 <u>Contractor Not Agent.</u> 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 <u>Certification as to California Energy Commission.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 <u>Certification as to California Energy Commission Regarding Hazardous</u>

 <u>Materials Transport Vendors.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 <u>Maintenance Labor Agreement.</u> 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 <u>Compliance with Applicable Laws.</u> Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 <u>Licenses and Permits.</u> 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.
- **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

- 7.5 <u>Registration with DIR.</u> 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 <u>Termination.</u> Agency may cancel this Agreement at any time and without cause upon ten (10) business 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** <u>Amendments.</u> The Parties may amend this Agreement only by a writing signed by both of the Parties.
- 8.3 <u>Survival.</u> 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 <u>Confidential Information.</u> 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.

- 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 <u>Use of Agency Equipment.</u> 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 <u>Assignment of Warranties.</u> 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.
- <u>Section 12.</u> <u>HEALTH AND SAFETY PROGRAMS.</u> 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.

- 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 <u>Venue.</u> 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 <u>Severability.</u> 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 <u>No Implied Waiver of Breach.</u> 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.
- **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 <u>Contract Administrator.</u> 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:

Exponential Power, LLC Attention: Kristi Longshore, VP Sales 1649 Sands Place, SE Suite C Marietta, GA 30067

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 <u>Professional Seal.</u> 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.
- 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 <u>Counterparts.</u> 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.

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III

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	EXPONENTIAL POWER, LLC
Date	Date
RANDY S. HOWARD, General Manager	KRISTI LONGSHORE, VP of Stationary Sales
Attest:	
Assistant Secretary of the Commission	
Approved as to Form:	
Jane E. Luckhardt, General Counsel	

EXHIBIT A

SCOPE OF WORK

Exponential Power, LLC ("Contractor") shall provide battery related services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA Members. Services to include, but not be limited to the following:

- Maintenance
- Equipment (including associated off the shelf product specifications and drawings)
- Testing
- DC Equipment

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:

amount of expenses is as follows:
Pricing will be quoted at the time services are requested by 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 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)(Tit	tle)			
do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of					
Exponential Power, LLC					
	(Company name)				
for contract work at:					
LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242					
(1	Project name and location)				
have been conducted as required be above-named project.	y the California Energy Comm	nission Decision for the			
(Signature of officer or agent)					
Dated this	day of	_, 20			
THIS AFFIDAVIT OF COMPLIANC PLAN AND SHALL BE RETAINED THE CALIFORNIA ENERGY COM	AT ALL TIMES AT THE PRO	JECT SITE FOR REVIEW BY			

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

[,		
	(Name of person signing	affidavit)(Title)
in conformity with 49 CF	R 172, subpart I and has con-	prepared and implemented security plans ducted employee background as the same may be amended from time to
	(Company nar	me)
for hazardous materials	delivery to:	
LODI ENERO	Y CENTER, 12745 N. THOR	NTON ROAD, LODI, CA 95242
	(Project name and	location)
as required by the Califo	ornia Energy Commission Dec	sision for the above-named project.
	(Signature of officer	or agent)
Dated this	day of	, 20
그렇게 하면 게 마셨다면서 가는 사람들보다가 모아하면 하면 하는데 어머니가 되었다고 있다고 있다.		ENDED TO THE PROJECT SECURITY THE PROJECT SITE FOR REVIEW BY

THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT E

ATTACHMENT A [from MLA] AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

Name of Employer	
	(Authorized Officer & Title)
	(Address)
	Name of Employer





Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

Michael DeBortoli

SUBJECT: Precision Iceblast Corporation – First Amendment to Five Year Multi-Task General Services Agreement for Inspection and Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

METHOD OF SELECTION:

AGENDA CATEGORY: Consent

FROM:

	Assistant General Manager		ager <i>N/A</i>			
Division:	Generation Services		If other, please de-	If other, please describe:		
Department:	Combustion Turb					
IMPACTED N	MEMBERS:					
	All Members	\boxtimes	City of Lodi		City of Shasta Lake	
Alameda Municipal Power			City of Lompoc		City of Ukiah	
San Fran	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC	
	City of Biggs		City of Redding		Port of Oakland	
	City of Gridley		City of Roseville		Truckee Donner PUD	
City	y of Healdsburg		City of Santa Clara		Other	
			If other, please specify			

SR: 233:22

RECOMMENDATION:

Approve Resolution 22-110 authorizing the General Manager or his designee to enter into a First Amendment to the five year Multi-Task General Services Agreement with Precision Iceblast Corporation for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Inspection and maintenance related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task General Services Agreement with Precision Iceblast Corporation effective June 23, 2021 for an amount not to exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

An NCPA Member is interested in using this agreement for services through NCPA's Support Services Program, which will result in this agreement running low on funds. To ensure there are sufficient funds available for the remainder of the contract term, NCPA desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increasing the not to exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has agreements in place for similar services with Environex, Inc., Groome Industrial Services Group, Inc., and Tetra Engineering Group, Inc.

FISCAL IMPACT:

Upon execution, the total not to exceed amount of the agreement will increase from \$1,000,000 to \$3,000,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

SR: 233:22

COMMITTEE REVIEW:

On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 10, 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 22-110
- Multi-Task General Services Agreement with Precision Iceblast Corporation
- First Amendment to Multi-Task General Services Agreement with Precision Iceblast Corporation

SR: 233:22

RESOLUTION 22-110

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH PRECISION ICEBLAST CORPORATION

(reference Staff Report #233:22)

WHEREAS, Northern California Power Agency (NCPA) and Precision Iceblast Corporation entered into a Multi-Task General Services Agreement effective June 23, 2021, for Precision Iceblast Corporation to provide inspection and maintenance services, for use at any facilities owned and/or operated by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, an NCPA Member is interested in using this agreement for services through NCPA's Support Services Program, which will result in the agreement running low on funds; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$1,000,000 to \$3,000,000 to ensure sufficient funds are available for the remainder of the contract term; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

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

ASSISTANT SECRETARY

CHAIR



MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND PRECISION ICEBLAST CORPORATION

Scope of Work. Subject to the terms and conditions set forth in this described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 <u>Term of Agreement.</u> 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 <u>Assignment of Personnel.</u> Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

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

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

- 2.1 <u>Invoices.</u> 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 <u>Authorization to Perform Work.</u> 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 <u>Timing for Submittal of Final Invoice</u>. 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.
- <u>Section 3.</u> <u>FACILITIES AND EQUIPMENT.</u> 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 <u>Automobile Liability</u>. 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. If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis. In addition, Contractor shall ensure that such insurance complies with any applicable requirements of the California Department of Toxic Substances Control and California regulations relating to the transport of hazardous materials (Health & Safety Code sections 25160 et seq.).

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

4.5 All Policies Requirements.

- A.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 <u>Higher Limits.</u> 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 <u>Waiver of Subrogation.</u> 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.
- Transfer of Title. If Contractor's Work involves its transporting hazardous materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site

or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

6.2 <u>Contractor Not Agent.</u> 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 <u>Certification as to California Energy Commission.</u> 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.
- 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 <u>Compliance with Applicable Laws.</u> Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 <u>Licenses and Permits.</u> 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** <u>Amendments.</u> The Parties may amend this Agreement only by a writing signed by both of the Parties.
- 8.3 <u>Survival.</u> 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.

- 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 <u>Use of Agency Equipment.</u> 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.

- 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 <u>Assignment of Warranties.</u> 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.

- 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 <u>Venue.</u> 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 <u>Severability.</u> 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 <u>No Implied Waiver of Breach.</u> 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 <u>Successors and Assigns.</u> 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:

Precision Iceblast Corporation Attention: Matt Peterson 801 Maple Street Peshtigo, WI 54157

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 <u>Professional Seal.</u> 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 <u>Alternative Dispute Resolution</u>. 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.
- 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 <u>Counterparts.</u> 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.

SIGNATURES ON NEXT PAGE

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

NORTHERN CALIFORNIA POWER AGENCY

Date | Dat

Michelle Schellentrager

From:

Randy Howard

Sent:

Monday, June 21, 2021 8:16 AM

To: Cc: *Mgmt Team *Admin Assts

Subject:

Signature Authority

Good morning,

Monty Hanks will have signature authority on my behalf June 21-24, 2021.

Thank you, Randy

Randy S. Howard
General Manager
Northern California Power Agency
A Public Agency
651 Commerce Drive, Roseville CA 95678
916-781-4200

EXHIBIT A

SCOPE OF WORK

Precision Iceblast Corporation ("Contractor") shall provide inspection and maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA members.

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

- SCR Catalyst Cleaning & Repacking
- CO Catalyst Cleaning & Repacking
- Ammonia Injection Grid Cleaning
- Ammonia Vaporizer Cleaning
- SCR & CO Catalyst Replacement
- HRSG Tube Cleaning
- Inlet Filter House & Duct Refurbishment
- Full-Scale Plant Cleandown
- Baghouse / Filter Changeouts
- Drain System & Pit Cleanouts
- Cooling Tower / ACC Cleaning
- · Grate Block / Bar Refurbishment

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

Joel Williams
(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
Precision Iceblast Corporation
(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 $2/3^{L}$ day of MAY , 20 $Z/$

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

l,						
(Name of person signing affidavit)(Title)						
in conformity with 49 CF	R 172, subpart I and has	has prepared and implemented security plans conducted employee background a), as the same may be amended from time to				
	(Company	name)				
for hazardous materials	delivery to:					
LODI ENERG	Y CENTER, 12745 N. TH	IORNTON ROAD, LODI, CA 95242				
	(Project name a	and location)				
as required by the Califo	rnia Energy Commission	Decision for the above-named project.				
-	(Signature of offi	icer or agent)				
Dated this	day of	, 20				
PLAN AND SHALL BE F	RETAINED AT ALL TIMES	APPENDED TO THE PROJECT SECURITY S AT THE PROJECT SITE FOR REVIEW BY MPLIANCE PROJECT MANAGER.				

NOT APPLICABLE

EXHIBIT E

ATTACHMENT A [from MLA] AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED:	Name of Employer	
		(Authorized Officer & Title)
		(Address)



FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND PRECISION ICEBLAST CORPORATION

This First Amendment ("Amendment") to the Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Precision Iceblast Corporation ("Contractor") (collectively referred to as "the Parties") as of _______, 202_.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective June 23, 2021, (the "Agreement") for Contractor to provide inspection and maintenance services at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$1,000,000 to a 'NOT TO EXCEED amount of \$3,000,000; 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. <u>Section 2—Compensation</u> of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** THREE MILLION dollars (\$3,000,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

///			
///			
<i>III</i>			

Date:	Date:
NORTHERN CALIFORNIA POWER AGENCY	PRECISION ICEBLAST CORPORATION
RANDY S. HOWARD, General Manager	JOEL WILLIAMS, Vice President Business Development
Attest:	
Assistant Secretary of the Commission	
Approved as to Form:	
Jane E. Luckhardt, General Counsel	

2. This Amendment in no way alters the terms and conditions of the Agreement except as

specifically set forth herein.





Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

Michael DeBortoli

SUBJECT: Sunshine Metal Clad, Inc. – Five Year Multi-Task General Services Agreement for Routine, Recurring, and Usual Insulation Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

METHOD OF SELECTION:

AGENDA CATEGORY: Consent

FROM:

	Assistant General Manager N/A					
Division:	Generation Service	If other, please des	cribe:			
Department:	Geothermal					
IMPACTED N	IEMBERS:					
	All Members	\boxtimes	City of Lodi		City of Shasta Lake	
Alameda N	Iunicipal Power		City of Lompoc		City of Ukiah	
San Fran	cisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC	
	City of Biggs		City of Redding		Port of Oakland	
	City of Gridley		City of Roseville		Truckee Donner PUD	
City of Healdsburg City of		City of Santa Clara		Other		
			If other, please specify			

SR: 234:22

RECOMMENDATION:

Approve Resolution 22-111 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. for routine, recurring, and usual insulation maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Routine, recurring, and usual insulation maintenance services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. The current agreement with Sunshine Metal Clad, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with American Industrial Scaffolding, Inc., Bayside Insulation & Construction, Inc. and Farwest Insulation Contracting.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$2,500,000 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 October 5, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

October 10, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

SR: 234:22

November 3, 2022 Page 3

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments (2):

Resolution 22-111

• Multi-Task General Services Agreement with Sunshine Metal Clad, Inc.

SR: 234:22

RESOLUTION 22-111

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

(reference Staff Report #234:22)

WHEREAS, routine, recurring, and usual insulation maintenance services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Sunshine Metal Clad, Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Sunshine Metal Clad, 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 General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASS	SED, ADOPTED and APPRO	OVED this	day of	, 2022 by th	e following vote
on roll call:				A.V.	
	37	Vote	<u>Abstained</u>	<u>Absent</u>	
	Alameda				
	San Francisco BART	(/ y	
	Biggs				
	Gridley			3 2	
	Healdsburg				
	Lodi				
	Lompoc				
	Palo Alto				
	Port of Oakland				
	Redding				
	Roseville				
	Santa Clara				
	Shasta Lake		-	K (************************************	
	Truckee Donner				
	Ukiah				
	Plumas-Sierra				
				-	
JERF	RY SERVENTI	Α	TTEST: CAR	RY A. PADGETT	

CHAIR

ASSISTANT SECRETARY



MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND SUNSHINE METAL CLAD, 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 Sunshine Metal Clad, Inc., a corporation with its office located at 7201 Edison Highway, Bakersfield, CA 93307 ("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 <u>Term of Agreement.</u> 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 <u>Standard of Performance.</u> 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 <u>Assignment of Personnel.</u> 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 MILLION FIVE HUNDRED THOUSAND dollars (\$2,500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

- 2.1 <u>Invoices.</u> 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 <u>Monthly Payment.</u> 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 <u>Authorization to Perform Work.</u> 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 <u>Timing for Submittal of Final Invoice.</u> 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.
- <u>Section 3.</u> <u>FACILITIES AND EQUIPMENT.</u> 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.
- <u>Section 4.</u> <u>INSURANCE REQUIREMENTS.</u> Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.
 - 4.1 Workers' Compensation. If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.
 - 4.2 Commercial General and Automobile Liability Insurance.
 - 4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
 - 4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.
 - 4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

- 4.3 Professional Liability Insurance. Intentionally Omitted.
- 4.4 Pollution Insurance. Intentionally Omitted
- 4.5 All Policies Requirements.
 - 4.5.1 Verification of coverage. Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
 - 4.5.2 Notice of Reduction in or Cancellation of Coverage. Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
 - 4.5.3 <u>Higher Limits.</u> 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.

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

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

- 6.2 <u>Contractor Not Agent.</u> 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 <u>Certification as to California Energy Commission.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 <u>Certification as to California Energy Commission Regarding Hazardous</u>

 <u>Materials Transport Vendors.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- **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 <u>Compliance with Applicable Laws.</u> Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 <u>Licenses and Permits.</u> 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 <u>Registration with DIR.</u> 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 <u>Termination.</u> 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 <u>Survival.</u> 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 <u>Use of Agency Equipment.</u> 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 <u>Deficiencies in Work.</u> 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 <u>Assignment of Warranties.</u> 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.
- <u>Section 12.</u> <u>HEALTH AND SAFETY PROGRAMS.</u> 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.
 - 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.

- **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 <u>Venue.</u> 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 <u>No Implied Waiver of Breach.</u> 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.
- **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 <u>Contract Administrator.</u> This Agreement shall be administered by Michael DeBortoli, 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:

James Eudy President Sunshine Metal Clad, Inc. 7201 Edison Highway Bakersfield, CA 93307

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 <u>Professional Seal.</u> 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 <u>Integration; Incorporation.</u> 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 <u>Alternative Dispute Resolution</u>. 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.
 - 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 <u>Controlling Provisions</u>. 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	SUNSHINE METAL CLAD, INC.		
Date	Date		
RANDY S. HOWARD, General Manager	JAMES EUDY, President		
Attest:			
Assistant Secretary of the Commission			
Approved as to Form:			
Jane E. Luckhardt, General Counsel			

EXHIBIT A

SCOPE OF WORK

As requested by the Agency, Sunshine Metal Clad, Inc. ("Contractor") shall provide routine, recurring, and usual insulation maintenance services for the preservation, protection, and keeping of any facilities owned and/or operated by Agency, its members, Southern California Public Power Authority "(SCPPA") or SCPPA members, in a safe and continually usable condition.

Provide labor, equipment, and materials to address deteriorated insulation and maintain insulation. Any manlifts, scaffolding, forklifts, or other required equipment shall be provided by Contractor, with the associated costs to be included in any quotes provided.

Any and all work related to lead and asbestos abatement or public works is not included within this Scope of Services and will be subject to a separate written agreement.

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:



NORTHERN CALIFORNIA POWER AGENCY

LABOR & EQUIPMENT RATES - 2022

PREVAILING WAGE JOBS

CLASSIFICATION	STRAIGHT TIME / HOUR	OVERTIME / HOUR
SUPERVISOR / SAFETY COORDINATOR	\$175.00	\$262.50
INSULATOR 1	\$135.00	\$202.50
WORK T	RUCKS - MEDIUM & LARGE \$10.00	
TRUCKS - 1 - TON / STAKE BED - Per Hour	\$15.00	
TRUCKS - 2 TON / BOX VANS - Per Hour	\$20.00	
	TRAILERS	
SHOP TRAILER - MATERIAL - Day Rate	\$50.00	
PAD TRAILER W/TOOLS - Day Rate	\$50.00	

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

1,		
	(Name of person signing a	affidavit)(Title)
do hereby certify that back and employment history of	f all employees of	certain the accuracy of the identity
	(Company nan	
for contract work at:		
LODI ENERGY	CENTER, 12745 N. THORI	NTON ROAD, LODI, CA 95242
	(Project name and I	ocation)
have been conducted as a above-named project.	equired by the California En	ergy Commission Decision for the
	(Signature of officer	or agent)
Dated this	day of	, 20
PLAN AND SHALL BE RE	ETAINED AT ALL TIMES AT	ENDED TO THE PROJECT SECURITY THE PROJECT SITE FOR REVIEW BY ANCE PROJECT MANAGER.

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

l,
(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 MEETING DATE:

Commission Staff Report

SUBJECT: Approval of Northern California Power Agency's (NCPA) Property Insurance Program for Calendar Year 2023								
AGENDA CATEGORY: Consent								
FROM:	Monty Hanks Assistant Genera	M	METHOD OF	METHOD OF SELECTION:				
	Manager/CFO	li .	N/A					
Division:	Administrative Se	ervices						
Department:	Risk Managemer	nt						
IMPACTED N	MEMBERS:							
	All Members	\boxtimes	City of Lodi		City of Shasta Lake			
Alameda N	lunicipal Power		City of Lompoc		City of Ukiah			
San Fran	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC			
	City of Biggs		City of Redding		Port of Oakland			
	City of Gridley		City of Roseville		Truckee Donner PUD			
Cit	y of Healdsburg		City of Santa Clara		Other			
			If other, please specify					

November 3. 2022

Approval of NCPA's Property Insurance Program for Calendar Year 2023 November 3, 2022 Page 2

RECOMMENDATION:

Approve Resolution 22-112 authorizing the General Manager or his designee to negotiate and bind Property coverage with FM Global for CY23 at a not-to-exceed premium of \$3,800,000.

BACKGROUND:

One of the goals identified in the 2021-2026 Strategic Plan was to develop a long-term, cost-effective insurance coverage strategy while building solid relationships between the Agency and its insurers. FM Global was new to the Agency as of 2021 and quickly established itself as a valued partner. FM Global offers engineering support, cyber security assessments, and responsive account managers/engineers. In addition, FM Global provides membership credits.

Engineering Support

FM Global provides engineering support to the plants through loss control visits. The ultimate goal of these visits is for FM Global to provide recommendations to plant staff with the goal of increasing the business resiliency of the plant. In addition to the loss control visits, FM Global also supports plant staff with expertise from project scoping through implementation. FM Global also performs all onsite jurisdictional inspections and certifications.

Cyber Security Assessments

FM Global performed Cyber Security Assessments for LEC, Geo, and Hydro in CY22, with Headquarters in Roseville due to be assessed in Q4 or Q1 of CY23. These assessments aim to recommend to the Ops Tech (OT) staff how to improve system hardening against bad actors.

Account Managers and Engineers

The level of service received from FM Global's account manager and engineering team has been top-notch, far exceeding the support received from previous insurers. NCPA staff continue to build strong relationships with FM Global staff across the board.

FM Global Credits for 2022

NCPA will receive a 5% Membership Credit from FM Global in the amount of \$194,178 to be applied directly to the policy premium at renewal for CY23. In addition, NCPA will also receive a Resiliency Credit of \$194,178 (5%) to be used for loss control recommendations to increase plant resiliency and help reduce FM Global's risk profile.

Plant Appraisals

In CY22, appraisals were performed for Geo and LEC and are shown in the column labeled CY23 in the table below. For Hydro and the CTs, a standard 7% increase over the CY22 values was used to obtain actual values for FY23. Of note, Geo saw a 9% decrease in appraised value and a 16% increase for LEC compared to the CY22 book values. The appraisals were commissioned and paid for by FM Global. NCPA expects Hydro and the CTs to be appraised in CY23.

	CY22	CY23	YOY Change	YOY Pct. Change
Geo	406	371	-35	-9%
LEC	426	496	70	16%
Hydro + CTs	414	443	29	7%

^{*}All values are in millions

Business Interruption Insurance (BI)

Business interruption insurance was quoted for CY23. Since LEC declined BI in CY22 and FM Global agreed to a two-year rate lock, BI insurance will not be available to LEC for CY23; this can be revisited for the CY24 renewal. Forecasted revenue for Geo is up \$27M YOY, driven by higher forward energy price curves. Forecasted revenue for Hydro is up \$12M YOY, also driven by higher forwards but a lower forecasted generation expected for FY23. Insurable BI values are detailed in the table below.

	CY22	CY23	YOY Change	YOY Pct. Change	
Geo	50	77	27	54%	
Hydro	60	72	12	20%	

*All values are in millions

CY23 Property Insurance Premium

The property insurance premium is allocated based on the total insured value, calculated as Property Value + BI. FM Global has indicated the expected CY23 Property Insurance Renewal Premium at a not-to-exceed of \$3,800,000. NCPA's commitment is an NTE of \$2,480,000, while LEC's commitment is an NTE of \$1,320,000 for the CY23 property renewal.

NCPA signed a two-year rate lock with FM Global at the inception of the CY22 insurance program. This lock keeps the rate used to calculate the total premium from CY22 to CY23 the same. While the rate remained unchanged, NCPA saw an increased total insured value for its assets in CY23. This increase in value is the driver for why NCPA's property premium will go up approximately 5% in CY23, but those premium increases are offset by membership credits. The two-year rate lock proved to be beneficial since the property market is experiencing increases north of 10%.

FISCAL IMPACT:

The total cost to renew the property insurance program is estimated not-to-exceed \$3,800,000 and will be allocated to the specific project locations on an assessed value basis. This amount is already included in the Risk Management budget and no budget augmentation is required.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On October 10, 2022, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Approval of NCPA's Property Insurance Program for Calendar Year 2023 November 3, 2022 Page 4

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments:

- Resolution 22-112

RESOLUTION 22-112

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE RENEWAL OF THE CY23 PROPERTY INSURANCE PROGRAM

(reference Staff Report #239:22)

WHEREAS, NCPA contracts with FM Global to provide property insurance for the Agency's assets; and

WHEREAS, plant appraisals were carried out to determine property values for Geo and LEC, while a market increase was applied to the assessed values for Hydro, CTs, and headquarters in Roseville; and

WHEREAS, forecasted revenues were generated for Hydro and Geo and were provided to FM Global for Business Interruption insurance and was added to total plant value; and

WHEREAS, NCPA and FM Global agreed to a two-year rate lock with this renewal being the second year of the rate lock; and

WHEREAS, FM Global will apply a five percent membership credit to the premium and a five percent resiliency credit to be used towards loss control recommendations; and

WHEREAS, the policy premium will be allocated based on each respective location's assessed value as a percentage of the total value of NCPA's assets; and

WHEREAS, in order to bind renewal of the property policy with FM Global, this action grants the authority to the General Manager or his designee to negotiate and bind renewal of the Agency's property insurance coverage at a not-to-exceed premium of \$3,800,000; and

WHEREAS, the Facilities Committee reviewed and recommended on October 5th, 2022 and LEC PPC reviewed and approved on October 10th, 2022; and

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

NOW, THEREFORE BE IT RESOLVED that the Commission of the Northern California Power Agency approves granting the authority to the General Manager or his designee to negotiate and bind the Agency's property insurance program at a not-to-exceed premium of \$3,800,000.

Alamada	<u>Vote</u>	<u>Abstained</u>	Absent
Alameda San Francisco BART		-	
Biggs			
Gridley			
Healdsburg Lodi			
Lompoc		2	
Palo Alto			
Port of Oakland			
Redding Roseville		:	-
Santa Clara			
Shasta Lake			
Truckee Donner			
Ukiah Plumas-Sierra			***************************************
Plumas-Sierra			

ASSISTANT SECRETARY

CHAIR



Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

SUBJECT: WSA Engineered Systems, Inc. – First Amendment to Five Year Multi-Task General Services Agreement to Provide Equipment, Materials and Off-Site Maintenance Labor (Wisconsin) to Dismantle, Clean and Inspect Automatic Brush/Ball Tube Cleaning Systems Services; Applicable to the following: NCPA Geothermal Facility.

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli	METHOD OF SELECTION:
	Assistant General Manager	Sole Source
Division:	Generation Services	If other, please describe:
Department:	Geothermal	

IMPACTED MEMBERS:					
All Members		City of Lodi		City of Shasta Lake	
Alameda Municipal Power	\boxtimes	City of Lompoc	\boxtimes	City of Ukiah	\boxtimes
San Francisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC	
City of Biggs	\boxtimes	City of Redding		Port of Oakland	
City of Gridley		City of Roseville	\boxtimes	Truckee Donner PUD	
City of Healdsburg		City of Santa Clara	\boxtimes	Other	\boxtimes
		If other, please specify		Turloc	k

SR: 242:22

RECOMMENDATION:

Approve Resolution 22-114 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with WSA Engineered Systems, Inc for equipment, materials and off-site maintenance labor (Wisconsin) to dismantle, clean and inspect automatic brush/ball tube cleaning systems, with any non-substantial changes recommended and approved by the NCPA General Counsel, accepting assignment to WSA Engineered Systems, LLC, for continued use at NCPA's Geothermal facility.

BACKGROUND:

Overhauls of equipment are required from time to time for the operation and maintenance of NCPA's Geothermal facility. NCPA entered into a five year Multi-Task General Services Agreement with WSA Engineered Systems, Inc., effective November 1, 2018, to provide equipment, materials and off-site maintenance labor (Wisconsin) to dismantle, clean and inspect the automatic brush/ball tube cleaning systems at NCPA's Geothermal facility.

Effective September 29, 2022, WSA Engineered Systems, Inc. changed its name to WSA Engineered Systems, LLC. NCPA now desires to enter into a First Amendment to the Multi-Task General Services Agreement accepting assignment to WSA Engineered Systems, LLC.

WSA Engineered Systems, Inc. is the original equipment manufacturer (OEM) for the brush/ball tube cleaning system at NCPA's Geothermal facility and, as such, NCPA does not have other agreements in place for similar services at this time.

FISCAL IMPACT:

Upon execution, the total not to exceed amount of the agreement will remain unchanged at not to exceed \$1,000,000. 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 solicit a quote from this vendor for the specific scope of work consistent with NCPA procurement policies and procedures. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The Facilities Committee will review this proposal at its meeting on November 2, 2022.

SR: 242:22

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments (3):

- Resolution 22-114
- Multi-Task General Services Agreement with WSA Engineered Systems, Inc
- First Amendment to Multi-Task General Services Agreement with WSA Engineered Systems, Inc. Accepting Assignment to WSA Engineered Systems, LLC

SR: 242:22

RESOLUTION 22-114

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH WSA ENGINEERED SYSTEMS, INC. ACCEPTING ASSIGNMENT TO WSA ENGINEERED SYSTEMS, LLC

(reference Staff Report #242:22)

WHEREAS, Northern California Power Agency (NCPA) and WSA Engineered Systems, Inc. entered into a Multi-Task General Services Agreement effective November 1, 2018, for WSA Engineered Systems, Inc. to provide equipment, materials and off-site maintenance labor (Wisconsin) to dismantle, clean and inspect automatic brush/ball tube cleaning systems, for use at NCPA's Geothermal facility; and

WHEREAS, effective September 29, 2022, WSA Engineered Systems, Inc. changed its name to WSA Engineered Systems, LLC; and

WHEREAS, NCPA now desires to enter into a First Amendment to the Multi-Task General Services Agreement accepting assignment to WSA Engineered Systems, LLC; 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 WSA Engineered Systems, Inc., with any non-substantial changes as approved by the NCPA General Counsel, accepting assignment to WSA Engineered Systems, LLC, for continued use at NCPA's Geothermal facility.

day of

PAS on roll call:	PASSED, ADOPTED and APPROVED this _ roll call:		_ day of	, 2022 by the following vote
	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	Vote	Abstained	<u>Absent</u>

PASSED ADOPTED and APPROVED this

JERRY SERVENTI ATTEST: CARY A. PADGETT CHAIR ASSISTANT SECRETARY



MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND WSA ENGINEERED SYSTEMS, 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 WSA Engineered Systems, Inc., a corporation with its office located at 12040 West Feerick Street, Unit G, Wauwatosa, WI 53222 ("Contractor") (together sometimes referred to as the "Parties") as of November | 57, 2018 ("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 <u>Term of Agreement.</u> 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 <u>Standard of Performance.</u> 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.
- 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.
- 1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

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

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

- 2.1 <u>Invoices.</u> 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 <u>Authorization to Perform Work.</u> 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 <u>Timing for Submittal of Final Invoice</u>. 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.
- <u>Section 3.</u> <u>FACILITIES AND EQUIPMENT.</u> Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.
- Section 4. INSURANCE REQUIREMENTS. Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.
 - 4.1 Workers' Compensation. If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.
 - 4.2 Commercial General and Automobile Liability Insurance.
 - 4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
 - 4.2.2 <u>Automobile Liability</u>. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.
 - 4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

- 4.3 Professional Liability Insurance. 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 <u>Notice of Reduction in or Cancellation of Coverage.</u> 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 <u>Higher Limits.</u> 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. Not applicable.
 - 4.5.5 Waiver of Subrogation. Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
- 4.6 Contractor's Obligation. Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages

whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

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

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

- 6.2 Contractor Not Agent. Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- Assignment and Subcontracting. This Agreement contemplates personal 6.3 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 <u>Certification as to California Energy Commission.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 <u>Certification as to California Energy Commission Regarding Hazardous</u>

 <u>Materials Transport Vendors.</u> 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 <u>Compliance with Applicable Laws.</u> Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 <u>Licenses and Permits.</u> 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. This agreement can only be used when no responsive bids have been received from vendors who perform the needed scope of work at facilities located in the State of California. Consulting services are not subject to monitoring by DIR.
- 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.

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 <u>Survival.</u> 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 <u>Use of Agency Equipment.</u> 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.

- 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 <u>Deficiencies in Work.</u> 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 <u>Assignment of Warranties.</u> 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.

Section 13. MISCELLANEOUS PROVISIONS.

- 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 <u>Venue.</u> 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 <u>Severability.</u> 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 <u>No Implied Waiver of Breach.</u> 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 <u>Successors and Assigns.</u> The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest. Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 et seq.

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

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

WSA Engineered Systems, Inc. Attention: Dan Barta Manager Engineering & Technical Services 12040 West Feerick Street, Unit G Wauwatosa, WI 53222

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 <u>Professional Seal.</u> 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 <u>Integration; Incorporation.</u> 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 <u>Alternative Dispute Resolution</u>. 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.
 - 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 <u>Counterparts.</u> This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

- 13.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties.

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

NORTHERN	CALIFORNIA	POWER	AGENCY	WSA ENGINE	EERED	SYSTE	MS.	INC.

NORTHERN CALIFORNIA POWER AGENCY

10-23-18

Date

RANDY S. HOWARD, General Manager

Technical Services

Attest:

Assistant Secretary of the Commission

Approved as to Form:

E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

As requested by the Agency, WSA Engineered Systems, Inc. ("Contractor") shall provide new equipment and/or equipment, materials and offsite maintenance labor at the WSA Engineered Systems facility located in Wauwatosa, Wisconsin, to dismantle, clean, inspect, and provide miscellaneous required parts for:

- Automatic Brush Tube Cleaning Systems
- Automatic Ball Tube Cleaning Systems
- Automatic Backwash Systems
- Self Flushing Filter

NO MAINTENANCE WORK MAY BE PERFORMED UNDER THIS AGREEMENT IN CALIFORNIA WITHOUT CONTRACTOR'S PRIOR REGISTRATION WITH DIR.

As requested, Contractor shall provide on-site consulting services including technical supervision, start-up commissioning, and operator training on new systems at NCPA's Geothermal facility.

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:

- 1. WSA requires a purchase order in one of the following forms prior to dispatch:
 - Formal customer purchase order, Fax confirming a verbal order or Approva! of verbal order by WSA Service manager or VP of Operations.
- Standard Rate
 - a) \$1150 per day (Minimum charge and billing unit 1/2 day)
 - Above rate based on a six day workweek 8 hours per day Monday through Saturday.
- 3. Over time Rate
 - a) Monday through Saturday (other than above) ------\$180 per hour
- 4. Sunday and Holiday Rate
 - a) \$210 per hour
- Air transportation expenses from WSA's home office to and from location of job sits will be invoiced to the customer at cost based on economy class round trip airfare. Evidence by receipt will be submitted as proof of travel.
 - a) Travel labor rate of \$575 per day or portion of day will be charged for travel time from home office to and from city or location of project.
- Accommodation (fodging & meals) charges, transportation and incidental expenses will be invoiced at cost + 10% to customer. Applicable receipts will be submitted as evidence (only Meal receipts over \$25 are retained per WSA Company policy).
- Other expenses: The cost of rental equipment and tools, replacement parts and expendable
 items purchased from local suppliers by the service representative for the repair and/or service
 of the customers equipment will be billed to the customer at cost plus 15%.
- Taxes: Any occupation, income, use, or sales tax imposed by any government authority on the transaction shall be paid by the customer.
- Insurance: WSA maintains a program of insurance, which includes Worker's Compensation coverage, General Liability and Automobile Liability coverage. Insurance certificates will be furnished upon customer request.
- 10. Payment to be made within 30 days of receipt of invoice.

The rates for supervisory services mentioned above are in effect until January 1, 2020.

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 - Not Applicable

CERTIFICATION

Affidavit of Compliance for Contractors

I,		
	(Name of person signing a	affidavit)(Title)
do hereby certify that back and employment history o		certain the accuracy of the identity
	(Company nam	ne)
for contract work at:		
LODI ENERGY	CENTER, 12745 N. THORN	NTON ROAD, LODI, CA 95242
	(Project name and le	ocation)
have been conducted as above-named project.	required by the California En	ergy Commission Decision for the
	(Signature of officer	or agent)
Dated this	day of	, 20
PLAN AND SHALL BE RE	ETAINED AT ALL TIMES AT	ENDED TO THE PROJECT SECURITY THE PROJECT SITE FOR REVIEW BY ANCE PROJECT MANAGER.

EXHIBIT D - Not Applicable

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

,
(Name of person signing affidavit)(Title)
b hereby certify that the below-named company has prepared and implemented security plans conformity with 49 CFR 172, subpart I and has conducted employee background vestigations in conformity with 49 CFR 172.802(a), as the same may be amended from time time,
(Company name)
r hazardous materials delivery to:
LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242
(Project name and location)
required by the California Energy Commission Decision for the above-named project.
(Signature of officer or agent)
ated this, 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 - Not Applicable

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)



FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND WSA ENGINEERED SYSTEMS, INC. ACCEPTING ASSIGNMENT TO WSA ENGINEERED SYSTEMS, LLC

This First Amendment ("Amendment") to Multi-Task General Services Agreement is enter	red into by
and between the Northern California Power Agency ("Agency") and WSA Engineered Sys	stems,
LLC ("Contractor") (collectively referred to as "the Parties") and is effective as of	, 2022.

WHEREAS, the Agency and WSA Engineered Systems, Inc. entered into a five-year Multi-Task General Services Agreement dated effective November 1, 2018, (the "Agreement") for Contractor to provide equipment, materials and off-site maintenance labor at the WSA Engineered Systems facility located in Wauwatosa, Wisconsin, to dismantle, clean and inspect Automatic Brush/Ball Tube Cleaning Systems, Automatic Backwash Systems, and provide on-site consulting services including technical supervision, start-up commissioning, and operator training on new systems at the Geothermal Facilities; and

WHEREAS, effective June 2021, WSA Engineered Systems, Inc. was acquired by WSA Engineered Systems, LLC and the Parties now desire to assign the Agreement to WSA Engineered Systems, LLC; and

WHEREAS, the Agency now desires to amend Section 13.7 entitled "Contract Administrator" of the Agreement to reflect the change of the administrator's name; and

WHEREAS, the Contractor now desires to amend Section 13.8 entitled "Notices" of the Agreement to reflect the change of the Contractor's name; and

WHEREAS, the Parties now desire to amend Exhibit A entitled "Scope of Work" of the Agreement to reflect the change of the Contractor's name; and

WHEREAS, the Parties now desire to amend Exhibit B entitled "Compensation Schedule and Hourly Fees", to confirm that the rates continue in effect unchanged through January 1, 2023; 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:

 As of the Amendment Effective Date, the preamble to the Agreement is replaced in its entirety as follows:

"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 WSA Engineered Systems,

LLC, a Florida limited liability company, with its main office located at 3000 West Nine Mile Road, Pensacola, FL 32534 ("Contractor") (together sometimes referred to as "Parties") as of November 1, 2018 ("Effective Date") in Roseville, California."

- 2. Section 13.7 Contract Administrator is replaced in its entirety as follows:
 - 13.7 <u>Contract Administrator.</u> This Agreement shall be administered by Michael DeBortoli, Assistant General Manager, or his designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 3. Section 13.8 Notices is replaced in its entirety as follows:
 - 13.8 Notices. Any written notice to Contractor shall be sent to:

WSA Engineered Systems, LLC 3000 W. Nine Mile Rd. Pensacola, FL 32534 Attention: Mary Carabajal Manager, Sales & Marketing Email: maryc@wsaes.com

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

- Exhibit A SCOPE OF SERVICES is amended and restated to read in full as set forth in the attached Exhibit A.
- Exhibit B COMPENSATION SCHEDULE AND HOURLY FEES is amended and restated to read in full as set forth in the Attached Exhibit B.
- 6. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.
- 7. Agency hereby approves the assignment of the Agreement from WSA Engineered Systems, Inc. to WSA Engineered Systems, LLC.

Date:	Date:
NORTHERN CALIFORNIA POWER AGENCY	WSA ENGINEERED SYSTEMS, LLC
RANDY S. HOWARD, General Manager	WILLIAM W. BOESCH, President
Attest:	
Assistant Secretary of the Commission	
Approved as to Form:	
Jane E. Luckhardt, General Counsel	
WSA ENGINEERED SYSTEMS, INC. consents	to the foregoing.
Date:	
Authorized Signatory	

EXHIBIT A

SCOPE OF WORK

As requested by the Agency, WSA Engineered Systems, LLC ("Contractor") shall provide new equipment and/or equipment, materials and offsite maintenance labor at the WSA Engineered Systems facility located in Wauwatosa, Wisconsin, to dismantle, clean, inspect, and provide miscellaneous required parts for:

- Automatic Brush Tube Cleaning Systems
- · Automatic Ball Tube Cleaning Systems
- Automatic Backwash Systems
- · Self Flushing Filter

NO MAINTENANCE WORK MAY BE PERFORMED UNDER THIS AGREEMENT IN CALIFORNIA WITHOUT CONTRACTOR'S PRIOR REGISTRATION WITH DIR.

As requested, Contractor shall provide on-site consulting services including technical supervision, start-up commissioning, and operator training on new systems at NCPA's Geothermal facility.

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:

- 1. WSA requires a purchase order in one of the following forms prior to dispatch:
 - Formal customer purchase order, Fax confirming a verbal order or Approval of verbal order by WSA Service manager or VP of Operations.
- Standard Rate
 - a) \$1150 per day (Minimum charge and billing unit ½ day)
 - b) Above rate based on a six day workweek 8 hours per day Monday through Saturday.
- Over time Rate
 - a) Monday through Saturday (other than above) -----\$180 per hour
- Sunday and Holiday Rate
 - a) \$210 per hour
- Air transportation expenses from WSA's home office to and from location of job site will be invoiced to the customer at cost based on economy class round trip airfare. Evidence by receipt will be submitted as proof of travel.
 - a) Travel labor rate of \$575 per day or portion of day will be charged for travel time from home office to and from city or location of project.
- Accommodation (lodging & meals) charges, transportation and incidental expenses will be invoiced at cost + 10% to customer. Applicable receipts will be submitted as evidence (only Meal receipts over \$25 are retained per WSA Company policy).
- Other expenses: The cost of rental equipment and tools, replacement parts and expendable items purchased from local suppliers by the service representative for the repair and/or service of the customers equipment will be billed to the customer at cost plus 15%.
- Taxes: Any occupation, income, use, or sales tax imposed by any government authority on the transaction shall be paid by the customer.
- Insurance: WSA maintains a program of insurance, which includes Worker's Compensation coverage, General Liability and Automobile Liability coverage. Insurance certificates will be furnished upon customer request.
- Payment to be made within 30 days of receipt of invoice.

The rates for supervisory services mentioned above are in effect until January 1, 2023.

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.



Other



Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

SUBJECT: NorCal Power Services, LLC – First Amendment to Five Year Multi-Task General Services Agreement for Electrical Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

METHOD OF SELECTION:

AGENDA CATEGORY: Consent

Michael DeRortoli

City of Healdsburg

EDOM-

i itom.	Michael Debortor	METHOD OF GELEGIA.				
Assistant General Manager		er <i>N/A</i>	N/A			
Division: Generation Services		If other, please des	If other, please describe:			
Department:	artment: Geothermal					
IMPACTED N	MEMBERS:					
	All Members	\boxtimes	City of Lodi		City of Shasta Lake	
Alameda N	lunicipal Power		City of Lompoc		City of Ukiah	
San Fran	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC	
	City of Biggs		City of Redding		Port of Oakland	
	City of Gridley	П	City of Roseville	П	Truckee Donner PUD	П

City of Santa Clara

If other, please specify

SR: 243:22

RECOMMENDATION:

Approve Resolution 22-115 authorizing the General Manager or his designee to enter into a First Amendment to the five year Multi-Task General Services Agreement with NorCal Power Services, LLC for electrical maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$500,000 to \$1,500,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Electrical maintenance related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task General Services Agreement with NorCal Power Services, LLC effective September 1, 2020, for an amount not to exceed \$500,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

This agreement has been used by NCPA Members through NCPA's Support Services Program. NCPA's Geothermal Facility recently awarded work to NorCal Power Services, LLC for SF6 breaker testing and refurbishment services, which will result in this agreement running low on funds. NCPA now desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increasing the not to exceed amount from \$500,000 to \$1,500,000 to ensure there are sufficient funds available for the remainder of the contract term. Exhibit B — Compensation Schedule and Hourly Fees will also be amended as requested by the vendor to reflect an increase in labor and material costs. This agreement will continue to be available for use at any facility owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has agreements in place for similar services with Electrical Maintenance Consultants, Gold Electric, Inc., Eaton Corporation, Electrical Power Systems International, Inc., and Knight's Electric. Inc.

FISCAL IMPACT:

Upon execution, the total not to exceed amount of the agreement will increase from \$500,000 to \$1,500,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The Facilities Committee will review this proposal at its meeting on November 2, 2022.

The Lodi Energy Center Project Participant Committee will review this proposal at its meeting on November 7, 2022.

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments (3):

- Resolution 22-115
- Multi-Task General Services Agreement with NorCal Power Services, LLC
- First Amendment to Multi-Task General Services Agreement with NorCal Power Services, LLC

RESOLUTION 22-115

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH NORCAL POWER SERVICES, LLC

(reference Staff Report #243:22)

WHEREAS, Northern California Power Agency (NCPA) entered into a Multi-Task General Services Agreement with NorCal Power Services, LLC for electrical maintenance related services, effective September 1, 2020, for an amount not to exceed \$500,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, this agreement has been used by NCPA Members through NCPA's Support Services Program. NCPA's Geothermal Facility recently awarded work to NorCal Power Services, LLC for SF6 breaker testing and refurbishment services, which will result in this agreement running low on funds; and

WHEREAS, NCPA now desires to enter into a First Amendment to the current Multi-Task General Services Agreement to increase the not to exceed amount from \$500,000 to \$1,500,000 to ensure sufficient funds are available for the remainder of the contract term, and to amend Exhibit B – Compensation Schedule and Hourly Fees as requested by the vendor to reflect an increase in labor and material costs; 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, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED to	his day of	, 2022 by the following vote
on roll call:	**************************************	

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

JERRY SERVENTI	ATTEST:	CARY A. PADGETT
CHAIR		ASSISTANT SECRETARY



MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND NORCAL POWER SERVICES LLC

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 <u>Standard of Performance.</u> 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.
- 4.3 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided. Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed. At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

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

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

- 2.1 <u>Invoices.</u> 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 <u>Authorization to Perform Work.</u> 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 <u>Timing for Submittal of Final Invoice.</u> 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.
- <u>Section 3.</u> <u>FACILITIES AND EQUIPMENT.</u> 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 <u>Automobile Liability</u>. 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.

- Professional Liability Insurance. Contractor shall maintain professional liability 4.3 insurance appropriate to Contractor'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 Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) 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 claimsmade 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 Pollution Insurance. Not Applicable.
- 4.5 All Policies Requirements.
 - 4.5.1 <u>Verification of coverage.</u> 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 <u>Higher Limits.</u> 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 <u>Waiver of Subrogation.</u> 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.

- 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 <u>Transfer of Title.</u> 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 <u>Contractor Not Agent.</u> 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 <u>Certification as to California Energy Commission.</u> If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 <u>Certification as to California Energy Commission Regarding Hazardous</u>

 <u>Materials Transport Vendors.</u> 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 <u>Compliance with Applicable Laws.</u> Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 <u>Licenses and Permits.</u> 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 <u>Survival.</u> 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.

- 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 <u>Use of Agency Equipment.</u> 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 <u>Assignment of Warranties.</u> 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 <u>Attorneys' Fees.</u> 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 <u>Severability.</u> 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 <u>No Implied Waiver of Breach.</u> 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 <u>Successors and Assigns.</u> 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:

NorCal Power Services LLC Attention: Aaron Stone 3917 Auburn Folsom Road Loomis, CA 95650

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 <u>Professional Seal.</u> 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 <u>Alternative Dispute Resolution</u>. 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.

- 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 <u>Counterparts.</u> 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 <u>Construction of Agreement.</u> 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.

SIGNATURES ON FOLLOWING PAGE

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

NORTHERN CALIFORNIA POWER AGENCY	NORCAL POWER SERVICES LLC
Date 9/1/20	Date 8/6/20
RANDY'S. HOWARD, General Manager	AARON STONE, Owner
Assistant Secretary of the Commission	
Approved as to Form:	
Jane E. Luckhardt, General Counsel	

EXHIBIT A

SCOPE OF WORK

NorCal Power Services LLC ("Contractor") shall provide electrical maintenance related services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

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

- Protection relay testing
- NERC PRC and MOD standards compliance services
- · Substation and generation electrical equipment maintenance and testing
- Limited repair capabilities of substation and generation electrical equipment
- Power system studies
- Protection relay upgrades
- OSIsoft PI support
- · Emerson Ovation and ABB Bailey DCS support
- General combined cycle power plant troubleshooting including process equipment and instrumentation
- Engineering

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:

- Travel time = \$50/hr
- Vehicle miles charge = current year federal mileage rate
- Electrical equipment field testing w/specialized test equipment = \$170/hr straight time
- Protective relay testing = \$170/hr straight time
- Protective relay programming = \$150/hr straight time
- On-site troubleshooting = \$150/hr straight time
- Licensed Professional Engineer = \$200/hr straight time

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

1. AARON STONE OWNER				
(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				
NorCal Power Services LLC				
(Company name)				
for contract work at:				
LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242				
(Project name and location)				
have been conducted as required by the California Energy Commission Decision for the above-named project. (Signature of officer or agent)				
Dated this day of				
THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURIT				

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

(Name of person signing affidavit)(Title)
hereby certify that the below-named company has prepared and implemented security plans conformity with 49 CFR 172, subpart I and has conducted employee background restigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to se,
(Company name)
hazardous materials delivery to:
LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242
(Project name and location)
required by the California Energy Commission Decision for the above-named project.
(Signature of officer or agent)
ted this day of, 20
IS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY AN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY E CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT E

ATTACHMENT A [from MLA] AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED:	Name of Employer	
		(Authorized Officer & Title)
		(Address)



FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND NORCAL POWER SERVICES, LLC

and be	irst Amendment ("Amendment") to Multi-Task General Services Agreement is entered into by etween the Northern California Power Agency ("Agency") and NorCal Power Services, LLC ractor") (collectively referred to as "the Parties") as of, 2022.
electric	WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated ve September 1, 2020, (the "Agreement") for NorCal Power Services, LLC to provide cal maintenance related services at any facilities owned or operated by Agency, NCPA ers, Southern California Public Power Authority (SCPPA) or SCPPA Members; and
	WHEREAS, the Agency now desires to amend the Agreement to increase the total ensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$500,000 to a TO EXCEED" amount of \$1,500,000; and
	WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and
and sig	WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing gned by all the Parties; and
	NOW, THEREFORE, the Parties agree as follows:
1.	<u>Section 2—Compensation</u> of the Agreement is amended and restated to read as follows:
	Agency hereby agrees to pay Contractor an amount NOT TO EXCEED ONE MILLION FIVE HUNDRED THOUSAND dollars (\$1,500,000) 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 B – COMPENSATION SCHEDULE is amended and restated to read in full as set forth in the Attached Exhibit B.
3.	This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.
///	
///	

Date:	Date:
NORTHERN CALIFORNIA POWER AGENCY	NORCAL POWER SERVICES, LLC
RANDY S. HOWARD, General Manager	AARON STONE, Owner
Attest:	
Assistant Secretary of the Commission	
Approved as to Form:	
Jane E. Luckhardt, General Counsel	

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

- Travel time = \$70/hr
- Vehicle miles charge = current year federal mileage rate
- Electrical equipment field testing w/specialized test equipment = \$180/hr straight time
- Protective relay testing = \$180/hr straight time
- Protective relay programming = \$150/hr straight time
- On-site troubleshooting = \$160/hr straight time
- Licensed Professional Engineer = \$220/hr straight time

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: November 3, 2022

SUBJECT: FY2023 Schedule Coordination Program Agreement Balancing Account Deposit

Requirement Deferral

AGENDA CATEGORY: Discussion/Action

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

IMPACTED MEMBERS:					
All Members		City of Lodi		City of Shasta Lake	
Alameda Municipal Power	\boxtimes	City of Lompoc	\boxtimes	City of Ukiah	
San Francisco Bay Area Rapid Transit	\boxtimes	City of Palo Alto	\boxtimes	Plumas-Sierra REC	\boxtimes
City of Biggs	\boxtimes	City of Redding		Port of Oakland	\boxtimes
City of Gridley	\boxtimes	City of Roseville	\boxtimes	Truckee Donner PUD	
City of Healdsburg	\boxtimes	City of Santa Clara	\boxtimes	Other	
		If other, please specify			

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FY2023 Schedule Coordination Program Agreement Balancing Account Deposit Requirement Deferral November 3, 2022 Page 2

RECOMMENDATION:

Approve Resolution 22-113 authorizing the General Manager or his designee to defer the FY2023 \$9.5 million deposit collection for the Schedule Coordination Program Agreement Balancing Account until the final recommendations of the Reserve and Program Security Deposit Study can be approved by the Commission.

BACKGROUND:

The Northern California Power Agency (NCPA) provides various Power Management services to its members pursuant to service-based agreements. One of those agreements is the Amended and Restated Scheduling Coordination Program Agreement (SCPA). Scheduling Coordination Services include but are not limited to, the submission of schedules and bids on behalf of members, obtaining and maintaining settlement quality meter data, performing outage coordination for planned and unplanned outages, validation and reconciliation of CAISO settlement charges and credits, and allocating CAISO charges and credits among the members.

Section 10.1 of the SCPA states:

"...a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months..."

When the FY2023 budget was prepared and approved, forward market prices indicated higher than normal prices significantly increasing the calculated deposit requirement. Participants were expected to deposit an additional \$9.5 million (see table below) to stay in compliance with the terms of the agreement. During the budget review process, participants commented that their costs were already strained with other, non-controllable increases such as Transmission and Load Aggregation costs and this deposit requirement only exasperated their challenges. The participants and NCPA agreed to collect the incremental requirement on a quarterly basis starting with the September ARB bill as opposed to the standard practice of collecting 100% of the deposit requirement with the July ARB. The purpose of this one-time change was to allow time for the participants to collect summer-related receipts from their ratepayers and allow NCPA time to engage with a consultant to study the various reserve and program security deposit agreement requirements and compare them with industry best practices.

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FY2023 Schedule Coordination Program Agreement Balancing Account Deposit Requirement Deferral November 3, 2022 Page 3

Table from FY2023 Approved Budget Sec G_Reserves, Page G-4

Participant	Balancing Account Current Balance Proposed Adjustments										
			Current Requirement Adjustments								
	Balance as of January 31, 2022		90%	Amounts Less 90% Minimum)% Minimum (Bill to Particip		6 Minimum			Amounts Greater Than 110% Maximum (Credit to Participants)	Total Participant Balances After Adustments	
Alameda BART Biggs Gridley Healdsburg Lodl Lompoc Palo Alto Plumss Port of Oakland Santa Clara	s	2,595,994 2,804,244 117,829 237,431 580,048 3,586,399 1,069,515 6,516,093 897,970 1,172,793 13,604,205	\$	3,390.449 4,479.527 189.934 177.681 646.088 5,202.101 1,207,665 8,060,281 1,475,642 1,440,340 16,067,029	\$	794,455 1,675,283 72,105 66,040 1,615,702 138,150 1,544,188 577,671 267,548 2,462,823	\$	4,143.882 5,474.977 232,142 217,165 789.663 6,358.123 1,476,035 9,851,455 1,803.562 1,760.416 19,637,479	(20,266)	\$	3,390,449 4,479,527 189,934 217,165 646,088 5,202,101 1,207,665 8,060,281 1,475,642 1,440,340 16,067,029 1,180,786
Ukiah	\$	912,049 34,094,570		1,180,786 43,517,52	\$	268,736 9,482,701	5	1,443.182 53.188.081	\$ (20,266)	s	1,160 43,557

NCPA's 2021-2026 Strategic Plan identified a goal to review the reserve and program security deposit policies to ensure collected balances are meeting the emerging market risks and opportunities. In conjunction with that goal and the member sentiments about the additional SCPA collection, staff solicited an RFP for a Reserve and Program Security Deposit Study in May. NCPA selected Utility Financial Solutions (UFS) to perform the study and work commenced in June. Over the last two months, staff met several times with UFS providing documentation, answering questions, and reviewing each project reserve and program deposit requirement. The draft recommendations were reviewed with the Finance Committee at a Special Meeting in September prior to reviewing this study with the Facilities Committee in October. The consultant's draft recommendations are based on industry best practices, and in regards to the SCPA program. UFS recommended that NCPA collect the highest two months of estimated CAISO costs (an amount roughly equal to what NCPA is holding today) instead of the three months currently required by the program agreement. This was largely based on NCPA's cash flow with the timing of collections from participants and payments to CAISO. The Finance Committee made a motion for staff to review with the Facilities Committee and request a recommendation for Commission approval to defer the FY2023 deposit collection until the study and final recommendations can be reviewed and approved by the Commission.

SCPA Agreement, Section 12: Administration of Agreement Section 12, sub-section 12.1 states:

"The Commission has sole overall responsibility and authority for the administration of this Agreement. Any acts, decisions or approvals taken, made or sought by NCPA under this Agreement shall be taken, made or sought, as applicable, in accordance with the Joint Powers Agreement, the NCPA Commission Bylaws and Section 12.2 of this Agreement."

This section grants the Commission the ability to direct staff on how to administer aspects of the agreement including the deposit requirements of the Balancing Account subject to a review and recommendation from the Facilities Committee, a quorum of the Commission, and a majority

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FY2023 Schedule Coordination Program Agreement Balancing Account Deposit Requirement Deferral November 3, 2022
Page 4

vote of the Participants. In addition, NCPA is currently holding a significant amount of funds in the reserve (\$34 million), and the Agency's CFO and Treasurer/Controller believe that the balance is sufficient to cover any short-term cash flow issues related to the SCPA program while the study is being reviewed. Lastly, while the SCPA grants authority for NCPA to issue special or emergency invoices if needed, no participant has ever defaulted on their obligations. Due to those facts, the Agency's CFO and Treasurer/Controller recommend deferring collections until the final recommendations of the study can be reviewed and approved by the Commission.

FISCAL IMPACT:

Approval of Resolution 22-113 will not have a direct impact on the appropriations already authorized by the approval of the FY2023 budget. This action will only defer collections, if any, after a review of the final recommendations of the Reserve and Program Security Deposit Study is approved by the Commission.

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 September 15, 2022 the Finance Committee reviewed and endorsed the recommendation above for Commission approval.

On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments:

Resolution 22-113

NCPA's Reserve and Program Security Deposit Presentation prepared by UFS

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RESOLUTION 22-113

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A DEFERRAL OF THE FY2023 SCHEDULE COORDINATION PROGRAM AGREEMENT BALANCING ACCOUNT DEPOSIT REQUIREMENT

(reference Staff Report #238:22)

WHEREAS, the Northern California Power Agency's (NCPA) Power Management division provides various services to its members pursuant to service-based agreements and one of those agreements is the Amended and Restated Scheduling Coordination Program Agreement (SCPA); and

WHEREAS, Scheduling Coordination Services include but are not limited to, the submission of schedules and bids on behalf of members, obtaining and maintaining settlement quality meter data, performing outage coordination for planned and unplanned outages, validation and reconciliation of CAISO settlement charges and credits, and allocating CAISO charges and credits among the members; and

WHEREAS, Section 10.1 of the SCPA states a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months; and

WHEREAS, when the FY2023 budget was approved, forward market prices indicated higher than normal prices significantly increasing the calculated deposit requirement and SCPA participants were expected to deposit an additional \$9.5 million to stay in compliance with the terms of the agreement; and

WHEREAS, NCPA engaged with Utility Financial Solutions (UFS), a rate design and cost of service consultant, to study NCPA's reserves and program security deposit requirements and UFS recommended collecting only the highest two months (instead of three) of estimated CAISO costs for the SCPA program due to the cash flow timing of collections from participants and payments to the CAISO, and

WHEREAS, both the Finance and Facilities Committee reviewed the study and recommended a deferral of the FY2023 SCPA Balancing Account deposit requirement until the final recommendations are approved by the Commission; and

WHEREAS, Section 12.1 of the SCPA states the Commission has sole overall responsibility and authority for the administration of this Agreement. Any acts, decisions or approvals taken, made or sought by NCPA under this Agreement shall be taken, made or sought, as applicable, in accordance with the Joint Powers Agreement, the NCPA Commission Bylaws and Section 12.2 of this Agreement; and

WHEREAS, SCPA Section 12.1 grants the Commission the ability to direct staff on how to administer aspects of the agreement including the deposit requirements of the Balancing Account subject to a review and recommendation from the Facilities Committee, a quorum of the Commission, and a majority vote of the Participants; and

WHEREAS, NCPA is currently holding a significant amount of funds in the reserve matching an amount roughly equal to the consultant's recommendation that is sufficient to cover any short-term cash flow issues related to the SCPA program and while the SCPA grants authority for NCPA to issue special or emergency invoices if needed, no participant has ever defaulted on their obligations; 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 defer the FY2023 \$9.5 million deposit collection for the Schedule Coordination Program Agreement Balancing Account until final recommendations of the Reserve and Program Security Deposit Study can be approved by the Commission.

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



Northern California Power Agency

Cash Reserve Methodology Study

Mark Beauchamp President, Utility Financial Solutions, LLC

Presentation Objectives

Review methodologies for the following:

- Operating Reserves
 - Hydroelectric Maintenance Reserve
 - Geothermal Maintenance Reserve
 - CT1 Maintenance Reserve
 - CT2 Maintenance Reserve
 - LEC Maintenance Reserve + O&M Reserve
- NCPA Working Capital
- Security Deposits
 - SCPA Balancing Account
 - Market Power Purchase Program
 - Gas Purchase Program



Operating Reserves

Components of Calculation for Each Resource

Working Capital

Budget Expense – moved from NCPA WC calculation

Fuel Expense / CAISO Charges

Max month of the budgeted fuel / CAISO expense

Market Exposure – Outages / Variability

The incremental cost to purchase replacement power

Contingency

To begin repairs if the unit goes down – higher risk for older units

Five-Year Capital Improvements

To fund the current capital plan



CT 1 Working Capital and Operating Reserves

Description	2023
Minimum Cash Reserve Allocation	
Working Capital CT 1	8.2%
Fuel Expense	7.6%
Market Exposure - Outages	100.0%
Contingency	3.0%
Five Year Capital Improvements - Net of bond proceeds	20.0%
Calculated Minimum Cash Level	
Working Capital CT 1	\$ 280,450
Fuel Expense	105,845
Market Exposure - Outages	8,616
Contingency	1,232,000
Five Year Capital Improvements - Net of bond proceeds	455,140
Minimum Cash Reserve Levels	\$ 850,051
Minimum Days cash on hand (WITH contingency)	\$ 2,082,051
Current Reserve	\$ 3,035,456
Minimum Days cash on hand (no contingency)	59
Minimum Days cash on hand (WITH contingency)	145

30 days working	capital	
CT 1 Incremental Cost E	valuation	
Variable Cost	s	
CT1 Calculation		
Monthly Incremental Gas Cost / mmbtu	\$	2.00
Heat Rate		16,076
Max Month MWh 2021		3,292
Incremental Cost / kWh	\$	0.0322
Max Cash on Hand	\$	105,844.60
Budgeted Fuel Cost	\$	1,389,424.00
Percent to Min Cash		7.6%

Units Constructed in 1984, 38 years old



CT 2 Working Capital and Operating Reserves

Description	2023
Minimum Cash Reserve Allocation	
Working Capital CT 2 - to be moved to Working Capital	8.2%
Fuel Expense	9.1%
Decommissioning Costs	100.0%
Five Year Capital Improvements - Net of bond proceeds	20.0%
Calculated Minimum Cash Level	
Working Capital CT 2 - to be moved to Working Capital	\$ 240,163
Fuel Expense	194,194
Decommissioning Costs	12,600,000
Five Year Capital Improvements - Net of bond proceeds	67,000
Minimum Cash Reserve Levels	\$ 501,358
Minimum Days cash on hand (WITH Decomm)	\$ 13,101,358
Current Reserve	617,280
Minimum Days cash on hand (no contingency)	36
Minimum Days cash on hand (WITH Decomm)	933

CT 2 will not be repaired if it goes down. Therefore, there is no contingency or market exposure attributed to CT 2.

We have included the decommissioning costs to establish an upper boundary of cash to be held for this unit.



LEC Working Capital, Maintenance and O&M Reserves

Description		2023
Minimum Cash Reserve Allocation		
Working Capital LEC - to be moved to Working Capital		16.4%
Fuel Expense		4.2%
Market Exposure - Outages		0.0%
Contingency		2.0%
Five Year Capital Improvements - Net of bond proceeds		20.0%
Calculated Minimum Cash Level		
Working Capital LEC - to be moved to Working Capital	\$	4,021,093
Fuel Expense		2,698,440
Market Exposure - Outages		-
Contingency		6,500,000
Five Year Capital Improvements - Net of bond proceeds		4,359,992
Minimum Cash Reserve Levels	\$	11,079,526
Minimum Days cash on hand (WITH contingency)	\$	17,579,526
Current Reserve		12,482,270
Minimum Days cash on hand	45	
Minimum Days cash on hand (WITH contingency)	72	

The working capital requirement is 60 days per the Bond Covenant.

LEC market exposure due to outages is accounted for in the SCPA balancing account.

Reserve calculation indicates the total cash between the existing maintenance reserve and O&M reserve.



Geothermal Working Capital and Operating Reserves

Description		2023
Minimum Cash Reserve Allocation		
Working Capital Geo		8.2%
CAISO Charges		4.9%
Variability in costs due to market changes		100.0%
Contingency	1.0%	
Five Year Capital Improvements - Net of bond proceeds		20.0%
Calculated Minimum Cash Level		8
Working Capital Geo	\$	2,478,496
CAISO Charges		29,793
Variability in costs due to market changes		1,837,299
Contingency		3,713,385
Five Year Capital Improvements - Net of bond proceeds		2,835,325
Minimum Cash Reserve Levels	\$	7,180,913
Minimum Days cash on hand (WITH contingency)	\$	10,894,299
Current Reserve		4,672,257
Minimum Days cash on hand (no contingency)	85	
Minimum Days cash on hand (WITH contingency)		129

CAISO percentage determined based on 90-day true up and 20% variation between prebill + actual

Contingency percent is based on the risk of earthquakes, erosion, and corrosion.



Hydro Working Capital and Operating Reserves

Description	2023
Minimum Cash Reserve Allocation	
Working Capital Hydro	8.2%
CAISO Charges	4.9%
Variability in costs due to market changes	100.0%
CDR	0.0%
Contingency	0.5%
Five Year Capital Improvements - Net of bond proceeds	20.0%
Calculated Minimum Cash Level	
Working Capital Hydro	\$ 1,503,047
CAISO Charges	60,997
Variability in costs due to market changes	1,044,508
CDR	-
Contingency	1,938,125
Five Year Capital Improvements - Net of bond proceeds	2,287,000
Minimum Cash Reserve Levels	\$ 4,895,552
Minimum Days cash on hand (With Contingency)	\$ 6,833,677
Current Reserve	4,490,363
Minimum Days cash on hand (no contingency)	92
Minimum Days cash on hand (WITH contingency)	128

CDR account is held separately for large capital projects

FERC



NCPA Working Capital

Components of Calculation

- Generation Resources and Transmission will now have working capital reserves maintained through each resource
- NCPA Working Capital is for NCPA-specific management services
- A 30-day capital lag is used to calculate working capital needs

Description	2023
Minimum Cash Reserve Allocation	
Management Services	8.2%
Calculated Minimum Cash Level	
Management Services	\$ 1,484,233
Minimum Cash Reserve Levels	\$ 1,484,233
Current Reserve	\$ 10,121,552
Days Cash on Hand	30



NCPA Operating Reserves Summary

	Minimum			Reserve equirement			į	Difference - Current to	
		Reserve	with			Current Reserve with			
Resource		equirement	Contingencies			Reserve Contingencies			_
CT - 1	\$	850,051	\$	2,082,051	\$	3,035,456	\$	953,405	
CT - 2		501,358		501,358		617,280		115,922	Decomissioning Costs Removed
LEC		11,079,526		17,579,526		12,482,270		(5,097,255)	
GEO		7,180,913		10,894,299		4,672,257		(6,222,041)	
Hydro		4,895,552		6,833,677		4,490,363		(2,343,313)	Additional reserves required for CDR
NCPA Working Capital		1,484,233		1,484,233		10,121,552		8,637,319	WC included in resource reserves
Total	\$	25,991,632	\$	39,375,142	\$	35,419,178	\$	(3,955,964)	



Security Deposits

Components of Calculation for Each Resource

- SCPA Account
 - 2 Max months of the gross budgeted cost by member
 - Justification: necessary to cover NCPA float days between CAISO payment date and Prebill and to mitigate the risk of a member not paying or paying late
 - Lodi Energy Market Risk LEC participants only
- MPP and GPP Accounts
 - Max Budgeted Contract Month by Member
 - 3 Max months Mark to Market by Member
 - Justification: necessary to cover the risk of a member not paying or paying late plus the risk of variance between real-time market pricing and budget



SCPA Total Reserves

202	3 Gross Budget
\$	467,468,943
	517,775
	7.0%
	100.0%
	32,877,276
	517,775
\$	33,395,051
\$	34,261,105
	26
	\$

The LA risk of 7.0% is determined by summing the member's two max months and taking the sum as a percent of the gross budget.

LEC compliance cash (market risk) is determined using the incremental cost of replacement power should the LEC experience an unplanned outage. This is only applied to the outage prior to scheduling through Load Aggregation, therefore an average day / max month factor is used to determine the total risk.



SCPA Minimum Security Deposit by Member and Participant

Members		x Month 1 23 Budget)		ax Month 2 023 Budget)		Total Load	LEC Allocation	LE	C Donosit	52 W AND HEAD HEAD			Current SCPA Balance		NCPA dgeted June 023 Balance
ALA	\$	1,354,784	\$	1,208,803	\$	2,563,587	0.0%		- Deposit	\$	2,563,587	\$	2,610,855	\$	3,405,310
BART	Ş	1,686,020	Ş	1,647,892	Ş	3,333,912	6.6%	Ş	34,173	ې	3,368,085	Ş	2,808,300	Þ	
		141401001001004111000000		To be designed to the control of the		and the second s	Court Secretar		ALAM MARKET LINES		A DOMESTIC CONTRACTOR OF THE PARTY OF THE PA				4,483,583
BIG		85,146		66,288		151,434	0.3%		1,387		152,821		118,555		190,661
GRI		89,204		72,675		161,879	2.0%		10,171		172,050		238,895		218,629
HEA		258,367		243,884		502,251	1.6%		8,506		510,757		583,623		649,663
LOD		2,117,877		2,033,209		4,151,086	9.5%		49,189		4,200,275		3,606,709		5,222,411
LOM		477,897		432,156		910,053	2.0%		10,540		920,593		1,076,108		1,214,258
PAL		3,009,888		2,985,292		5,995,180	0.0%		-		5,995,180		6,551,438		8,095,627
PLU		569,626		560,469		1,130,095	0.8%		4,068		1,134,163		903,506		1,481,177
POR		549,712		547,516		1,097,228	0.0%		-		1,097,228		1,180,022		1,447,570
SNCL		6,009,439		5,933,225		11,942,664	25.8%		133,327		12,075,991		13,665,423		16,128,247
UKI		523,116		414,791		937,907	1.8%		9,246		947,153		917,671		1,186,408
Subtotal Member	Deposits	3			\$	32,877,276				\$	33,137,883	\$	34,261,105	\$	43,723,541
Other Participant	s														
TID	\$	5 <u>2</u> 8	\$	2	\$	_	0.0%	\$	_		2				
CDWR		-		-		-	33.5%		173,455		173,455				
Azusa		-		~		-	2.8%		14,424		14,424				
PWRPA		17.5				-	2.7%		13,814		13,814				
MID		-		-			10.7%		55,476		55,476				
Subtotal Other					\$	-				\$	257,168	0.			
Total SCPA Securi	ity Depo	sits					A			\$	33,395,051		ME	É 1	TILITY FINANCIA

MPP Minimum Security Deposit

The methodology for the MPP Security Deposit is to collect the maximum budgeted contract month plus the highest three months of budgeted mark to market cost by member. This deposit may be reevaluated per the same specifications outlined in the original agreement.

	Max					Current
	Contract	Max 1 Mark	Max 2 Mark	Max 3 Mark		MPP
Member	Month	to Market	to Market	to Market	Total Deposit	Balance
ALA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,536
BART	352,764	22,635	17,308	~	392,707	2,593,495
BIG	21,224	-	88	-	21,224	62,856
GRI	22,306	-	SH.		22,306	68,610
HEA	-	=		-		30,654
LOD	476,155	-	· ·		476,155	305,466
LOM	89,746	2	i ii	12	89,746	33,296
PAL	820,096	-	t=) - :	820,096	2,372,192
PLU	÷	=	(-	*	= = =	÷ -
POA	34,186		3-		34,186	157,601
РОН	31,262	X <u>—</u>	-	-	31,262	6 1 5 X
UKI	22,306	N=	÷-	(- (22,306	107,176
Total	\$1,870,045	\$ 22,635	\$ 17,308	\$ -	\$ 1,909,988	\$5,756,882



GPP Minimum Security Deposit

The methodology for the GPP Security Deposit is to collect the maximum budgeted contract month plus the highest three months of budgeted mark to market cost by member. This deposit may be reevaluated per the same specifications outlined in the original agreement.

Member	Max Contract Month	Max 1 Mark to Market	Max 2 Mark to Market	Max 3 Mark to Market	Total Deposit	Current GPP Balance
BART	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 699,525
BIG	5,293	.=	-	-	5,293	23,504
GRI	28,437	-	=	=	28,437	78,875
HEA	43,562	-	-	·=-	43,562	99,012
LOD	265,515	-	<u>=</u>	-	265,515	761,719
LOM	99,484	-	-	-	99,484	87,474
UKI	56,311	-	-	*	56,311	107,993
Total	\$498,602	\$ -	\$ -	\$ -	\$498,602	\$ 1,858,102



Questions?

JFS UTILITY FINANCIAL SOLUTIONS, LLC







Commission Staff Report

COMMISSION	N MEETING DATE	E: 1	November 3, 2022			
SUBJECT:	Overview of Budge NCPA Operating E			eque	st for Guidance of FY202	4
AGENDA CAT	rEGORY: Discus	sion/A	ction			
FROM:	Monty Hanks	HA	METHOD OF	SELI	ECTION:	
	Assistant Genera Manager/CFO	ı	N/A			
Division:	Administrative Se	ervices	If other, please des	cribe:		
Department:	Accounting & Fin	ance				
IMPACTED I	MEMBERS:					
	All Members	\boxtimes	City of Lodi		City of Shasta Lake	
Alameda I	Municipal Power		City of Lompoc		City of Ukiah	
San Fra	ncisco Bay Area Rapid Transit		City of Palo Alto		Plumas-Sierra REC	
	City of Biggs		City of Redding		Port of Oakland	
	City of Gridley		City of Roseville		Truckee Donner PUD	
Cit	ty of Healdsburg		City of Santa Clara		Other	
			If other, please specify			
ı						

SR: 240:22

RECOMMENDATION:

Staff recommends the Commission provide guidance and direct staff to prepare the FY2024 Operating Budget in accordance with the accepted directions.

BACKGROUND:

As part of the budget process, staff is seeking Commission guidance of budget directions prior to budget preparation for the next fiscal year (FY2024). Staff discussed the budget review process and specific budget directions/targets with the Facilities Committee and Utility Directors at their meetings on October 5th and 13th, respectively. No changes were suggested by the Utility Directors.

FISCAL IMPACT:

Direction provided in this presentation will provide budget guidance for FY2024. Specific fiscal impact is not known at this time. Actual fiscal impact will be presented at the time of final approval of the budget, currently scheduled for April 2023.

ENVIRONMENTAL ANALYSIS:

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

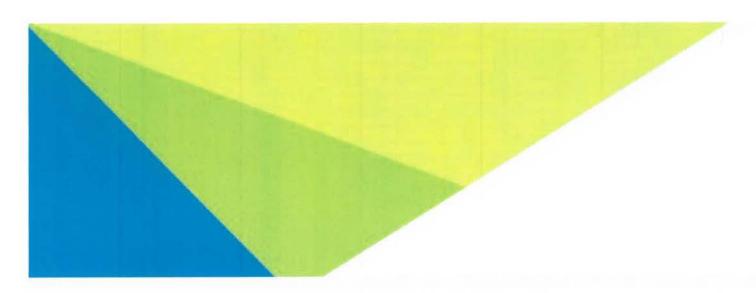
Respectfully submitted,

RANDY S. HOWARD General Manager

Attachments:

Budget Directions FY2024 Presentation

SR: 240:22





Annual Budget for FY24 Proposed Process and Recommendations

Monty Hanks October 2022



NCPA Strategic Plan 2021-2026

Mission

 We provide cost effective wholesale power leading to a reliable and resilient carbon neutral supply, ratepayer focused power management, sustainable generating assets, energy-related services, and advocacy on behalf of public power consumers through joint action.

Vision

 To be the premier provider of energy generation, energy-related services and support to our citizen owned members and customers.

Strategic Priorities

Attract	Develop and retain professional, diverse, high quality staff and governance
Advocate	Maintain position as a credible, solution-oriented coalition builder and leader in state and federal legislative and regulatory policy arenas
Prepare	Develop and maintain diverse generation resource portfolio in accordance with or exceeding renewable portfolio standard and capacity obligations
Protect	Prepare, utilize and build on the strengths and unique aspects and aggregation of joint powers agency structure to benefit NCPA's members
Value	Develop and enhance strategies to control costs and minimize risks while optimizing the value of assets
Strength	Maintain financial strength, grow new revenue to reduce member costs
Opportunity	Provide products and services that enhance the opportunity that NCPA Member utilities provide to their communities



Proposed Budget Process

- Continued approach to review draft budgets through Facilities,
 LEC and L&R Committees, UD Meetings, etc.
- Budget is prepared on a project/program basis
- Allocated costs (Power Mgmt., L&R, Judicial Action, A&G, and direct allocations) will use previously approved methods – no changes proposed at this time but will be reviewed internally
- Reserves and Program Security Deposits based on agreements and/or Commission direction
- Continued focus on NCPA controllable costs and aligning budgets with expectations and previous actuals



NORTHERN CALIFORNIA POWER AGENCY ANNUAL BUDGETS

GENERATION RESOURCES

NCPA Plants -

Controllable Plant Operating Costs

Pass Through Plant Costs

Total NCPA Plants

Member Resources - Energy

Member Resources - Natural Gas

Western Resources

NCPA Contracts & Market Power Purchases

Load Aggregation Costs

Net GHG Obligations

TOTAL GENERATION RESOURCES

TRANSMISSION - Independent System Operator

MANAGEMENT SERVICES

Legislative & Regulatory

Judicial Action

Judicial Action - Direct to Programs

Power Management

Power Management - Direct to Programs

Energy Risk Management

Settlements

Integrated Systems Support

TOTAL MANAGEMENT SERVICES

PARTICIPANT PASS THROUGH COSTS (TANC, DUES, ETC)

SUPPORT SERVICES

SUPPORT SERVICES REIMBURSEMENTS

TOTAL NET ANNUAL BUDGET COST

PM Service Revenue

Member Owned Generation ISO Energy Revenue

Revenue from Customers

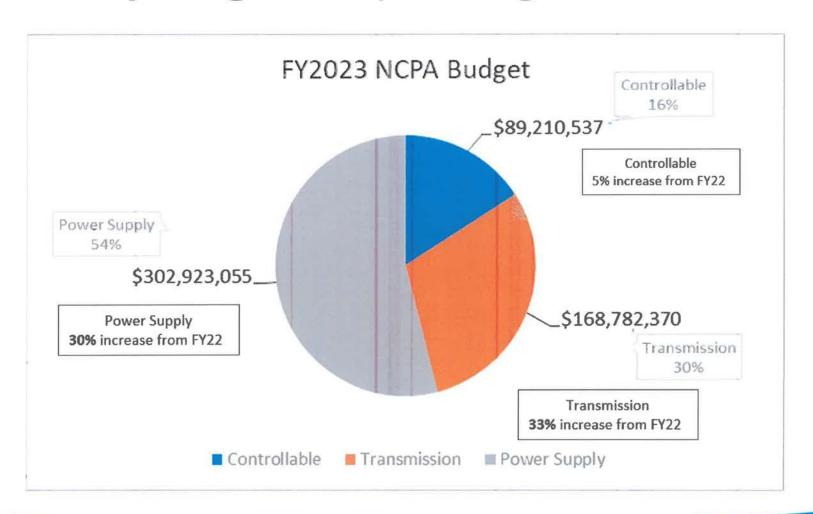
TOTAL NET ANNUAL BUDGET COST

-	FISCAL	AR ENDED J	beff it No Been.	55
	pproved	 roposed		
	2022	2023		Inc/(Dec)
s	71,382,606	\$ 74,155,242	\$	2,772,636
	14,258,263	(42,274,861)		(56,533,124)
	85,640,869	31,880,381		(53,760,488)
	19,326,063	11,935,345		(7,390,718)
	(430,986)	(1,320,270)		(889,284)
	(2,319,736)	(10,789,796)		(8,470,060)
	3,342,418	(4,610,056)		(7,952,474)
	282,244,061	467,468,943		185,224,882
	1,276,784	920,891		(355,893)
	389,079,473	495,485,438		106,405,965

26.572.671	168.782.370	42,209,699
	26,572,671	26,572,671 168,782,370

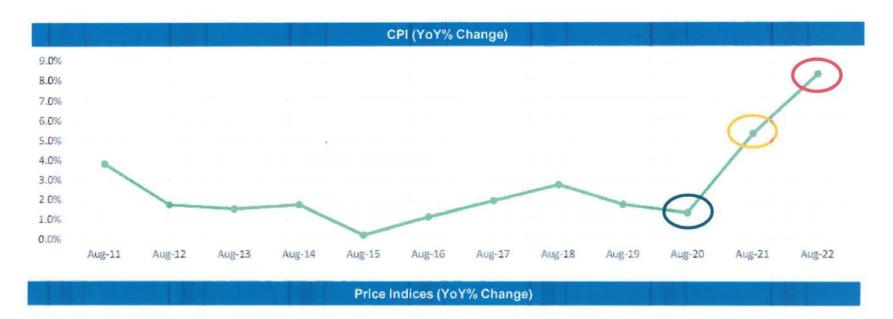
3,897,707	4,268,660		370,953
300,000	460,000		160,000
(48,812)	(62,836)		(14,024)
11,789,724	12,169,921	1	380,197
(1,454,857)	(1,387,892)		66,965
193,709	143,431		(50,278)
970,127	1,006,749		36,622
303,475	402,411		98,936
15,951,073	17,000,444		1,049,371
1,717,765	1,665,647		(52,118)
47,000	47,000		2
(47,000)	(47,000)		
533,320,982	682,933,899		149,612,917
(2,363,211)	(1,945,149)		418,062
(83,954,288)	(118,407,141)		(34,452,853)
-			
\$ 447,003,483	\$ 562,581,609	\$	115,578,126





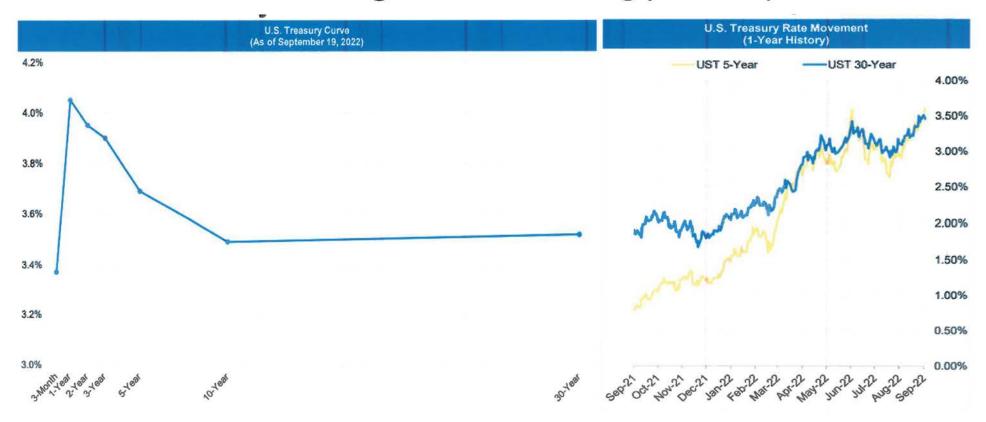


- Inflation continued pressures
 - Impact to plant O&M budgets
 - Used as a baseline for increases in routine expenses



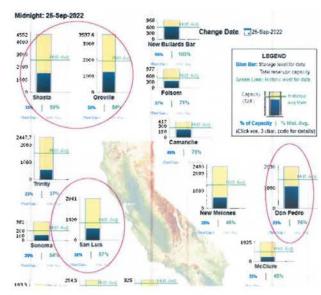


- Fed Funds
 - Last year, the range was 0 0.25%, today it's 3 3.25%
- Interest Rates higher rates driving prices up





- Plants
 - Hydro
 - O&M, General/Plant Projects
 - Forecasted increase of \$1.8m
 - McKays Cleanout forecasted to start
 - Contribution increase of \$1m (\$3.3m in FY23 to \$4.3m in FY24)
 - FERC Relicensing
 - Start of the funding requirement
 - D/S
 - Final year of elevated d/s
 - Reservoir levels impacting forecasted generation, revenue, and price curves





- Plants (cont.)
 - Geo
 - Projects anticipate a reduction since several from FY22 got pushed into FY23 possibly pushing FY23 projects into FY24
 - Maintenance reserve funding level from FY23
 - Battery storage funding request???
 - CT1
 - Forecasted projects totaling \$1.5m (\$175k in FY23)
 - CT2
 - Repurposing efforts (final maturity 8/1/2024)
 - LEC
 - PG&E rate case, hydrogen conversion project



Transmission Charges





Transmission Budget

	TRANSMISS	ION COSTS	
			% Inc
	FY20	FY23	
Alameda	8,282,225	12,344,303	49%
BART	10,149,719	15,812,059	56%
Biggs	404,184	614,576	52%
Gridley	750,320	1,237,807	65%
Healdsburg	1,832,335	2,561,862	40%
Lodi	10,048,791	16,504,113	64%
Lompoc	3,180,511	4,797,792	51%
Palo Alto	21,310,739	29,212,028	37%
Plumas Sierra	2,910,354	5,276,989	81%
Port of Oakland	2,800,377	4,657,303	66%
Ukiah	2,602,286	4,091,786	57%

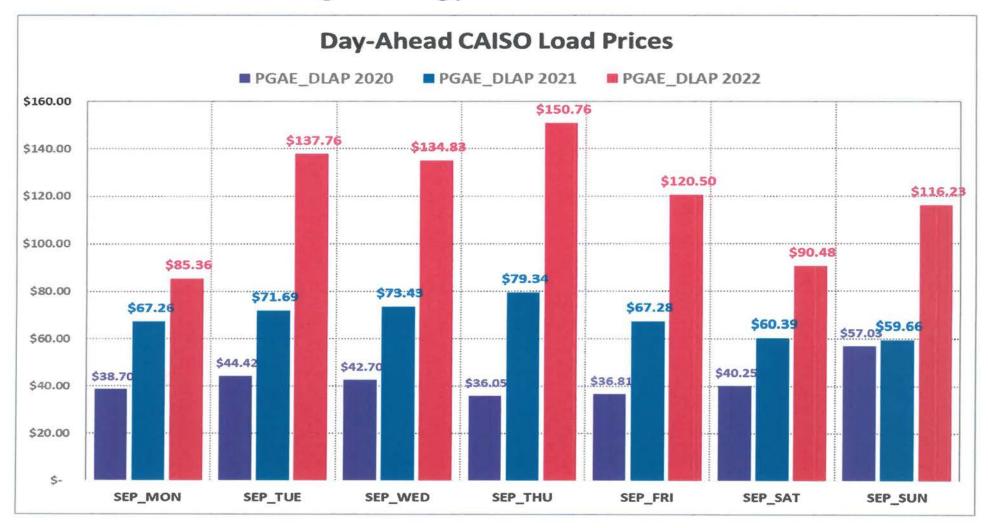


Transmission Budget

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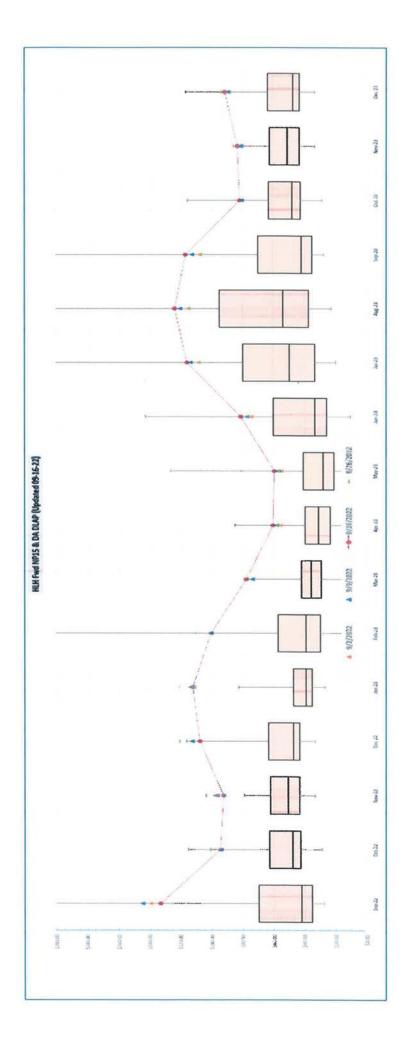


Forward Pricing - Energy



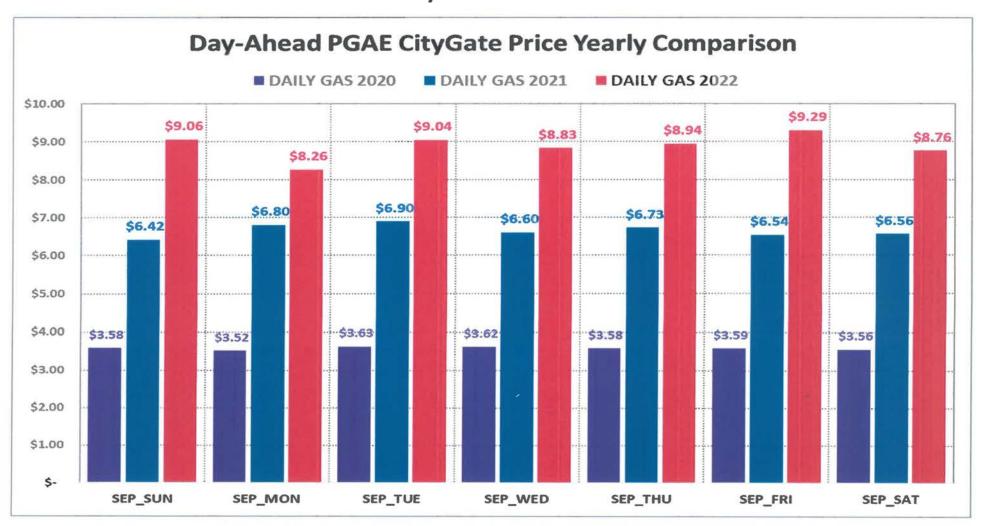


Forward Pricing - Energy





Natural Gas – here to stay or soften?





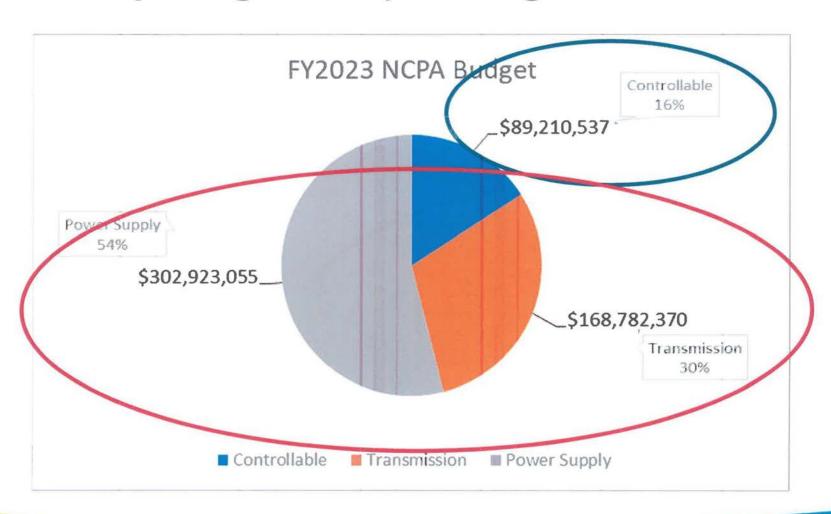
Issues Impacting FY2023/24 Budget

- PERS Pension
 - ~\$300k increase
 - Normal cost increased from 10.7% to 11.1%
 - 15y UAL flat due to huge returns in FY21 but those gains continue to erode as the stock market weakens
 - Future years may (will) see UAL increases
- OPEB
 - Funding normal cost
 - \$1m vs. \$2.8m (FY23)

Stock Market					
6/30/2020	26,428				
6/30/2021	34,935	32.2%			
6/30/2022	32,845	-6.0%			
10/1/2022	29,490	-10.2%			



Issues Impacting FY2023/24 Budget





- Plant costs
 - Debt service as scheduled plus trustee & administrative costs
 - Fuel as required for estimated plant operations
 - Regular operating & maintenance target 8% increase
 - Maintenance/capital projects reviewed with project participants (Facilities Committee & LEC Participants)
- Transmission Costs
 - Based on the published rate (estimated during budget prep)
- CAISO Energy Load Costs
 - Forecasted Load x Dlap Price (based on forward curve)



- Pass-throughs
 - Based on information from outside entities
 - Membership dues, subscriptions, transmission services, WREGIS, and other member services projects, etc.
- Legal
 - Judicial Action should be relatively flat
 - Legal fees may see an uptick pending unforeseen litigation or need for new project assistance
- New Positions (if any)
 - Must be justified with supporting data



- Salaries
 - Target range of ~\$1.1 million increase to include:
 - Unions negotiated general wage increases
 - Broad banding adjustments for merits, promotions, upgrades, etc.
- All other operating expenses
 - Target range of 5 8% increase from the previous year's base budget continuing to refine by aligning closer to actuals



Questions?

Comments?

Thoughts?





2023 Proposed Committee Meeting Calendar

Facilities/ Pooling Committees 9:00 am	LEC PPC Committee 10:00 am	Finance Committee 10:30 am	Utility Directors 9:00 am	Legal Committee 8:30 am	L&R Affairs Committee 12:00 pm	Executive Committee 8:00 am	*Commission 9:30 am
January 4	January 9		January 12	January 5		January 19 Sacramento 7:30 am	January 19 Sacramento 9:00 am
February 1	February 6	February 7	February 9	February 2	February 22	February 23	February 23
March 1	March 6		March 8-10	March 3	March 22	March 23	March 23
April 5	April 10		April 13	April 6		April 27	April 27
May 3	May 8	May 9	May 11	May 4		May 25 Lompoc 7:30 am	May 25 Lompoc 9:00 am
June 7	June 12		June 15	June 1		June 29	June 29
July 5	July 10		July 13	July 6		July 27 Murphys 7:30 am	July 27 Murphys 9:00 am
August 2	August 7	August 8	August 10	August 3	August 23	August 24	August 24
September 6	September 11		September 14	September 7	October 4 Monterey 3:00 pm	October 6 Monterey 7:30 am	October 6 Monterey 10:00 am
October 4	October 9	October 17	October 12	October 4 Monterey 2:00 pm		October 26	October 26
November 1	November 6	November 14	November 9	November 2	November 29	November 30	November 30
December 6	December 11		December 7	December 7			

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

NCPA CONFERENCES / EVENTS in 2023:

NCPA 101 Presentation in Sacramento: January 17

NCPA Strategic Issues Conference in Sacramento: January 18-19

Capitol Day in Sacramento: February 6

NCPA/NWPPA Federal Policy Conference in Washington, DC: April 29-May 4

NCPA Annual Conference at the Portola Plaza in Monterey: October 4-6



Commission Staff Report

COMMISSION MEETING DATE: November 3, 2022

SUBJECT: Overview of FY 2022 Billing Settlement Process and Preliminary Results

AGENDA CATEGORY: Informational

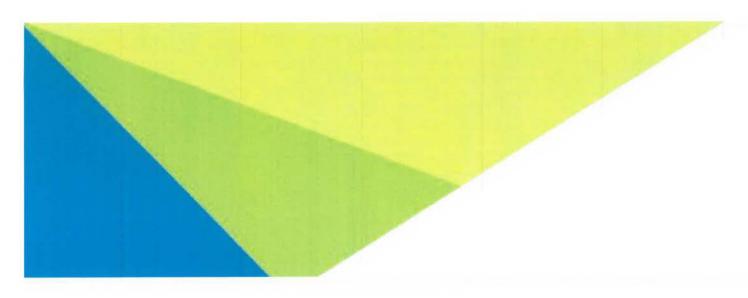
FROM: Monty Hanks METHOD OF SELECTION:

Assistant General N/A Manager/CFO

Division: Administrative Services

Department: Accounting & Finance

Staff will provide an overview and presentation at the meeting.





FY2022 Annual Settlements Summary Preliminary Draft Results

Sondra Ainsworth November 3, 2022



Timeline

- FY2022 Annual Settlements Process
 - 9/26 Settlements/Accounting Final draft billing settlement
 - 10/5 Present preliminary results to Facilities [informational]
 - 10/10 Present preliminary results to PPC [informational]
 - 11/2 Present final results to Facilities



Draft Results: Plant Generation Performance

Project	Budget MWh	Actual MWh	Over / (Under) Estimate
Hydro	477,404	260,608	(216,796)
Geo	686,433	805,548	119,115
CT1	10,440	20,621	10,181
CT2 (STIG)	12,003	15,983	3,980
LEC	945,379	1,198,616	253,237



Draft Results: Plant Revenue Performance

Project	Budget Net ISO Revenue Including Fuel	Actual Net ISO Revenue Including Fuel	Already Refunded or (Collected) thru Settlements		
Hydro	\$21.7m	\$29.1m	\$7.4m		
Geo	\$27.0m	\$51.5m	\$24.4m		
CT1	\$418k	\$2.2m	\$1.8m		
CT2 (STIG)	\$1.7m	\$2.8m	\$1.1m		
LEC	\$16.2m	\$26.9m	\$10.7m		
		Total	\$45.4m		



Draft Results: Plant Settlement ~ \$3.0m Refund

Project	Collections/ (Refunds)	Actual	Refund / (Deficit)	
Hydro	\$21.7m	\$21.6m	\$129k	
Geo*	(\$12.6m)	(\$14.3m)	\$1.7m	
CT1	\$4.0m	\$2.9m	\$1.1m	
CT2 (STIG)	\$4.5m	\$4.4m	\$172k	
LEC	\$23.9m	\$24.0m	(\$81k)	

^{*}Actual net revenue exceeded total amount refunded during the year



Draft Results: Other ~\$2.7m Refund

- Management Services
 - Legislative & Regulatory \$708k
 - Judicial Action \$73k
 - Power Management \$1.0m
 - Risk Mgmt., Settlements, Integrated Systems Support \$129k
- Pass-through Costs \$298k
- Third Party Revenues
 - Interest income \$379k
 - PM revenues (excess of budget) \$71k



Draft Results: Net Refund ~\$5.7m

		Collections	A	Actual Costs	Ref	und (Charge)
Summary all Participants and Customers	\$	649,126,028	\$	643,392,821	\$	5,733,207
Summary By Participant						
Alameda	\$	33,746,542	\$	32,958,286	\$	788,256
BART	- 1	37,318,211	77	37,084,360		233,851
Biggs		1,661,834		1,610,925		50,909
Gridley		3,904,919		3,844,720		60,199
Healdsburg		7,325,718		7,132,013		193,705
Lodi		50,842,716		50,158,048		684,668
Lompoc		13,347,659		13,099,266		248,393
Palo Alto	- 1	93,801,065		93,402,485		398,580
Plumas Sierra		10,558,473		10,420,657		137,816
Port of Oakland		11,811,373		11,691,646		119,727
Redding		1,422,967		1,348,339		74,628
Roseville		3,338,587		2,984,555		354,032
Santa Clara		227,015,051		225,053,433		1,961,618
Shasta Lake		155,863		130,572		25,291
Truckee-Donner		142,569		138,152		4,417
Ukiah		11,597,132		11,320,104		277,028
Other Project Participants:						121.00 mm (\$ 0.000, pm
TID	- 1	(622,918)		(765,936)		143,018
Azusa		750,442		754,236		(3,794
California Department of Water Resources		8,466,530		8,488,244		(21,714
MID		(248,771)		(254,983)		6,212
Power & Water Resources Pooling Authority		1,136,227		1,139,860		(3,633)
Total for Participants	\$	649,126,028	\$	643,392,821	\$	5,733,207
						0.9



Next Steps

- Calendar
 - 11/7 Present final to LEC PPC
 - 11/17 Present final to UDs
 - 12/1 Commission approval