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Commission Agenda

Date: February 25, 2021
Subject: NCPA Commission Meeting / Teleconference
Location: NCPA, 651 Commerce Drive, Roseville, California 95678
Time: 9:30 am

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Act, Governor Gavin Newsom's Emergency Declaration related to COVID-19, and Governor Newsom's Executive Order N-29-20 issued March 17, 2020, that allows attendance by NCPA Commissioners, staff and the public to participate and conduct the meeting by teleconference.

You may participate in the meeting via teleconference by:

Dial: 1-669-900-6833

Meeting ID: 916 9490 6040

Zoom Link: <https://zoom.us/j/91694906040>

The Commission may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an Action Item, a Report or an Informational Item. This agenda is supplemented by Staff Reports which are available to the public upon request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

Time estimates are provided as part of the Commission's effort to manage its time at Commission meetings. Listed times are estimated only and are subject to change at any time, including while the meeting is in progress. The Commission reserves the right to use more or less time on any item, to change the order of items, and/or to continue items to another meeting.

Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting or to adapt to the participation of the public. To ensure participation in a particular item, we suggest arriving at the beginning of the meeting and remaining until the item is called.

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.

REVIEW SAFETY PROCEDURES

1. *Call Meeting to Order, Introductions and Roll Call (9:30 am – 9:40 am)*
2. *Approve Minutes of the January 28, 2021, Regular Commission (9:40 am – 9:45 am)*

PUBLIC FORUM

Any member of the public who desires to address the Commission on any item considered by the Commission at this meeting before or during the Commission's consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Commission on any item within the jurisdiction of the Commission and not listed on the Agenda may do so at this time.

OPEN SESSION

REPORTS AND COMMITTEE UPDATES (9:45 am – 10:15 am)

3. General Manager's Business Progress Report and Update
4. Executive Committee
5. Facilities Committee
6. Finance Committee
7. Legal Committee
8. Legislative & Regulatory Affairs Committee
9. Members' Announcements & Meeting Reporting

CONSENT CALENDAR (10:15 am – 10:25 am)

All items on the Consent Calendar are considered routine and will be approved without discussion by a single roll call vote. Any Commissioner or member of the public may remove any item from the Consent Calendar. If an item is removed, it will be discussed separately following approval of the remainder of the Consent Calendar. Prior to the roll call vote to approve the Consent Calendar, the Commissioners will be polled to determine if any Member wishes to abstain from one or more items on the Consent Calendar.

10. ***NCPA's Financials for the Month Ended January 31, 2021*** – approval by all members.

11. ***Treasurer's Report for the Month Ended January 31, 2021*** – accept by all members.

12. ***Disposal of NCPA Surplus Property*** – note and file by all members the disposal of a trench CCVT.

Fiscal Impact: This report has no direct fiscal impact to the Agency.

13. ***Accept the Debt and Interest Rate Management Report – December 31, 2020*** – accept and file by all members the Debt and Interest Rate Management Report for the period ending December 31, 2020.

Fiscal Impact: The total projected savings over the life of the interest rate swaps was \$13.9 million at the inception of these agreements. Total projected savings through December 31, 2020, was \$8.0 million with actual results at \$13.0 million. The difference between expected savings and actual savings is due to “basis risk,” or the difference between what NCPA pays on the variable rate bonds and the index rate received in the swap transaction. Total basis risk to date is positive, resulting in additional savings of \$5.0 million. Staff continues to monitor the potential for refinancing these bonds and terminating the swaps, however, the large mark-to-market termination payment due to Citibank, N.A. of over \$20.2 million is making a potential refund not a feasible option at this time.

14. ***Resolution No. 21-11, AESI-US, Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members*** – adopt resolution by all members authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with AESI-US, Inc., for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously approved funds in NCPA's existing budget.

15. ***Resolution No. 21-12, Burns & McDonnell Engineering Company, Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members*** – adopt resolution by all members authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with Burns & McDonnell Engineering Company, Inc., for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program

Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously approved funds in NCPA's existing budget.

- 16. Resolution No. 21-13, iParametrics LLC. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with iParametrics LLC for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously approved funds in NCPA's existing budget.

- 17. Resolution No. 21-14, TRC Solutions, Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with TRC Solutions, Inc., for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously approved funds in NCPA's existing budget.

- 18. Resolution No. 21-15, Guidehouse Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with Guidehouse, Inc., for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel.

Fiscal Impact: These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously approved funds in NCPA's existing budget.

- 19. Resolution No. 21-16, SEL Engineering Services, Inc. – Five Year Multi-Task Professional Services Agreement for Protective Relay and Automation Design; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with SEL Engineering Services, Inc., for protective relay and automation design services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years.
- 20. Resolution No. 21-17, GEI Consultants, Inc. – First Amendment to Five Year Multi-Task Professional Services Agreement; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a First Amendment to the Multi Task Professional Services Agreement with GEI Consultants, Inc., with any non-substantial changes as 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.
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 remaining approximately three years of the contract.
- 21. Resolution No. 21-18, d’Heurle Systems, Inc. – Five Year Multi-Task General Services Agreement for General Engineering Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, except the Lodi Energy Center** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with d’Heurle Systems, Inc., for general mechanical, electrical and control system engineering and support, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not to exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center.
Fiscal Impact: Upon execution, the total cost of the agreement will not exceed \$2,500,000 over five years.
- 22. Resolution No. 21-19, Granite Construction Company – Five Year Multi-Task General Services Agreement for Miscellaneous Maintenance General Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, except the Lodi Energy Center** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Granite Construction Company for general maintenance services, including grading, excavation, and paving, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center.
Fiscal Impact: Total cost of the agreement is not to exceed \$1,000,000 over five years.
- 23. Resolution No. 21-20, Grant of Easement and Easement Agreement with the Beigel Family; Applicable to the following: NCPA Geothermal Facility** – adopt resolution by all members delegating authority to the General Manager or his designee to enter into a Grant of Easement and Easement Agreement with the Beigel family, with any non-substantial changes recommended and approved by the NCPA General Counsel, for use at NCPA’s Geothermal Facility.

Fiscal Impact: A payment of \$6,934 will be made to the current Beigel family landowners, as calculated based on the Consumer Price Index (CPI), which covers NCPA's easement access for the initial five year term. For the successive five year extensions, the payment will continue to be calculated based on increases in the CPI. Funds for this easement access agreement were included in the current fiscal year budget and are available in the Generation Services account. Cost allocation will be based on the Project Participant percentages.

24. Resolution No. 21-21, Updates and Modifications to the Nexant Cost Allocation Model for FY2022 – adopt resolution by all members approving the updates and modifications to the Nexant Model as proposed by staff in order to allocate budgeted costs to members for Fiscal Year 2022.

Fiscal Impact: The recommended adjustments will result in a change to all applicable Members' allocated share of Power Management costs by varying amounts.

25. Resolution No. 21-22, Review and Approve the NCPA Investment Policy and Guidelines No. 200-100 – adopt resolution by all members approving revisions to NCPA's Investment Policy and Guidelines No. 200-100.

Fiscal Impact: The increase of the maximum allowable concentration for municipal bonds from 20%-30% is projected to result in approximately \$10,000 in additional interest income in fiscal year 2021.

Consent Items pulled for discussion: _____

DISCUSSION / ACTION ITEMS (10:25 am – 10:45 am)

26. Facility Purchase Agreement and Loan Documents for the Disaster Recovery and Business Resiliency Operations – staff to present and discuss the purchase of property to serve as NCPA's new Disaster Recovery and Business Resiliency Operations Center.

CLOSED SESSION ITEMS (10:45 am – 11:15 am)

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

28. CONFERENCE WITH LEGAL COUNSEL – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *In Re PG&E Corporation and Pacific Gas and Electric Company, Debtors; United States Bankruptcy Court, Northern District of California*, Case Nos. 19-30088 (Lead Case) and 19-30089 DM.

OPEN SESSION

REPORT FROM CLOSED SESSION

NEW BUSINESS

ADJOURNMENT



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Minutes - **DRAFT**

Date: January 28, 2021
To: NCPA Commission
From: Cary A. Padgett, Assistant Secretary to the Commission
Subject: NCPA Commission Meeting / Teleconference Minutes

1. Call Meeting to Order and Introductions

Chair David Hagele called the meeting to order at 9:30 am via teleconference. Introductions and roll call were made. Those in attendance are shown on the attached attendance list.

2. Approve Minutes of the December 3, 2020, Regular Commission Meeting and the December 14, 2020, Special Commission Meeting, Regular Commission Meeting

Motion: A motion was made by Pauline Rocucci, and seconded by Jerry Serventi to approve the Minutes of the December 3, 2020, Regular Commission Meeting and the December 14, 2020, Special Commission Meeting. The motion carried by a majority on a roll call vote of those members present. *San Francisco BART, Lodi, Port of Oakland, Plumas-Sierra, Shasta Lake, Truckee Donner, and Ukiah were absent.*

PUBLIC FORUM

No comments from the public addressed the Commission.

REPORTS AND COMMITTEE UPDATES

3. General Manager's Business Progress Report and Update

General Manager Randy Howard reported:

- Provided an update on COVID-19 cases in Placer County. Some staff at headquarters are telecommuting either full or part-time, but there is still about 1/3 of the employees coming into the office every day. Likely not going to see any vaccines in the utility sector any time soon as the state moved to more of an age-based process. Over the holidays, did have three Assistant General Manager's impacted by COVID, either tested positive or impacted. At the plants, all fully staffed and operating. Will continue with the current telecommuting arrangement through the end of February. NCPA will continue to follow its policy and make necessary changes as necessary.

- Provided an update on the recent storms in the Sierras and at the hydroelectric and geothermal facilities. Did have an outage at hydro due to a tree down on a line, and some challenges with plant employees getting to the office due to the snow. Also had snow at the Geothermal Facility and employees were delayed getting to work due to snow on the road to the plant. There is some concern near the geothermal facility due potential mudslides in the fire damaged areas.
- Starting the internal budget review process. Conducting reviews with the Assistant General Managers and their essential staff. Staff is taking into consideration the impacts this past year has had on our Members budgets due to COVID.
- Staff is in the process of searching for a new location for the NCPA Disaster Recovery Center as the lease at the current location is expiring, and Consolidate Communications is not renewing the lease. Did find a location in the Sacramento Municipal Utility District territory, but are planning to expand our search to other parts of Roseville as well. Will keep the Commission updated on the search progress.
- Staff is in the process of reevaluating how we handle risk assessment internally, and the insurance program. Will provide more information as we move forward with a plan.
- Participating on a panel “New Services for Emergency Utility Needs,” at the APPA Joint Action Agency workshop being held as a Zoom conference. The focus of discussion is on how public power utilities have an ever-growing list of support needs such as communications, data management, operations, etc., and what new services joint action agencies are offering and how they meet the needs of smaller utilities.
- Held an interview with the EIM CAISO Nominating Committee to discuss a replacement for the current EIM Board Member. Do plan to fill the vacancy with a publicly owned utility position.
- Gave an update on the draft 2021-2026 Strategic Plan (Plan). Due to the new Administration and the Senate Democrat control, there is likely several changes that will need to be considered in the overall Plan. Do need to take another look at the Plan and ensure we are aggressive enough. Asked the Assistant General Managers to go back and take another look at their areas. Also looking at TANC and HCI Plans as we need to be in alignment with them as well.

4. Executive Committee

Committee Chair Hagele reported the Executive Committee met once since the last Commission meeting. The Committee heard updates from the General Manager and General Counsel and met in closed session, which is Item 24 on today’s agenda. No reportable action was taken in closed session. The next Committee meeting is scheduled for February 25.

5. Facilities Committee

Assistant General Manager Tony Zimmer reported the Committee met twice since the last Commission meeting. The Committee discussed items 14, and 15-21 on today’s agenda. A quorum of the Committee was established at both meetings, and recommend Commission approval of all items.

6. Finance Committee

Finance Committee Chair Greg Scharff reported the Committee did not met since the last Commission meeting. The next Committee meeting is scheduled for February 9, 2021.

7. Legal Committee

General Counsel Jane Luckhardt reported the Committee met once since the last Commission meeting. The Committee met in Closed Session and discussed Item 24 on today's agenda. No reportable action taken on that item. The Committee discuss the Physical Security Plan requirement from the CPUC per Decision D.19-01-018 requiring Qualified Authority review of the RFP responses. The Committee also discussed and reviewed the Glover Solar Renewable Power Purchase Agreement and the South Feather Water and Power Agency Power Purchase Agreement. The next Committee meeting is scheduled for February 4.

8. Legislative & Regulatory Affairs Committee

Commission Vice-Chair Jerry Serventi reported the Committee did not meet since the last Commission meeting. Since the Commission last met, the NCPA Speakers Series featured: 1) Kip Lipper, Senior Energy and Environmental Advisor to the Senate President pro Tem; 2) Angie Wei and Alice Reynolds, of the Governor's staff; 3) Representatives from the Assembly and Senate Energy and Natural Resources Committee; and 4) Joaquin Esquivel, Chair of the California State Water Resources Control Board. Capitol Day meetings with state legislators and regulatory officials were scheduled during the week. The next meeting Committee meeting is scheduled for February 24.

9. Members' Announcements & Meeting Reporting

Dan Beans, **Redding**, introduced Redding's new appointed Commissioner, Council Member Julie Winter.

CONSENT CALENDAR

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

No items were pulled from Consent.

Motion: A motion was made by Pauline Roccucci, and seconded by Jerry Serventi to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21. The motion carried by a majority of those members present on a roll call vote with abstentions noted below for each item. *San Francisco BART, Lodi, Port of Oakland, Plumas-Sierra, Shasta Lake, Truckee Donner, and Ukiah were absent.*

10. NCPA's Financials for the Month Ended November 30, 2020 – approval by all members.

11. Treasurer's Report for the Month Ended November 30, 2020 – accept by all members.

12. NCPA's Financials for the Month Ended December 31, 2020 – approval by all members.

13. Treasurer's Report for the Month Ended December 31, 2020 – accept by all members.

14. Resolution No. 21-01, Utility System Efficiencies, Inc. – Five Year Multi-Task Professional Services Agreement for WECC and NERC Reliability Related Consulting Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task

Professional Services Agreement with Utility System Efficiencies, Inc., for WECC and NERC reliability related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

- 15. Resolution No. 21-02, Pacific Star Chemical, LLC dba Northstar Chemical – Five Year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies for Chemical Purchases; Applicable to the following projects: 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 Agreement for Purchase of Equipment, Materials and Supplies with Pacific Star Chemical, LLC dba Northstar Chemical for chemical purchases, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at all facilities owned and/or operated by NCPA.
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.
Redding abstained.

- 16. Resolution No. 21-03, Basic Energy Services LP – Five Year Multi-Task General Services Agreement for Injection Well Related Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities –** adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Basic Energy Services LP for injection well related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
Redding abstained.

- 17. Resolution No. 21-04, C&J Well Services, Inc. – Five Year Multi-Task General Services Agreement for Injection Well Related Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities –** adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with C&J Well Services, Inc., for injection well related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.
Redding abstained.

- 18. Resolution No. 21-05, Petro-Analytical, Inc. – Five Year Multi-Task General Services Agreement for Miscellaneous Fuel Tank Storage Maintenance Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities –** adopt resolution by all members authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Petro-Analytical, Inc., for general fuel tank storage maintenance services, including UST system leak detection, monthly designated operator services, tank, piping, apparatus system, etc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 for use at the all facilities owned and/or operated by NCPA.
Fiscal Impact: Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five

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

19. Resolution No. 21-06, 2021 Amendment to the Second Amendment and Restatement of the Steam Suppliers Joint Operating Agreement Southeast Geysers Effluent Pipeline Project (SEGEP). Applicable to the following projects: NCPA Geothermal facility – adopt resolution by all members delegating authority to the NCPA General Manager or his designee to enter into the 2021 Amendment to the Second Amendment and Restatement of the Steam Suppliers Joint Operating Agreement Southeast Geysers Effluent Pipeline Project (SEGEP) between NCPA and Geysers Power Company, LLC, with any non-substantial changes recommended and approved by NCPA General Counsel, for use at NCPA's Geothermal facility.

Fiscal Impact: Approval of the 2021 Amendment to the Second Amendment and Restatement of the Steam Suppliers Joint Operating Agreement for SEGEP will result in approximately \$60,000 to \$90,000 per year in revenue to NCPA.

Redding abstained.

20. Resolution No. 21-07, GreatBlue Research – Five Year Multi-Task Consulting Services Agreement for Market Research and Surveys for all aspects of Public Power; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five-Year Multi-Task Consulting Services Agreement with GreatBlue Research for market research and surveys, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$250,000 over five years.

Fiscal Impact: Upon execution, the total cost of the agreement will not exceed \$250,000. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA's procurement policies and procedures.

21. Resolution No. 21-09, RFI Enterprises Inc., dba RFI Communications & Security Systems – Five Year Multi-Task General Services Agreement for Integrated Security Services and Intrusion Systems; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members – adopt resolution by all members authorizing the General Manager or his designee to enter into a Five-Year Multi-Task General Services Agreement with RFI Enterprises Inc., dba RFI Communications & Security Systems for integrated security services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years.

Fiscal Impact: Upon execution, the total cost of the agreement will not exceed \$500,000. The maintenance of NCPA's security system was included in the current fiscal year budget. Funds are available in the General Services and respective plant budgets.

DISCUSSION / ACTION ITEMS

22. Resolution No. 21-07, FY20-21 Election of Executive Committee Member – adopt resolution by all members approving the election of Commissioner Jenelle Osborne as a representative on the NCPA Executive Committee.

Fiscal Impact: No monetary impact to the Agency is expected to result from this action.

Chair Hagele reported the Nominating Committee met on November 17, 2020, and recommended the Commission approve the nomination of Commissioner Jenelle Osborne to fill the vacant seat on the Executive Committee. Chair Hagele opened the floor for nominations. No other nominations were given. Commissioner Osborne will take her position on the Committee following Commission approval.

Motion: A motion was made by Jerry Serventi, and seconded by Greg Scharff to adopt resolution approving the election of Commissioner Jenelle Osborne as a representative on the NCPA Executive Committee. Motion carried by a majority on a roll call vote of those members present. *San Francisco BART, Lodi, Port of Oakland, Plumas-Sierra, Shasta Lake, Truckee Donner, and Ukiah were absent.*

23. Resolution No. 21-10, Lodi Energy Center 2021 Spring Outage Project; Applicable to the following projects: Northern California Power Agency (NCPA) Lodi Energy Center Facility – adopt resolution by all members authorizing the 2021 Lodi Energy Center (LEC) Spring Outage Project and delegating the NCPA General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the outage in accordance with NCPA Purchasing Policies and Procedures without further approval by the Commission, for a total cost not to exceed \$2,400,000.

Fiscal Impact: The budgetary funds to complete the 2021 Spring Outage include \$1,095,000 of pre-collected funds in the Maintenance Reserve (Account # 265-009-005-610-044-002). Additional funds in the amount of \$400,000 were anticipated in the Fixed Maintenance and \$944,956 in the O&M Project Annual Outage Project. All items are a part of the FY21 Routine O&M budget.

Assistant General Manager Joel Ledesma provided a presentation on the Lodi Energy Center 2021 Spring Outage Project.

Motion: A motion was made by Greg Scharff, and seconded by Bo Sheppard to adopt resolution authorizing the 2021 Lodi Energy Center (LEC) Spring Outage Project and delegating the NCPA General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the outage in accordance with NCPA Purchasing Policies and Procedures without further approval by the Commission, for a total cost not to exceed \$2,400,000. Motion carried by a majority on a roll call vote of those members present. *San Francisco BART, Lodi, Port of Oakland, Plumas-Sierra, Shasta Lake, Truckee Donner, and Ukiah were absent. Alameda, Redding and Roseville abstained.*

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

CLOSED SESSION

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

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting.

REPORT FROM CLOSED SESSION

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

NEW BUSINESS

Chair Hagele noted that NCPA 101 Conference is scheduled the following week and encouraged NCPA Members and their staff to participate.

ADJOURNMENT

The January 28, 2021, Commission meeting was adjourned at 10:36 am by Chair David Hagele.

Respectfully submitted,

DAVID HAGELE
Commission Chair

Attachments

Prepared by,

CARY A. PADGETT
Assistant Secretary to the Commission

**Northern California Power Agency
 Commission Meeting / Teleconference
 January 28, 2021
 COMMISSIONERS
 Attendance List**

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

| MEMBER | NAME |
|---|--------------------|
| 1 - ALAMEDA | Jerry Serventi |
| 2 - BIGGS | Bo Sheppard |
| 3 - GRIDLEY | Paul Eckert |
| 4 - HEALDSBURG | Chair David Hagele |
| 5 - LODI | |
| 6 - LOMPOC | Jenelle Osborne |
| 7 - PALO ALTO | Greg Scharff |
| 8 - PORT OF OAKLAND | |
| 9 - PLUMAS-SIERRA REC | |
| 10 - REDDING | Julie Winters |
| 11 - ROSEVILLE | Pauline Roccucci |
| 12 - SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT | |
| 13 - SANTA CLARA | Basil Wong |
| 14 - SHASTA LAKE | |
| 15 - TRUCKEE DONNER | |
| 16 - UKIAH | |

**Northern California Power Agency
ROLL CALL VOTE**


TOPIC:

Meeting Minutes

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

Passed and adopted this 28th day of January 2021, by the above vote on roll call.

ATTEST:



 CARY A. PADGETT
 Assistant Secretary to the Commission



CONSENT CALENDAR

All items on the Consent Calendar are considered routine and will be approved without discussion by a single-roll call vote. Any Commissioner or member of the public may remove any item from the Consent Calendar. If an item is removed, it will be discussed separately following approval of the remainder of the Consent Calendar.

Prior to the roll call vote to approve the Consent Calendar, the Commissioners will be polled to determine if any Member wishes to abstain from one or more items on the Consent Calendar.

CONSENT CALENDAR ROLL-CALL APPROVAL

Commission Meeting Date: January 28, 2021

Consent Items Listed on the Agenda: # 10 to # 21

Consent Items Removed from the Agenda and Approved Separately:

Ø

ROLL-CALL VOTE BY MEMBERS:

BSL / Alameda

| Member | Item Numbers Abstained | Vote | Absent |
|--------------------|---------------------------|------|--------|
| Alameda | | Y | |
| Biggs | | Y | |
| Gridley | | Y | |
| Healdsburg | | Y | |
| Lodi | | | X |
| Lompoc | | Y | |
| Palo Alto | | Y | |
| Port of Oakland | | | X |
| Redding | <i>15, 16, 17, 18, 19</i> | Y | |
| Roseville | | Y | |
| San Francisco BART | | | |
| Santa Clara | | Y | |
| Shasta Lake | | | X |
| Truckee Donner | | | X |
| Ukiah | | | X |
| Plumas-Sierra | | | X |

ATTEST:

Cary A. Padgett, Commission Assistant Secretary

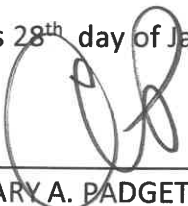
Northern California Power Agency
ROLL CALL VOTE

TOPIC: Resolution 21-07

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

Passed and adopted this 28th day of January 2021, by the above vote on roll call.

ATTEST:



CARY A. PADGETT
Assistant Secretary to the Commission


**Northern California Power Agency
ROLL CALL VOTE**

TOPIC: Resolution 21-10

| | VOTE | ABSTAIN | ABSENT |
|--------------------|------|---------|--------|
| Alameda | . | X | |
| Biggs | Y | | |
| Gridley | Y | | |
| Healdsburg | Y | | |
| Lodi | | | X |
| Lompoc | Y | | |
| Palo Alto | Y | | |
| Plumas-Sierra | | | X |
| Port of Oakland | | | X |
| Redding | | X | |
| Roseville | | X | |
| San Francisco BART | | | X |
| Santa Clara | Y | | |
| Shasta Lake | | | X |
| Truckee Donner | | | X |
| Ukiah | | | X |

Passed and adopted this 28th day of January 2021, by the above vote on roll call.

ATTEST:

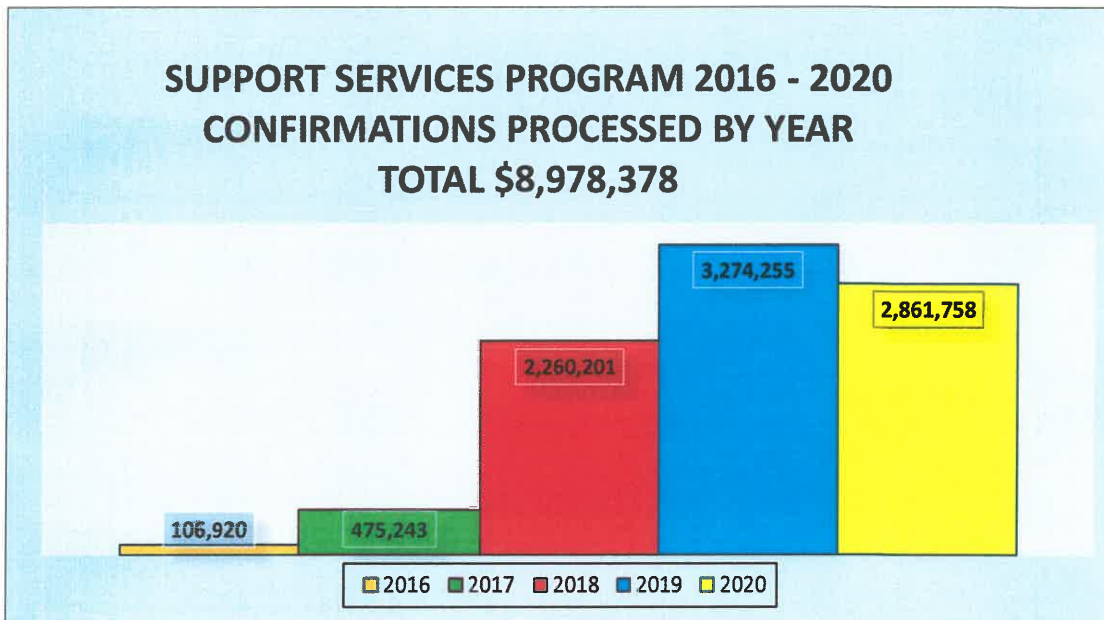


 CARY A. PADGETT
 Assistant Secretary to the Commission

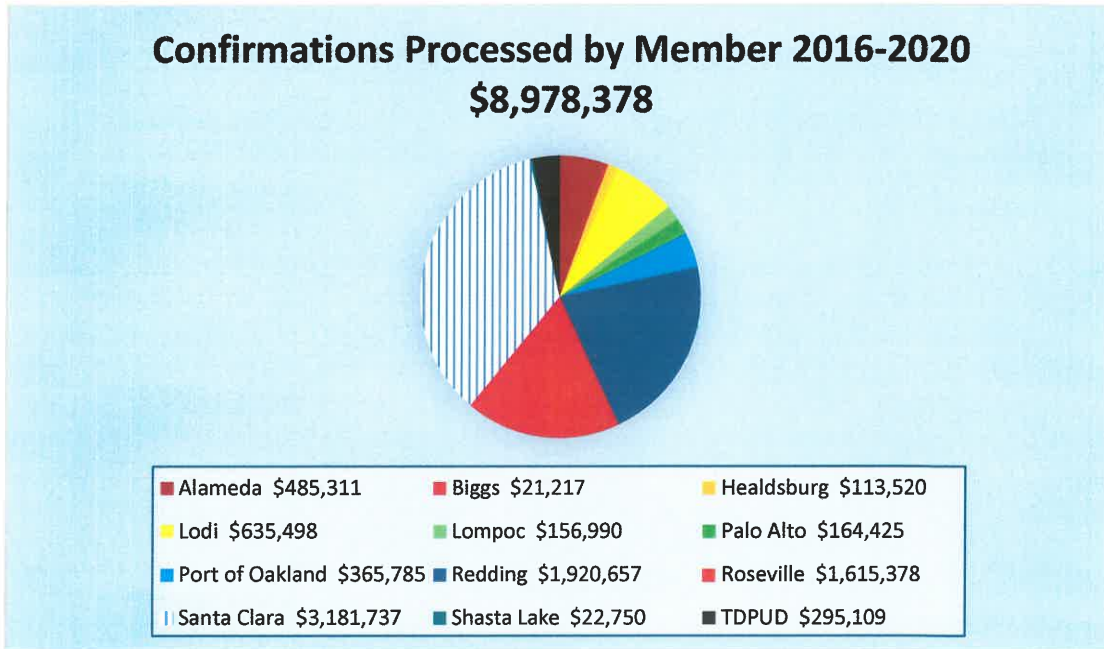
NCPA SUPPORT SERVICES PROGRAM REPORT JANUARY 2021

NCPA’s Support Services Program continued to be a beneficial resource for NCPA members throughout calendar year 2020, even in light of the 2020 COVID-19 pandemic. Through the Support Services Program Agreement dated February 25, 2016, among NCPA and its signatory members, and the Shared Services Agreement between NCPA and the Southern California Public Power Authority (SCPPA) dated August 1, 2015, NCPA members may avail themselves of various services utilizing NCPA’s and SCPPA’s agreements with their vendors. Services include, but are not limited to, joint purchasing, engineering services, transmission and distribution planning, energy efficiency and electrification, employment and human relations assistance, metering and data management, power plant operations, and other services described in the Support Services Program Agreement and within the scope of the NCPA Joint Powers Agreement. Benefits to members include economies of scale, cost savings, efficiency, and increased resources by freeing up staff time. When a member contracts for services through the Program, NCPA handles preparation of all paperwork to carry out the request, issuance of the Purchase Order to the vendor, processing of all invoices for services, and payment to the vendor. Members are then billed through the monthly All Resources Bill, or in some cases by special invoice.

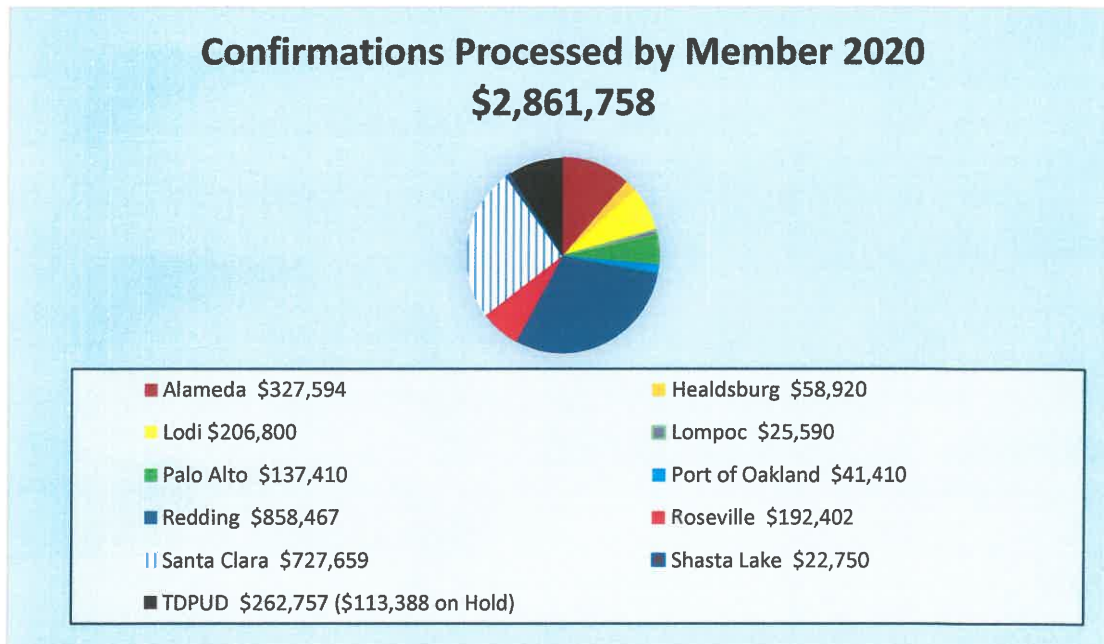
Throughout 2020, vendors continued to provide services while complying with COVID-19 mandates and required protocols without missing a step. I am aware of only one vendor providing energy efficiency services for a direct install refrigeration program that experienced challenges with its subcontractor performing the work. As a result, those services were delayed, but expect to be back on track soon.

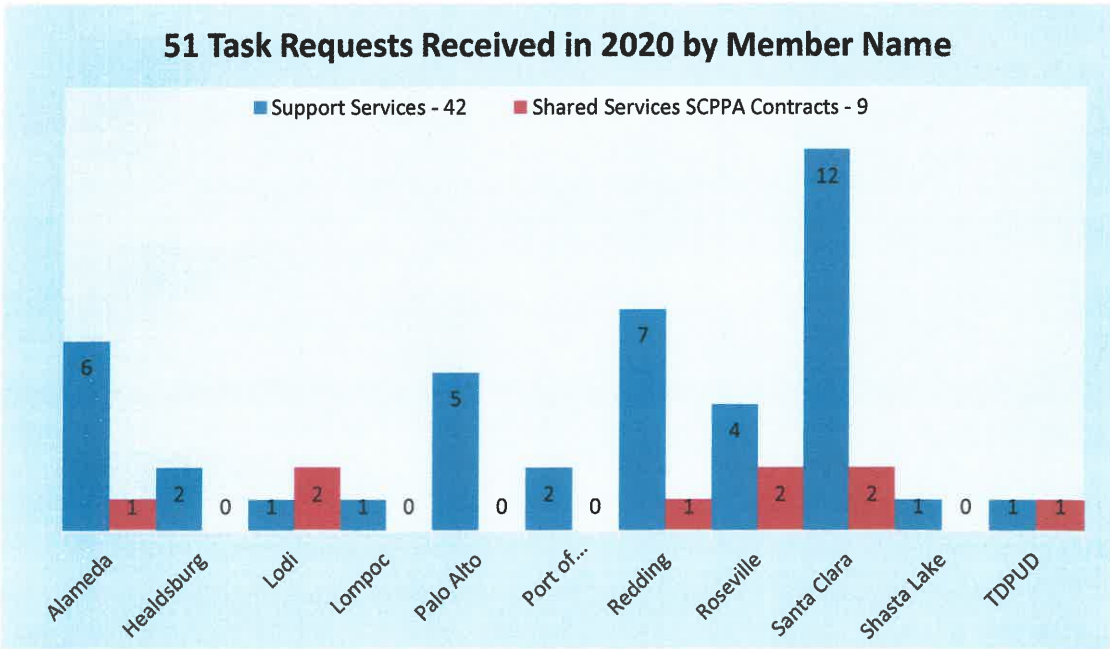


Twelve of NCPA’s members are signatories to the Support Services Program Agreement and all of those members have utilized services through the Program. In 2020, one member elected to take the Support Services Agreement back to its City Council for increased procurement authority through the Program. To date, over 200 Member Task Requests have been submitted for services totaling nearly \$9 million.



Over the course of calendar year 2020, 51 Member Task Requests were received and processed.





As 2020 ended, we had 62 open Purchase Orders for work through the Program. During fiscal year 2020, NCPA collected approximately \$32,000 in administrative fees plus an additional \$14,000 to date in fiscal year 2021 directly from Members requesting services to help offset Agency costs for the Program. Education continues while working with members and their staff to highlight the information available on NCPA Connect for potential new services, procurement activity, and ongoing services. All documents associated with member services are accessible including Task Requests, executed Confirmations, issued Purchase Orders, and all invoices processed under the PO. This makes reconciliation of the monthly ARB charges easy for staff.

NCPA continues its efforts to provide additional value-added services for its members by increasing its efforts to include members whenever possible in procurement activities and expanding its stable of available vendor agreements to aid members with additional alternatives for bidding.

Respectfully submitted,

Linda Stone

SUPPORT SERVICES PROGRAM STATUS REPORT

February 17, 2021

| 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 | | | |
| Healdsburg | City Manager & City Attorney | \$ 50,000 | 05/06/19 |
| Lodi | Utility Director & City Attorney NTE \$15,000; City Manager & City Attorney NTE \$20,000 | \$ 20,000 | 09/07/16 |
| Lompoc | Utility Director & City Attorney | \$ 125,000 | 11/15/16 |
| Palo Alto | City Manager & City Attorney | \$ 85,000 | 06/05/17 |
| Plumas-Sierra REC | | | |
| Port of Oakland | Executive Director & Deputy Port Attorney | \$ 150,000 | 04/14/16 |
| Redding | Utility Director & City Attorney Procurement Authority Increased | \$ 200,000 | 04/19/16; 08/20/20 |
| Roseville | Electric Utility Director & City Attorney | \$ 50,000 | 10/05/15 |
| 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 | | | |

SSPA CONFIRMATIONS EXECUTED/WORK IN PROGRESS

| No. | Member Name | Date | Amount NTE | Vendor Name & Short Description |
|------------|--------------------|-------------|-------------------|---|
| 0199 | City of Roseville | 1/4/21 | \$ 14,888.85 | Gannett Fleming, Inc.; Provide structural design calculations for switchgear concrete foundation and construction drawings. |

| No. | Member Name | Date | Amount NTE | Vendor Name & Short Description |
|--------------|-------------------------|-------------|-------------------|--|
| 0198 | City of Redding | 12/14/20 | \$124,325.00 | Ulteig; Consulting services for development of a 10-year distribution modernization program and associated 5-year capital improvement plan for REU. |
| 0197 | Alameda Municipal Power | 12/1/20 | \$ 69,380.00 | Hometown Connections, Inc.; Review of AMP's organizational structure and report. |
| 0195 | City of Roseville | 11/6/20 | \$ 14,721.00 | Dudek; Services to recertify Roseville's Wildfire Mitigation Plan |
| 0194 Amd. | Truckee Donner PUD | 10/30/20 | \$149,368.69 | NorCal Power Services LLC; maintenance testing on Martis Valley substation; subsequent amendment to add repair work as a result of testing. |
| 0192 | City of Redding | 11/19/20 | \$ 76,840.00 | GDS Associates, Inc.; Services re: REU's Energy Efficiency Integrated Resource Plan with ultimate goal being the development of final report that provides recommendation of preferred portfolio, identifies potential funding sources and approximate budgets through 2030. |
| 0190 | City of Redding | 9/22/20 | \$ 81,675.00 | Bell Burnett & Edwards; Provide operational risk assessment of REU's distribution system. |
| 0189 | City of Redding | 10/7/20 | \$ 84,305.00 | Hometown Connections, Inc.; Provide strategic planning facilitation services. |
| 0188 | City of Santa Clara | 9/1/20 | \$ 28,350.00 | Aspen Environmental; Continued services for meter data analysis support. |
| 0187 | City of Redding | 9/17/20 | \$238,670.00 | Katama Technologies, Inc.; Provide detailed design for Phase 1 fiber optic cabling loop between key substations. SOW includes Business Case and White Paper re cost-benefit of future commercial and residential use; full loop network design, and development of design and construction specs for Public Works RFP. |
| 0186 | Alameda Municipal Power | 9/21/20 | \$ 75,000.00 | Flynn Resource Consultants, Inc.; Continued services related to electric transmission issues, grid planning, load levels, regulatory matters, litigation support, and other services as requested in FY21. |
| 0185 | City of Santa Clara | 9/14/20 | \$119,822.70 | Cadmus Group LLO; Energy efficiency services for SVP's Rebate Programs. |

| No. | Member Name | Date | Amount NTE | Vendor Name & Short Description |
|------------|-------------------------|-------------|-------------------|--|
| 0179 | Alameda Municipal Power | 7/28/20 | \$ 67,500.00 | Cooperative Response Center; Overflow telephone solution during after-hours or outage situations FY21. |
| 0177 | Port of Oakland | 8/14/20 | \$ 15,465.00 | Trimark Associates, Inc.; Create portal managed by Trimark for the Port to access meter data remotely. Dashboard to include meters Culbertson, Davis, SS-1, and SS-1a. |
| 0175 | City of Roseville | 6/15/20 | \$ 47,500.00 | Energy & Resource Solutions; energy efficiency and electrification services in FY21. |
| 0174 | City of Roseville | 6/4/20 | \$ 25,027.60 | Gannett Fleming, Inc.; structural engineering services for the design of two pad foundations and two pier foundations for Fiddymont substation transformer addition project. |
| 0173 | City of Roseville | 6/3/20 | \$ 20,198.50 | Gannett Fleming, Inc.; civil engineering design services for Industrial Substation Bay 2 switchgear foundation. |
| 0169 | City of Healdsburg | 4/14/20 | \$ 8,920.00 | HOT/SHOT Infrared Inspections, Inc.; for ground infrared inspections of substation and 12kv circuits in Healdsburg WUI area. |
| 0166 | City of Palo Alto | 7/1/20 | \$ 73,325.00 | Energy & Research Solutions; energy efficiency consulting services including energy savings calculation review, rebate application review, business energy audits and technical advice. |
| 0164 | City of Palo Alto | 6/16/20 | \$ 51,015.00 | IEC Corporation; engineering services to develop technical bid packages for electrical circuit breaker replacements at various substation sites within the City of Palo Alto. |
| 0159 | Alameda Municipal Power | 3/18/20 | \$ 23,670.00 | Navigant Consulting, Inc.; Independent review and assessment services for AMP's Wildfire Mitigation Plan. |
| 0151 | City of Healdsburg | 2/1/20 | \$ 50,000.00 | IEC Corporation; Development of a Power Purchase Agreement and review/consulting on proposed design for floating solar project. |
| 0148 | City of Santa Clara | 11/1/19 | \$149,01500 | Flynn Resource Consultants, Inc.; support for regulatory and/or contractual issues and analysis related to CAISO, CRRs, PG&E transmission system analysis support, NERC and WECC compliance standards, and other support as requested. |

| No. | Member Name | Date | Amount NTE | Vendor Name & Short Description |
|--------------|---------------------|--------------------|-------------------|--|
| 0139 | City of Santa Clara | 2/19/20 | \$ 3,944.90 | Nor-Cal Battery Company; Maintenance of plant battery chargers at DVR facility. |
| 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. |
| 0110 | City of Santa Clara | 6/20/19 | \$ 48,775.00 | Cameron-Cole LLC; annual CARB greenhouse gas emissions and mandatory compliance reporting of greenhouse gas emissions; years 2018-2020. |
| 0080 | City of Roseville | 7/11/18 | \$148,084.00 | Siemens Energy, Inc.; Year 3 of 5-year T-3000 Maintenance Program |
| 0079 | City of Redding | 7//10/18 | \$ 64,223.09 | Siemens Energy, Inc.; Year 3 of 5-year T-3000 Maintenance Program |

SSA CONFIRMATIONS EXECUTED AND IN PROGRESS (SCPPA CONTRACTS)

| No. | NCPA Member | Date | Amount | Vendor Name & Short Description |
|------------|---------------------|-------------|---------------|--|
| 0193 | City of Roseville | 10/07/20 | \$ 49,950.00 | Richard Heath & Associates, Inc.; Perform Energy Efficiency audits and installations with enabled smart thermostats and perform HVAC tune-ups. |
| 0184 | City of Lodi | 10/23/20 | \$ 52,170.00 | Efficiency Services Group, LLC; Provide its "Keep Your Cool" commercial Refrigeration Program in FY21. |
| 0178 | City of Roseville | 7/14/20 | \$ 35,005.00 | RKS Research & Consulting; conduct CMUA 2020 Statewide Residential Research and additional oversampling among Residential customers. |
| 0171 | City of Redding | 7/13/20 | \$125,000.00 | Alternative Energy Systems, Inc. – continued energy efficiency and engineering support services in FY21. |
| 0147 | City of Santa Clara | 1/30/20 | \$150,000.00 | Center for Sustainable Energy; development of an implementation level fleet electrification plan, including plan to replace city fleet vehicles with EVs and provide charging stations, estimate costs and funding sources, etc. |
| 0144 | City of Santa Clara | 12/3/19 | \$814,813.97 | Efficiency Services Group, LLC; provide "Keep Your Cool" Commercial Refrigeration Program during FY20 and FY21. |



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Commission Staff Report

AGENDA ITEM NO.: 5

Date: February 25, 2021
To: NCPA Commission
Subject: February 3, 2021 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: February 4, 2021
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: February 3, 2021 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Basil Wong (Santa Clara) at 9:03 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Chiara Hanna (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Jiayo Chiang, and Melissa Price (Lodi), CJ Berry (Lompoc), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Jared Carpenter and Khaly Nguyen (Port of Oakland), Brian Schinstock (Roseville), and Steve Hance, Paulo Apolinario, and Eric Shum (Santa Clara). Owen Goldstrom (non-voting Member with TID) also attended via teleconference. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Redding, 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 January 6, 2021 Facilities Committee Meeting.**

Motion: A motion was made by Jiayo Chiang and seconded by Basil Wong recommending approval of the January 6, 2021 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities, Members, SCPA – SEL Engineering Services, Inc. MTPSA – Staff** presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with SEL Engineering Services, Inc. for protective relay and automation design, installation, testing, and commission services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPA, and SCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with SEL Engineering Services, Inc., which is running low on funds and is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. This is an enabling agreement with no commitment of funds. 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 does not have any other agreements for similar services with additional vendors at this time. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the Commission Consent calendar.

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

4. **All NCPA Facilities, Members, SCPPA – GEI Consultants, Inc. First Amendment to MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task Professional Services Agreement with GEI Consultants, Inc. for dam safety engineering services to increase the not to exceed amount from \$1,000,000 to \$3,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a MTPSA with GEI Consultants, Inc. effective May 1, 2019 for an amount not to exceed \$1,000,000 over five years. This agreement has been used for multiple NCPA Hydroelectric Projects where GEI was consistently the lowest bidder. Projects including, but not limited to, the McKays Sediment Removal Basis of Design Report, Emergency Action Plan dam-break modeling/inundation mapping, and 5-Year Part 12 Inspections for FERC Project 11563, which were broadly announced to qualified engineering firms, and competitively bid in accordance with the purchasing policy. This agreement is now running low on funds and the amendment will increase the not to exceed amount from \$1,000,000 to \$3,000,000 to cover the remainder of the contract. This enabling agreement does not commit NCPA to any expenditure of funds. This agreement is still available for use at any facility owned and/or operated by the Agency, its Members, SCPPA, and SCPPA Members. NCPA currently has agreements in place with HDR Engineering, Condor Earth Technologies, AECOM, Black & Veatch, Gannett Fleming, GHD, and other engineering consultants for similar services. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the Commission Consent calendar.

Motion: A motion was made by Basil Wong and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi Task Professional Services Agreement with GEI Consultants, Inc., with any non-substantial changes as 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 Agency, its Members, SCPPA, or SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

5. **All NCPA Facilities (Except LEC) – d’Heurle Systems, Inc. MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-

year Multi-Task General Services Agreement with d’Heurle Systems, Inc. (dHSI) for general mechanical, electrical, and control system engineering and consulting, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA (except LEC). All purchase orders will be issued following NCPA procurement policies and procedures.

This is an enabling agreement with no commitment of funds. NCPA has worked with dHSI for over a decade. Projects that dHSI has supported during that time include being the lowest cost bidder for the programmable logic controller upgrades at Collierville Powerhouse, and New Spicer Meadow Powerhouse, and hydraulic upgrades at New Spicer Meadow Powerhouse. As such, dHSI is very familiar with NCPA’s Hydro hardware and control system logic as it exists currently. dHSI specializes in control systems, including sourcing materials, system integration, and commissioning, and has an unparalleled understanding of hydroelectric systems in particular. In addition, dHSI is based locally and has a relatively low overhead business model which often results in dHSI submitting very competitive bids that provide good value to NCPA. This agreement will be available for use at all facilities owned and/or operated by NCPA, except the Lodi Energy Center. NCPA currently has agreements in place for similar services with ABB, GE, Andritz Hydro, Siemens, and Wunderlich-Malec. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the Commission Consent calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with d’Heurle Systems, Inc. for general mechanical, electrical and control system engineering and support, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not to exceed \$2,500,000 over five years, for use at all facilities owned and/or operated by NCPA, except the Lodi Energy Center. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 6. NCPA Geothermal Facility – Granite Construction Company MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Granite Construction Company, to perform miscellaneous maintenance services including grading, excavation, paving, and concrete sealing, with a not to exceed amount of \$1,000,000, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center facility. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA has utilized this vendor in the past, and has a good working relationship with the 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. This is an enabling agreement with no commitment of funds. This agreement will be available for use at all facilities owned and/or operated by NCPA, except the Lodi Energy Center. NCPA has in place agreements for similar services with Brian Davis dba Northern Industrial Construction, Gifford’s Backhoe Services, Inc., Epidendio Construction, Inc., and Rege Construction. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the Commission Consent calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Granite Construction Company for general maintenance services, including grading, excavation, and paving, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy

Center facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 7. NCPA Geothermal Facility – Beigel Property Grant of Easement and Easement Agreement –** Staff provided background information and was seeking a recommendation for Commission Approval for a five-year Grant of Easement and Easement Agreement with Patricia C. Beigel, granting NCPA easement over existing private roads, for use at NCPA’s Geothermal Plant only.

NCPA employees have to cross property owned by the Beigel family to access NCPA-owned transmission towers. Payments to the Beigel family have been made every five years since the original Grant of Easement and Easement Agreement was executed on December 17, 1980. Payment amounts are calculated and tied to the increases in the Consumer Price Index.

NCPA desires to put a new Grant of Easement and Easement Agreement in place to replace the previous Agreement. The new agreement will have a five year term through 2025, with the option to extend it for three successive five year terms through 2045. If approved, a payment of \$6,934 will be made to the Beigel family for easement access for the initial five year term.

Motion: A motion was made by Basil Wong and seconded by Mark Sorensen recommending Commission approval delegating authority to the NCPA General Manager or his designee to enter into a Grant of Easement and Easement Agreement with the Beigel family, for a term of five years beginning October 1, 2020, with any non-substantial changes recommended and approved by the NCPA General Counsel, for use at NCPA’s Geothermal facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

- 8. Nexant Cost Allocation Model Billing Determinants –** Staff reviewed the finalized calendar year 2020 billing determinants that will be used in the FY 2022 Nexant Cost Allocation Model. The prescribed Nexant determinants are appropriate for use as allocators in the cost allocation model. This review did not include offsetting Power Management services revenues. Staff was seeking a recommendation for Commission approval of the recommended modification to the model.

For the allocation of Power Management costs to BART and Pool Members, contract deals contain two distinct attributes for use as allocators: 1) Contract Hours; and 2) Contract Counts. The Nexant Studies recommended that these two determinants be melded into a single rate based on a ratio of long term and short term contract deals, which positively correlated with the work performed by Pre-Scheduling and Dispatch staff. As NCPA’s scheduling activities have evolved over time, staff proposes to modify the existing melded contract rate to a simple average of Contract Hours and Contract Counts. This change better aligns the use of weighted contract deal determinants for use as allocators, and is consistent with the existing Commission-approved, and long-established method used to allocate settlements-related costs.

The proposed recommendation is to modify the weighted average calculation used for the Pool & BART Contract percentage rate to a simple average of Members’ proportionate shares of Contract Hour, and Contract Count Percentages. This change applies to FY 2022, and future years to the extent that the current Nexant Model is used.

After much discussion with the Committee, Plumas-Sierra has requested NCPA staff consider an alternative way for allocation of costs due to circumstances way beyond their control in September and October 2020. Due to PG&E outages and wildfires, resulting in stranded load events, Plumas-Sierra’s contract counts were triple what they normally are. Staff will re-evaluate the allocation of Power Management costs, and bring this item back next week to the Special Facilities Committee meeting February 10, 2021 for review and recommendation.

INFORMATIONAL ITEMS

- 9. Replacement Capacity for Collierville Dual Unit Outage** – Staff presented a recommendation to the Facilities Committee to authorize NCPA to purchase replacement Resource Adequacy capacity for the Collierville dual unit outage scheduled in CY 2021.

Planned outage requests are subject to CAISO review. The CAISO may issue a POSO, which is a requirement to supply substitute or replacement RA. Lack of substitution or replacement RA may result in a planned outage being rejected by the CAISO. To ensure NCPA is able to perform the planned maintenance during the CY 2021 Collierville dual unit outage in October, staff would like to propose the authorization to procure substitute RA for approximately 124 MW during this time. The allocation cost of the procured substitute RA will be billed to participants based on the claimed or sold RA volumes. NCPA procurement authority falls under the Facilities Agreement Section 4.3(c)(5) for Project Maintenance, and Facilities Schedule 7 North Fork Stanislaus River Hydroelectric Development Project Operating Procedures.

Staff propose an Amendment to Facilities Schedule 7, Section 4.7 – Outage Coordination, with additional language to add delegation of authority to NCPA for purchase of substitute RA to enable outage coordination to be scheduled and performed. Members will have the opportunity to provide their own alternate RA supply as a self-provision. If the voluntary substitute RA is not supplied by a project participant, NCPA would be authorized to purchase the substitute RA by adding this amendment. The cost incurred for substitute RA will be allocated to participants based on the RA claimed or sold, and adjusted for a self-provision. Staff will present the Amendment to Section 4.7 of the Facilities Schedule 7 at the March 2021 Facilities Committee meeting for discussion. Due to the scarcity of RA in October 2021, preference is to move forward with substitute RA solicitation in the near future.

- 10. SFWPA PPA and Member Third Phase Agreement** – Staff gave an update and review of the draft Power Purchase Agreement (PPA) and Third Phase Agreement for the South Feather Water and Power Hydroelectric project.

NCPA is working with South Feather Water and Power Agency (SFWPA) to negotiate a Power Purchase Agreement. The South Feather Power Project includes the Woodleaf Powerhouse – 60 MW, Kelly Ridge Powerhouse – 11 MW, Sly Creek Powerhouse – 13 MW, and Forbestown Powerhouse – 39 MW. Products include energy, RA capacity, ancillary services, RPS, and carbon free attributes. The projected effective date of services is to begin January 1, 2022. NCPA will purchase all of the output from the Project, and will schedule, dispatch, and optimize the Project. SFWPA will operate and maintain the Project. The initial proposed term for the PPA is for 10 years, with an extended delivery term option for the seller to extend the agreement another 10 years.

Staff will strive for an all-in compensation of \$50.00 per MWh. The compensation structure will include RA attributes at \$6.25 for a kW-month with a defined revenue stream, base energy output at \$35.00 per MWh with a defined revenue stream, and the variable energy output at \$33.98 per MWh with a variable revenue stream. The assumed average annual production is 477,369 MWh.

The purpose of a Third Phase Agreement is to enable NCPA to enter into the PPA on behalf of the Members, authorize NCPA to engage in all activities related to such purpose, and to specify the rights and obligation of Members. The Third Phase Agreement is written as a take-or-pay agreement with the obligation of Members to pay for all Project costs and administrative costs, including invoicing and settlement provisions, security deposit requirements, and governance and legal obligations. The Legal Committee is reviewing the Third Phase Agreement tomorrow, February 4, 2021.

Next steps in the process include defining scheduling procedures, review of indemnification provisions, refinement of outage coordination, and the term of the extension notice for the PPA. Then Member Project Subscriptions will take place. These agreements will be brought back to the Facilities Committee for review and a recommendation for Commission approval. Upon Commission approval staff will reach out for Member approvals, and then resource integration. Please contact Power Management staff with any questions you may have.

- 11. San Jose Clean Energy (SJCE) Services Agreement Extension** – Staff provided an update regarding an extension to the San Jose Clean Energy Services Agreement to extend the term of services through August 1, 2022.

SJCE has expressed interest to extend the Services Agreement through August 31, 2022. SJCE also requests that the balance of the agreement terms and conditions remain unchanged. NCPA will continue to schedule SJCE under the NCPA SCID NSJC, retain the scope of services, and the compensation will be escalated at 2%, or \$668,561, for the extension period.

Pursuant to Section 12 of the Services Agreement, SJCE maintains a security deposit with NCPA to mitigate the risk of default. SJCE's security deposit is a function of its open position, and as such the security deposit amount will be adjusted accordingly, as needed.

Staff will finalize Amendment No. 3 to the Services Agreement, to extend the term of services through August 1, 2022. The final Amendment No. 3 to the Services Agreement will be brought back to the Facilities Committee for final review and a recommendation for Commission approval.

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

South Sutter Water District (Camp Far West) – Staff is currently developing a PPA.

Eldorado Irrigation District (P184 Powerhouse) – An indicative offer has been submitted, and is under consideration.

SFWPA (South Feather Hydroelectric) – The final PPA is under development, as well as a Third Phase Agreement. Member subscriptions will follow. Staff will bring this item back to the Facilities Committee for final review and approval once completed.

Glover Solar – The final PPA is under development. Staff will bring this item back to the Facilities Committee for final review and approval, in either March or April, before moving forward.

NCPA Renewables RFP – Review of additional proposals is underway. Please contact staff regarding interest in projects.

- 13. NCPA Hydroelectric Facility – McKays Point Reservoir Sediment Removal Project** – Staff gave an update regarding ongoing project design, planning, and permitting activities.

Bathymetric surveys have been performed in the years of 1997, 2000, 2005, 2011, and 2018. As of the 2018 survey 519,040 cubic yards of sediment were currently in the McKays Point Reservoir. The reservoir storage has decreased 322 acre-feet from 2,169 to 1,847 acre-feet over 30 years. The 1997 Sourgrass Landslide, and 2017 flood events account for 87% of the sediment in the reservoir. The long term average sedimentation rate is approximately 11.3 acre-feet per year.

The project goals and objectives include the removal of the sediment from the reservoir to restore storage capacity, with minimal adverse impacts to the environment, power productions, and the

NCPA Project Participants. Other objectives include restoration of the functionality of the low level outlet, reduction of sediment on the dam, restoring the sediment trap upstream of the Cofferdam, reduce hazards of turbine damage by the sediment, reduce costs of clearing debris from the Collierville Powerhouse intake by divers, and relocate the sediment for beneficial use. The approximate level of the sediment is currently at 3,236 feet in elevation with the maximum allowable sediment level at 3,250 feet.

Staff propose a one-time major sediment removal of 300,000 cubic yards to provide a moderate level of protection against future projects. With a sedimentation rate of 18,200 cubic yards per year, the next cleanout will be needed in approximately 16 years, in 2040. Sediment removal options include excavation in the dry, mechanical dredging, and hydraulic dredging, which is not considered feasible for McKays Point due to the lack of an adequate dewatering area, and interbedded debris in the sediment.

The Basis of Design Report for feasible project alternatives include: 1) Excavate in the dry with a two year project removing 300,000 cubic yards at 2,450 cubic yards per day for 123 days; 2) Mechanical excavation with a two year project removing 300,000 cubic yards at 2,150 cubic yards per day for 140 days; or 3) Mechanical excavation with a one year project removing 200,000 cubic yards at 2,150 cubic yards per day for 93 days. Mechanical excavation is the preferred alternative based on cost, environmental impact, and ease of construction. The two year sediment management project, removing 300,000 cubic yards of sediment using mechanical dredging methods, is preferred for the following key reasons: 1) Lower overall cost compared to excavation in the dry; 2) Minimal impacts to reservoir, and powerhouse operations; 3) No impact to water supply commitments including fish flow, instream releases, and consumptive deliveries; 4) Minimal impact by weather conditions; and 5) Lower overall construction risks. The estimated project costs for the preferred method of removal is between \$49 million and \$75.4 million depending on where the sediment is relocated. Next steps in the process include securing rights to use sediment relocation sites, an environmental review process, and to continue discussions regarding the long term sediment management strategies, assuming 11.3 acre-feet of annual storage loss.

14. NCPA Generation Services Plant Updates – Plant Staff will provide the Committee with an informational update on current plant activities and conditions.

Hydro – Maintenance was performed at the Utica Dam on a stem section that was exposed due to low water and snow levels. The last time this section of stems was exposed was in 2013. Better to fix these now than to have divers underwater performing the maintenance. The snow cat at the Hydro Facility experienced a mechanical failure during the month of January. There were many downed trees during the month as well due to high winds. New Spicer Meadow is currently at 66,558 acre-feet. January was a better month for precipitation and snow. The precipitation is currently at 60% of average with the snow pack at 73% for central California.

CTs – January was a quiet month for the CT Projects, with no forecasted or actual starts for either of the CTs. There were no forced or planned outages for the month either. Staff reported that Air New Zealand identified CT2 particles that were found, through lab results, as plating from a nut. Not a problem at this time.

Geo – There were no safety incidents for the month January, however it was a month of fire, wind, and ice. High wind incidents occurred January 18 – 19, 2021, at the Geo Facility, including a transmission induced fire near Calpine’s McCabe Power Plant Units 5 and 6, NCPA Plant #2 structures damaged from the high winds, and the Plant Manager de-energized the SEGEP 21kV distribution line to mitigate risk. The oil shed and cooling tower were damaged at Plant #2. The Geo Facility received two feet of snow January 26 – 27, 2021. The average net generation for January was 87.8 MW, with the estimated total net generation at 65.3 GWh. The FY 2021 net generation is at 452.6 GWh YTD, exceeding the forecasted total of 440.3 GWh YTD, at 2.8%

above forecast. Plant #2 was in a PG&E out due to maintenance on the Fulton Transmission Line from January 25 – 30, 2021. Maintenance was done on the plant during this time.

15. Planning and Operations Update –

- COVID-19 Update – Dual operations continue for the NCPA dispatch and scheduling functions. Ongoing efforts are still in place to protect the health and safety of staff.
- New Resource Integration – Altamont Wind (EBCE), and BART Renewables have been integrated into the portfolio. Camp Far West and SFWPA Services Agreement are in the final phases, so integration is still pending.
- Key focus of the Resource Adequacy Policy includes CAISO RA enhancements, CPUC central procurement, and impact of resource eligibility.

16. Next Meeting – A Special Facilities Committee meeting is scheduled for February 10, 2021 to review the FY 2022 annual budget. The next regular Facilities Committee meeting is scheduled for March 3, 2021.

ADJOURNMENT

The meeting was adjourned at 1:03 pm.

Teleconference call only due to Covid19

Northern California Power Agency February 3, 2021 Facilities Committee Meeting Attendance List

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

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



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: January 31, 2021 Financial Report (Unaudited)

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Staff is recommending the Northern California Power Agency (NCPA) Commission approve the Financial Report for January 31, 2021.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the February 25, 2021 meeting of the NCPA Commission. The following page is a summary of those disbursements.

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

The report of budget vs. actual costs and the unaudited January 31, 2021 financial reports are also included.

FISCAL IMPACT:

This report has no direct budget impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: (1)

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

**Schedule of Disbursements
(Unaudited)**

For the Month of January 2021

Operations:

| | |
|---------------------------------|------------------------------------|
| Geothermal | \$ 1,269,879 |
| Hydroelectric | 4,290,519 |
| CT#1 Combustion Turbines | 175,977 |
| CT#2 STIG | 577,249 |
| Lodi Energy Center | 7,177,776 |
| NCPA Operating | <u>29,082,117</u> |
| Total | <u><u>\$ 42,573,517</u></u> |

NORTHERN CALIFORNIA POWER AGENCY
 REPORT OF BUDGET VS. ACTUAL COST
 FOR THE PERIOD ENDED JANUARY 31, 2021

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

| | This Month | Actual Year To-Date | FY 2021 Budget | % Used | |
|---|-------------------|------------------------|--------------------|-------------|-----|
| GENERATION RESOURCES | | | | | |
| NCPA Plants | | | | | |
| Hydroelectric | | | | | |
| Other Plant Cost | \$ 1,732,486 | \$ 10,884,927 | \$ 20,872,106 | 52% | |
| Debt Service (Net) | 2,782,355 | 19,476,487 | 33,388,263 | 58% | |
| Annual Budget Cost | 4,514,841 | 30,361,414 | 54,260,369 | 56% | |
| Geothermal | | | | | |
| Other Plant Cost | 2,625,744 | 17,892,732 | 30,610,931 | 58% | |
| Debt Service (Net) | 412,538 | 2,887,769 | 4,950,461 | 58% | |
| Annual Budget Cost | 3,038,282 | 20,780,501 | 35,561,392 | 58% | |
| Combustion Turbine No. 1 | 472,744 | 3,661,939 | 7,883,578 | 46% | |
| Combustion Turbine No. 2 (Stig) | | | | | |
| Fuel and Pipeline Transport Charges | 100,953 | 1,450,414 | 910,006 | 159% | (a) |
| Other Plant Cost | 223,685 | 1,658,865 | 2,252,911 | 74% | (a) |
| Debt Service (Net) | 402,180 | 2,815,261 | 4,826,162 | 58% | |
| Annual Budget Cost | 726,818 | 5,924,540 | 7,989,079 | 74% | |
| Lodi Energy Center | | | | | |
| Fuel | 851,813 | 16,734,753 | 32,955,703 | 51% | |
| Other Plant Cost | 1,667,216 | 12,560,265 | 33,571,561 | 37% | |
| Debt Service (Net) | 2,168,653 | 15,180,570 | 26,023,835 | 58% | |
| Annual Budget Cost | 4,687,682 | 44,475,588 | 92,551,099 | 48% | |
| Member Resources - Energy | 4,788,712 | 35,133,383 | 60,055,852 | 59% | |
| Member Resources - Natural Gas | 172,579 | 2,202,332 | 2,442,174 | 90% | (b) |
| Western Resources | 1,503,563 | 15,926,015 | 29,869,636 | 53% | |
| Market Power Purchases | 3,473,930 | 20,645,836 | 27,422,650 | 75% | (c) |
| Load Aggregation Costs - CAISO | 64,940,670 | 438,116,765 | 250,995,102 | 175% | (d) |
| Net GHG Obligations | - | 833,870 | - | N/A | |
| | 88,319,821 | 618,062,183 | 569,030,931 | 109% | |
| TRANSMISSION | | | | | |
| Independent System Operator | | | | | |
| Grid Management Charge | 640,470 | 4,421,961 | 2,674,231 | 165% | (e) |
| Wheeling Access Charge | 8,893,694 | 62,656,521 | 112,666,513 | 56% | |
| Ancillary Services | 1,167,352 | 12,193,399 | 3,750,031 | 325% | (f) |
| Other ISO Charges/(Credits) | (2,380,039) | 1,745,578 | 935,326 | 187% | (g) |
| | 8,321,477 | 81,017,459 | 120,026,101 | 67% | |
| MANAGEMENT SERVICES | | | | | |
| Legislative & Regulatory | | | | | |
| Legislative Representation | 148,729 | 928,337 | 2,180,121 | 43% | |
| Regulatory Representation | 70,884 | 425,996 | 715,280 | 60% | |
| Western Representation | 61,909 | 337,053 | 716,059 | 47% | |
| Customer Programs | 37,734 | 246,750 | 476,652 | 52% | |
| Judicial Action | 38,957 | 379,984 | 460,000 | 83% | (h) |
| Power Management | | | | | |
| System Control & Load Dispatch | 642,739 | 3,664,483 | 6,765,755 | 54% | |
| Forecasting, Planning, Prescheduling & Trading | 303,021 | 1,617,472 | 2,934,342 | 55% | |
| Industry Restructuring & Regulatory Affairs | 41,391 | 239,159 | 425,152 | 56% | |
| Contract Admin, Interconnection Svcs & External Affairs | 96,552 | 574,159 | 999,897 | 57% | |
| Gas Purchase Program | 5,308 | 36,707 | 81,738 | 45% | |
| Market Purchase Project | 10,375 | 52,746 | 117,239 | 45% | |

Management Services continued on next page

**NORTHERN CALIFORNIA POWER AGENCY
REPORT OF BUDGET VS. ACTUAL COST
FOR THE PERIOD ENDED JANUARY 31, 2021**

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

| | This Month | Actual Year To-Date | FY 2021 Budget | % Used | |
|---|----------------------|------------------------|-----------------------|-------------|-----|
| Energy Risk Management | 22,662 | 98,658 | 229,845 | 43% | |
| Settlements | 77,410 | 413,256 | 923,646 | 45% | |
| Integrated Systems Support | 15,209 | 118,755 | 266,055 | 45% | |
| Participant Pass Through Costs | 72,758 | 812,042 | 1,590,641 | 51% | |
| Support Services | 333,647 | 1,381,259 | - | N/A | |
| | 1,979,285 | 11,326,816 | 18,882,422 | 60% | |
| TOTAL ANNUAL BUDGET COST | 98,620,583 | 710,406,458 | 707,939,454 | 100% | |
| LESS: THIRD PARTY REVENUE | | | | | |
| Plant ISO Energy Sales | 3,976,785 | 68,228,267 | 105,258,271 | 65% | (i) |
| Member Resource ISO Energy Sales | 2,495,982 | 20,154,202 | 26,421,509 | 76% | (j) |
| Member Owned Generation ISO Energy Sales | 5,045,347 | 50,673,462 | 69,679,260 | 73% | (k) |
| Customer Owned Generation ISO Energy Sales | 13,592 | 37,254 | - | N/A | |
| NCPA Contracts ISO Energy Sales | 1,991,893 | 13,034,869 | 18,914,977 | 69% | (l) |
| Western Resource Energy Sales | 426,832 | 17,250,471 | 17,480,649 | 99% | (m) |
| Load Aggregation Energy Sales | 29,043,995 | 201,367,278 | - | N/A | |
| Ancillary Services Sales | 633,239 | 4,495,509 | 3,988,092 | 113% | (n) |
| Transmission Sales | 9,198 | 64,386 | 110,376 | 58% | |
| Western Credits, Interest and Other Income | 16,913,923 | 111,010,974 | 34,901,791 | 318% | (o) |
| | 60,550,786 | 486,316,672 | 276,754,925 | 176% | |
| NET ANNUAL BUDGET COST TO PARTICIPANTS | \$ 38,069,797 | \$ 224,089,786 | \$ 431,184,529 | 52% | |

- (a) Increase in costs due to greater than projected MWhs of generation. CT2 is at 740% of budgeted MWhs at 1/31/21. Fuel costs, CA ISO charges, and variable costs have increased as a result of increased generation.
- (b) Variance caused by greater than anticipated natural gas purchases for Biggs, Gridley, Healdsburg, Lodi, Lompoc, and Ukiah.
- (c) Increase due to higher than anticipated market purchases and price per Mwh.
- (d) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy. Additionally, the CAISO market experienced historically high day-ahead market prices for several days during the August heatwave. Prices peaked at nearly \$1000/MWh. Typical prices are around \$35/MWh. In addition, NCPA load quantities also increased in response to the heatwave.
- (e) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy. Additionally, GMC rates are volumetric and charges went above budget with increased load quantities during August heatwave.
- (f) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy. Additionally, during the August heatwave the CAISO faced significant deficiencies in operating reserves (Ancillary Services). This scarcity drove up the cost of Ancillary Services well above typical rates.
- (g) Increase due to unbudgeted revenues related to East Bay Community Energy, San Jose Community Energy, and NCPA Pool. Additionally, during system events like what was experienced in August, the CAISO must increase out-of-market actions, which when taken will result in unanticipated costs. CAISO dispatched as much system capacity as possible, which will result in increased neutrality costs.
- (h) Increase relates to unbudgeted costs for privileged and confidential legal matters.
- (i) Much of NCPA's generation fleet was called on by CAISO to generate during August through October when prices were extremely high. Prices peaked at nearly \$1000/Mwh during the month of August.
- (j) Members' generation fleet was called on by CAISO to generate during August through October when prices were extremely high. Prices peaked at nearly \$1000/Mwh during the month of August.
- (k) Members' generation fleet was called on by CAISO to generate during August through October when prices were extremely high. Prices peaked at nearly \$1000/Mwh during the month of August.
- (l) Increase due to high market prices from August through October.
- (m) Western's generation fleet was called on by CAISO to generate during August through October when prices were extremely high. Prices peaked at nearly \$1000/Mwh during the month of August.
- (n) Increase due to August through October heat events and continued stronger than normal CAISO market. Heat events have an impact on energy prices and costs/revenues as well as Ancillary Services.
- (o) Variance caused by unbudgeted revenue from customers.

COMBINED STATEMENTS OF NET POSITION

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

UNAUDITED

| | January 31, | |
|--|---------------------|---------------------|
| | 2021 | 2020 |
| ASSETS | (in thousands) | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 48,648 | \$ 24,559 |
| Investments | 45,107 | 59,938 |
| Accounts receivable | | |
| Participants | 1,777 | 3,211 |
| Other | 937 | 488 |
| Interest receivable | 350 | 555 |
| Inventory and supplies | 6,029 | 8,891 |
| Prepaid expenses | 1,284 | 3,336 |
| TOTAL CURRENT ASSETS | 104,132 | 100,978 |
| RESTRICTED ASSETS | | |
| Cash and cash equivalents | 68,357 | 36,116 |
| Investments | 169,403 | 181,907 |
| Interest receivable | 496 | 557 |
| TOTAL RESTRICTED ASSETS | 238,256 | 218,580 |
| ELECTRIC PLANT | | |
| Electric plant in service | 1,493,905 | 1,508,061 |
| Less: accumulated depreciation | (1,035,644) | (1,022,154) |
| | 458,261 | 485,907 |
| Construction work-in-progress | - | 182 |
| TOTAL ELECTRIC PLANT | 458,261 | 486,089 |
| OTHER ASSETS | | |
| Regulatory assets | 220,959 | 220,363 |
| Preliminary survey and investigation costs | - | 655 |
| Investment in associated company | 265 | 265 |
| TOTAL ASSETS | 1,021,873 | 1,026,930 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Excess cost on refunding of debt | 16,391 | 27,531 |
| Pension and OPEB deferrals | 16,936 | 17,055 |
| Asset retirement obligations | 61,929 | 62,039 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 95,256 | 106,625 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 1,117,129 | \$ 1,133,555 |

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

| | January 31, | |
|--|----------------|--------------|
| | 2021 | 2020 |
| LIABILITIES | (in thousands) | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 55,486 | \$ 43,307 |
| Accounts and retentions payable - restricted for construction | - | 10 |
| Member advances | 993 | 1,643 |
| Operating reserves | 22,390 | 18,968 |
| Current portion of long-term debt | 43,035 | 39,935 |
| Accrued interest payable | 2,979 | 4,885 |
| TOTAL CURRENT LIABILITIES | 124,883 | 108,748 |
| NON-CURRENT LIABILITIES | | |
| Net pension and OPEB liabilities | 63,003 | 66,126 |
| Operating reserves and other deposits | 141,460 | 137,047 |
| Interest rate swap liability | 20,209 | 15,747 |
| Asset retirement obligations | 67,508 | 66,014 |
| Long-term debt, net | 568,099 | 614,593 |
| TOTAL NON-CURRENT LIABILITIES | 860,279 | 899,527 |
| TOTAL LIABILITIES | 985,162 | 1,008,275 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Regulatory credits | 86,981 | 82,822 |
| Pension and OPEB deferrals | 4,737 | 5,802 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 91,718 | 88,624 |
| NET POSITION | | |
| Net investment in capital assets | (21,764) | (24,986) |
| Restricted for debt service | 36,624 | 24,535 |
| Unrestricted | 25,389 | 37,107 |
| TOTAL NET POSITION | 40,249 | 36,656 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 1,117,129 | \$ 1,133,555 |

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

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

UNAUDITED

| | For the Seven Months Ended January 31, 2021 | |
|--|---|------------------|
| | 2021 | 2020 |
| | (in thousands) | |
| OPERATING REVENUES | | |
| Participants | \$ 234,875 | \$ 234,225 |
| Other Third-Party | 203,995 | 137,809 |
| TOTAL OPERATING REVENUES | <u>438,870</u> | <u>372,034</u> |
| OPERATING EXPENSES | | |
| Purchased power | 205,013 | 137,566 |
| Operations | 47,236 | 49,088 |
| Transmission | 113,066 | 114,326 |
| Depreciation | 17,600 | 18,086 |
| Maintenance | 13,601 | 15,549 |
| Administrative and general | 12,906 | 12,431 |
| TOTAL OPERATING EXPENSES | <u>409,422</u> | <u>347,046</u> |
| NET OPERATING REVENUES | <u>29,448</u> | <u>24,988</u> |
| NON OPERATING (EXPENSES) REVENUES | | |
| Interest expense | (20,433) | (21,892) |
| Interest income | (1,820) | 2,367 |
| Other | 4,439 | 3,688 |
| TOTAL NON OPERATING EXPENSES | <u>(17,814)</u> | <u>(15,837)</u> |
| FUTURE RECOVERABLE AMOUNTS | (4,921) | (3,332) |
| REFUNDS TO PARTICIPANTS | <u>(6,856)</u> | <u>(7,539)</u> |
| INCREASE (DECREASE) IN NET POSITION | (143) | (1,720) |
| NET POSITION, Beginning of year | <u>40,392</u> | <u>38,376</u> |
| NET POSITION, Period ended | <u>\$ 40,249</u> | <u>\$ 36,656</u> |

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

January 31, 2021

| | GENERATING & TRANSMISSION RESOURCES | | | | | | | | | |
|--|-------------------------------------|-------------------|-----------------------------|-----------------|--------------------|----------------------|--------------------------------|----------------------------|-------------------|---------------------|
| | Geothermal | Hydroelectric | Multiple Capital Facilities | CT No. One | Lodi Energy Center | Transmission No. One | Purchased Power & Transmission | Associated Member Services | Other Agency | Combined |
| ASSETS | | | | | | | | | | |
| CURRENT ASSETS | | | | | | | | | | |
| Cash and cash equivalents | \$ 1 | \$ - | \$ 1 | \$ 1 | \$ 93 | \$ - | \$ - | \$ 93 | \$ 48,459 | \$ 48,648 |
| Investments | - | - | - | - | - | - | - | - | 45,107 | 45,107 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - |
| Participants | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | 1,777 | 1,777 |
| Interest receivable | - | - | - | - | - | - | - | - | 453 | 937 |
| Inventory and supplies | 1,511 | 1,583 | 326 | 358 | 2,251 | - | 99 | 251 | 350 | 350 |
| Prepaid expenses | 276 | - | - | - | 37 | - | - | - | - | 6,029 |
| Due from Agency and other programs* | 10,924 | 895 | 2,477 | 4,223 | 20,637 | - | 39,498 | 971 | (86,189) | 1,284 |
| TOTAL CURRENT ASSETS | 12,712 | 2,478 | 2,804 | 4,582 | 23,018 | - | 40,081 | 7,535 | 10,829 | 104,132 |
| RESTRICTED ASSETS | | | | | | | | | | |
| Cash and cash equivalents | 5,344 | 9,754 | 1,658 | - | 7,901 | - | 17,123 | - | 26,577 | 68,357 |
| Investments | 24,394 | 38,506 | 857 | - | 31,226 | - | 15,644 | - | 58,776 | 169,403 |
| Interest receivable | 79 | 76 | 1 | - | 51 | - | - | - | 289 | 496 |
| TOTAL RESTRICTED ASSETS | 29,817 | 48,336 | 2,516 | - | 39,178 | - | 32,767 | - | 85,642 | 238,256 |
| ELECTRIC PLANT | | | | | | | | | | |
| Electric plant in service | 572,196 | 395,179 | 64,852 | 36,945 | 409,938 | 7,736 | - | 894 | 6,165 | 1,493,905 |
| Less: accumulated depreciation | (544,582) | (286,639) | (34,062) | (34,974) | (103,125) | (7,736) | - | (617) | (3,909) | (1,035,644) |
| TOTAL ELECTRIC PLANT | 27,614 | 108,540 | 10,790 | 1,971 | 306,813 | - | - | 277 | 2,256 | 458,261 |
| OTHER ASSETS | | | | | | | | | | |
| Regulatory assets | 1,273 | 130,197 | 5,836 | - | 28,591 | - | - | - | 55,062 | 220,959 |
| Investment in associated company | - | - | - | - | - | - | - | - | 265 | 265 |
| TOTAL ASSETS | 71,416 | 289,551 | 21,946 | 6,553 | 397,600 | - | 72,848 | 7,905 | 154,054 | 1,021,873 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | | | |
| Excess cost on refunding of debt | 931 | 14,141 | - | - | 1,319 | - | - | - | - | 16,391 |
| Pension and OPEB deferrals | - | - | - | - | - | - | - | - | 16,936 | 16,936 |
| Asset retirement obligations | 61,580 | - | 163 | - | 186 | - | - | - | - | 61,929 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 62,511 | 14,141 | 163 | - | 1,505 | - | - | - | 16,936 | 95,256 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 133,927 | \$ 303,692 | \$ 22,109 | \$ 6,553 | \$ 399,105 | \$ - | \$ 72,848 | \$ 7,905 | \$ 170,990 | \$ 1,117,129 |

* Eliminated in Combination

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

January 31, 2021

| | GENERATING & TRANSMISSION RESOURCES | | | | | | | | | | Other Agency | Combined | |
|--|-------------------------------------|-------------------|-----------------------------|-----------------|--------------------|--------------|--------------------------------|----------------------------|-------------------|---------------------|----------------|----------|--|
| | Geothermal | Hydroelectric | Multiple Capital Facilities | CT No. One | Lodi Energy Center | Transmission | Purchased Power & Transmission | Associated Member Services | | | | | |
| LIABILITIES | | | | | | | | | | | | | |
| CURRENT LIABILITIES | | | | | | | | | | | | | |
| Accounts payable and accrued expenses | 255 | \$ 377 | \$ 18 | \$ 17 | \$ 767 | \$ - | \$ 43,780 | \$ - | \$ - | \$ 10,272 | \$ 55,486 | | |
| Member advances | 791 | - | - | - | - | - | - | - | 202 | - | 993 | | |
| Operating reserves | 1,595 | 250 | 617 | 3,680 | 16,248 | - | - | - | - | - | 22,390 | | |
| Current portion of long-term debt | 4,690 | 21,750 | 4,080 | - | 12,515 | - | - | - | - | - | 43,035 | | |
| Accrued interest payable | 20 | 1,287 | 423 | - | 1,249 | - | - | - | - | - | 2,979 | | |
| TOTAL CURRENT LIABILITIES | 7,351 | 23,664 | 5,138 | 3,697 | 30,779 | - | 43,780 | - | 202 | 10,272 | 124,883 | | |
| NON-CURRENT LIABILITIES | | | | | | | | | | | | | |
| Net pension and OPEB liability | 1,500 | 17,066 | - | - | 326 | - | 34,010 | - | 2,919 | 63,003 | 63,003 | | |
| Operating reserves and other deposits | - | 20,209 | - | - | - | - | - | - | - | 85,639 | 141,460 | | |
| Interest rate swap liability | 67,159 | - | 163 | - | 186 | - | - | - | - | - | 20,209 | | |
| Asset retirement obligations | 10,815 | 235,277 | 15,472 | - | 306,535 | - | - | - | - | - | 67,508 | | |
| Long-term debt, net | 79,474 | 275,552 | 15,635 | - | 307,047 | - | 34,010 | - | 2,919 | 148,642 | 860,279 | | |
| TOTAL NON-CURRENT LIABILITIES | 86,825 | 296,216 | 20,773 | 3,697 | 337,826 | - | 77,790 | - | 3,121 | 158,914 | 985,162 | | |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | | | | |
| Regulatory credits | 38,332 | 3,481 | 1,107 | 2,153 | 38,837 | - | - | - | 277 | 2,794 | 86,981 | | |
| Pension and OPEB deferrals | - | - | - | - | - | - | - | - | - | 4,737 | 4,737 | | |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 38,332 | 3,481 | 1,107 | 2,153 | 38,837 | - | - | - | 277 | 7,531 | 91,718 | | |
| NET POSITION | | | | | | | | | | | | | |
| Net investment in capital assets | 4,070 | (16,215) | (3,704) | - | (5,915) | - | - | - | - | - | (21,764) | | |
| Restricted for debt service | 2,025 | 18,932 | 2,066 | - | 13,601 | - | - | - | - | - | 36,624 | | |
| Unrestricted | 2,675 | 1,278 | 1,867 | 703 | 14,756 | - | (4,942) | - | 4,507 | 4,545 | 25,389 | | |
| TOTAL NET POSITION | 8,770 | 3,995 | 229 | 703 | 22,442 | - | (4,942) | - | 4,507 | 4,545 | 40,249 | | |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 133,927 | \$ 303,692 | \$ 22,109 | \$ 6,533 | \$ 399,105 | \$ - | \$ 72,848 | \$ 7,905 | \$ 170,990 | \$ 1,117,129 | | | |

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

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

For the Seven Months Ended January 31, 2021

| | GENERATING & TRANSMISSION RESOURCES | | | | | | | | | | Other Agency | Combined | |
|--|-------------------------------------|-----------------|-----------------------------|---------------|--------------------|--------------|--------------------------------|----------------------------|-----------------|-------------|------------------|----------|--|
| | Geothermal | Hydroelectric | Multiple Capital Facilities | CT No. One | Lodi Energy Center | Transmission | Purchased Power & Transmission | Associated Member Services | | | | | |
| OPERATING REVENUES | | | | | | | | | | | | | |
| Participants | \$ 4,763 | \$ 15,753 | \$ 2,434 | \$ 2,346 | \$ 26,656 | \$ - | \$ 170,054 | \$ 11,830 | \$ 1,039 | \$ - | \$ 234,875 | | |
| Other Third-Party | 19,332 | 13,784 | 2,685 | 2,611 | 34,339 | - | 129,758 | 1,486 | - | - | 203,995 | | |
| TOTAL OPERATING REVENUES | 24,095 | 29,537 | 5,119 | 4,957 | 60,995 | - | 299,812 | 13,316 | 1,039 | - | 438,870 | | |
| OPERATING EXPENSES | | | | | | | | | | | | | |
| Purchased power | 647 | 1,523 | 299 | 341 | 1,039 | - | 201,164 | - | - | - | 205,013 | | |
| Operations | 10,435 | 2,671 | 1,858 | 1,161 | 22,497 | - | 2,202 | 6,412 | - | - | 47,236 | | |
| Transmission | 242 | 201 | 15 | 26 | 609 | - | 111,970 | 3 | - | - | 113,066 | | |
| Depreciation | 2,142 | 5,561 | 1,285 | 125 | 8,247 | - | - | 30 | 210 | - | 17,600 | | |
| Maintenance | 5,108 | 4,219 | 429 | 1,490 | 2,299 | - | - | 56 | - | - | 13,601 | | |
| Administrative and general | 3,144 | 1,989 | 365 | 510 | 2,979 | - | - | 4,137 | (218) | - | 12,906 | | |
| Intercompany (sales) purchases, net* | (463) | 161 | 42 | 40 | 244 | - | - | (24) | - | - | - | | |
| TOTAL OPERATING EXPENSES | 21,255 | 16,325 | 4,293 | 3,693 | 37,914 | - | 315,336 | 10,614 | (8) | - | 409,422 | | |
| NET OPERATING REVENUES | 2,840 | 13,212 | 826 | 1,264 | 23,081 | - | (15,524) | 2,702 | 1,047 | - | 29,448 | | |
| NON OPERATING (EXPENSES) REVENUES | | | | | | | | | | | | | |
| Interest expense | (314) | (11,941) | (127) | - | (8,051) | - | - | - | - | - | (20,433) | | |
| Interest income | (129) | (175) | 25 | 26 | 36 | - | 151 | 36 | (1,790) | - | (1,820) | | |
| Other | 13 | - | 747 | - | 2,343 | - | 1,183 | 109 | 44 | - | 4,439 | | |
| TOTAL NON OPERATING (EXPENSES) REVENUES | (430) | (12,116) | 645 | 26 | (5,672) | - | 1,334 | 145 | (1,746) | - | (17,814) | | |
| FUTURE RECOVERABLE AMOUNTS | | | | | | | | | | | | | |
| | (804) | (2,153) | (1,429) | - | (535) | - | - | - | - | - | (4,921) | | |
| REFUNDS TO PARTICIPANTS | | | | | | | | | | | | | |
| INCREASE (DECREASE) IN NET POSITION | (1,104) | (1,924) | (214) | 129 | (92) | - | (1,007) | (3,092) | 448 | - | (6,856) | | |
| NET POSITION, Beginning of year | 502 | (2,981) | (172) | 1,419 | 16,782 | - | (15,197) | (245) | (251) | - | (143) | | |
| NET POSITION, Period ended | 8,268 | 6,976 | 401 | (716) | 5,660 | - | 10,255 | 4,752 | 4,796 | - | 40,392 | | |
| NET POSITION, Period ended | \$ 8,770 | \$ 3,995 | \$ 229 | \$ 703 | \$ 22,442 | \$ - | \$ (4,942) | \$ 4,507 | \$ 4,545 | \$ - | \$ 40,249 | | |

* Eliminated in Combination

NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS
AGED ACCOUNTS RECEIVABLE
January 31, 2021

| <u>Status</u> | <u>Participant / Customer</u> | <u>Description</u> | <u>Amount</u> |
|---|-------------------------------|---------------------|---------------------|
| CURRENT | | | \$ 2,320,806 |
| PAST DUE: | | | |
| 1 - 30 | Gridley Elect Department | ARB - January 2021 | 377,159 * |
| | Lodi | Training Services | 3,975 |
| | CDWR | Application Sharing | 12,264 |
| 31 - 60 | | | |
| 61 - 90 | | | |
| 91 - 120 | | | |
| Over 120 Days | | | |
| PARTICIPANT and OTHER RECEIVABLES (net) | | | <u>\$ 2,714,205</u> |

** Denotes items paid/applied after January 31, 2021*



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Treasurer's Report for Month Ended January 31, 2021

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Staff is recommending the Northern California Power Agency (NCPA) Commission approve the Treasurer's Report for January 31, 2021.

NOTICE:

The disbursements of the Northern California Power Agency (NCPA) for the month reported herein, will be approved at the February 25, 2021 meeting of the NCPA Commission. The following page is a summary of those disbursements.

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

The report of budget vs. actual costs and the unaudited January 31, 2021 financial reports are also included.

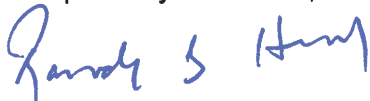
FISCAL IMPACT:

This report has no direct budget impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: (1)

NORTHERN CALIFORNIA POWER AGENCY

TREASURER'S REPORT

JANUARY 31, 2021

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| CASH ACTIVITY SUMMARY | 2 |
| INVESTMENT ACTIVITY SUMMARY | 3 |
| INTEREST RATE/YIELD ANALYSIS | 4 |
| INVESTMENT MATURITIES ANALYSIS | 5 |
| DETAIL REPORT OF INVESTMENTS | APPENDIX |

**Northern California Power Agency
Treasurer's Report
Cash & Investment Balance
January 31, 2021**

| | CASH | INVESTMENTS | TOTAL | PERCENT |
|-------------------|---------------------|-----------------------|-----------------------|----------------|
| NCPA FUNDS | | | | |
| Operating | \$ 2,255,548 | \$ 122,971,655 | \$ 125,227,203 | 37.78% |
| Special Deposits | 1,289,318 | - | 1,289,318 | 0.39% |
| Construction | 5,147,776 | - | 5,147,776 | 1.55% |
| Debt Service | 2,649 | 39,503,929 | 39,506,578 | 11.92% |
| Special & Reserve | 195,146 | 160,080,603 | 160,275,749 | 48.36% |
| | \$ 8,890,437 | \$ 322,556,187 | \$ 331,446,624 | 100.00% |

Portfolio Investments at Market Value

\$ 325,856,758

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Treasurer's Report
Cash Activity Summary
January 31, 2021**

| | RECEIPTS | | | EXPENDITURES | | | CASH INCREASE / (DECREASE) |
|-------------------|----------------------|----------------------|-------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| | OPS/CONSTR | INTEREST (NOTE B) | INVESTMENTS (NOTE A) | OPS/CONSTR | INVESTMENTS (NOTE B) | INTER-COMPANY/ FUND TRANSFERS | |
| NCPA FUNDS | | | | | | | |
| Operating | \$ 55,235,770 | \$ 134,318 | \$ 16,971,177 | \$ (21,144,699) | \$ (29,782,987) | \$ (21,555,029) | \$ (141,450) |
| Special Deposits | 440,615 | - | - | (15,158,519) | - | 14,717,904 | - |
| Construction | - | - | 5,146,000 | - | - | - | 5,146,000 |
| Debt Service | - | 6 | 7,964,000 | (4,959,816) | (26,114,828) | 6,262,204 | (16,848,434) |
| Special & Reserve | - | 239,909 | 10,885,333 | - | (11,506,516) | 574,921 | 193,647 |
| | \$ 55,676,385 | \$ 374,233 | \$ 40,966,510 | \$ (41,263,034) | \$ (67,404,331) | \$ - | \$ (11,650,237) |

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

**Northern California Power Agency
Treasurer's Report
Investment Activity Summary
January 31, 2021**

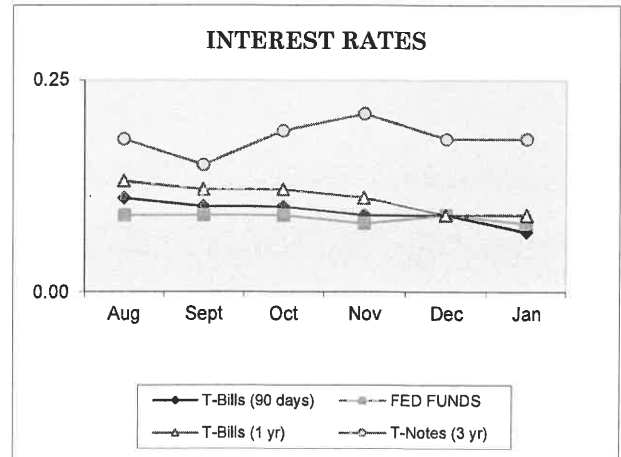
| | PURCHASED | SOLD OR MATURED | (NON-CASH) DISC/(PREM) AMORT | (NON-CASH) GAIN/(LOSS) ON SALE | INVESTMENTS TRANSFERS | INCREASE / (DECREASE) |
|---|----------------------|------------------------|------------------------------------|--------------------------------------|--------------------------|--------------------------|
| NCPA FUNDS | | | | | | |
| Operating | \$ 29,782,986 | \$ (16,971,177) | \$ 9,780 | \$ - | \$ - | \$ 12,821,589 |
| Special Deposits | - | - | - | - | - | - |
| Construction | - | (5,146,000) | 280 | - | - | (5,145,720) |
| Debt Service | 26,114,828 | (7,964,000) | 1,096 | - | - | 18,151,924 |
| Special & Reserve | 11,506,516 | (10,885,333) | (16,169) | (471) | - | 604,543 |
| | <u>\$ 67,404,330</u> | <u>\$ (40,966,510)</u> | <u>\$ (5,013)</u> | <u>\$ (471)</u> | <u>\$ -</u> | <u>\$ 26,432,336</u> |
| Less Non- Cash Activity | | | | | | |
| Disc/(Prem) Amortization & Gain/(Loss) on Sale | | | | | | <u>5,484</u> |
| Net Change in Investment --Before Non-Cash Activity | | | | | | <u>\$ 26,437,820</u> |

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Interest Rate/Yield Analysis
January 31, 2021**

| | WEIGHTED AVERAGE INTEREST RATE | BOND EQUIVALENT YIELD |
|-------------------------|---|--------------------------------------|
| OVERALL COMBINED | 1.054% | 1.069% |
| OPERATING FUNDS: | 1.219% | 1.181% |
| PROJECTS: | | |
| Geothermal | 1.475% | 1.433% |
| Capital Facilities | 0.246% | 0.246% |
| Hydroelectric | 0.836% | 0.813% |
| Lodi Energy Center | 0.654% | 0.535% |

| KEY INTEREST RATES | | |
|---------------------------|----------------|-----------------------|
| | CURRENT | PRIOR YEAR |
| Fed Fds (Overnight) | 0.08% | 1.55% |
| T-Bills (90da.) | 0.07% | 1.56% |
| Agency Disc (90da.) | 0.07% | 1.62% |
| T-Bills (1yr.) | 0.09% | 1.50% |
| Agency Disc (1yr.) | 0.09% | 1.55% |
| T-Notes (3yr.) | 0.18% | 1.38% |



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
January 31, 2021**

| Type | 0-7 Days | 8-90 Days | 91-180 Days | 181-270 Days | 271-365 Days | 1-5 Years | 6-10 Years | Total | Percent |
|-----------------------------|-------------------|-----------------|------------------|-----------------|-----------------|-------------------|---------------|-------------------|----------------|
| US Government Agencies | \$ 1,244 | \$ 500 | \$ 22,879 | \$ 839 | \$ 3,928 | \$ 57,602 | \$ - | \$ 86,992 | 26.84% |
| Corporate Bonds (MTN) | - | 3,000 | 1,500 | 4,025 | 1,250 | 65,480 | - | 75,255 | 23.22% |
| Municipal Bonds | - | 1,000 | - | - | 2,055 | 25,433 | - | 28,488 | 8.79% |
| US Bank Trust Money Market | 6,130 | - | - | - | - | - | - | 6,130 | 1.89% |
| Commercial Paper | 32,608 | - | - | - | - | - | - | 32,608 | 10.06% |
| Investment Trusts (LAIF) | 60,649 | - | - | - | - | - | - | 60,649 | 18.71% |
| Investment Trusts (CAMP) | 1 | - | - | - | - | - | - | 1 | 0.00% |
| U.S.Treasury Market Acct. * | 10,082 | - | - | - | - | - | - | 10,082 | 3.11% |
| U.S.Treasury Bill/Note | - | 192 | 22,190 | - | - | - | - | 22,382 | 6.91% |
| Certificates of Deposit | - | 10 | - | 250 | - | 1,250 | - | 1,510 | 0.47% |
| Total Dollars | \$ 110,714 | \$ 4,702 | \$ 46,569 | \$ 5,114 | \$ 7,233 | \$ 149,765 | \$ 0 | \$ 324,097 | 100.00% |
| Total Percents | 34.16% | 1.45% | 14.37% | 1.58% | 2.23% | 46.21% | 0.00% | 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 Union Bank of California is invested nightly in fully collateralized U.S. Treasury Securities.

NORTHERN CALIFORNIA POWER AGENCY

Detail Report Of Investments

APPENDIX

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

Northern California Power Agency
Treasurer's Report

01/31/2021

General Operating Reserve

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|-----------------------|---------------|---------------|-----------------------|---------------|------------------|-------------------|------------------------|-----------|--------------|-----------------------|
| JP Morgan | UBOC | 250,000 | 0.825 | 12/22/2020 | 250,000 | 12/22/2025 | 1,785 | 0.825 | 249,655 | 48128GY53 | 271139 | 250,000 |
| Federal National Mtg | UBOC | 500,000 | 0.640 | 12/30/2020 | 501,000 | 12/30/2025 | 1,793 | 0.599 | 500,340 | 3135G06Q1 | 27141 | 500,983 |
| Fund Total and Average | | \$ 84,676,586 | 1.502 | | \$ 85,482,007 | | 787 | 1.259 | \$ 86,392,118 | | | \$ 85,353,120 |
| GRAND TOTALS: | | \$ 209,914,820 | 1.219 | | \$ 210,281,296 | | 617 | 1.181 | \$ 212,963,851. | | | \$ 210,487,389 |

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

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 01/31/2021

| | | | | | | | | | | | | |
|-------------------|--------|--|--|--|-------------------|--------|--|--|--|--|--|--|
| Investment #26646 | USB | Callible on 6/23/2023 | | | | | | | | | | |
| Investment #26620 | ORCL | Callible on 7/15/2023 | | | Investment #27103 | FHLMC | | | Callible annually starting 10/27/2022 | | | |
| Investment #26831 | TOY | Callible semi-annually starting 7/25/2021 | | | Investment #27104 | FHLMC | | | Callible annually starting 10/27/2022 | | | |
| Investment #26841 | TOY | Callible semi-annually starting 7/25/2021 | | | Investment #27110 | CASMED | | | Callible anytime | | | |
| Investment #26848 | WMT | Callible on 01/11/2023 | | | Investment #27113 | MEMGEN | | | Callible anytime | | | |
| Investment #26872 | BAC | Callible semi-annually starting 09/24/2021 | | | Investment #27114 | MEMGEN | | | Callible anytime | | | |
| Investment #26887 | TOY | Callible semi-annually starting 09/27/2021 | | | Investment #27122 | BAC | | | Callible on 11/25/2021 | | | |
| Investment #26888 | FFCB | Callible anytime starting 09/27/2021 | | | Investment #27123 | FFCB | | | Callible anytime starting 12/1/2022 | | | |
| Investment #26906 | USBANK | Callible on 1/05/2024 | | | Investment #27124 | FFCB | | | Callible anytime starting 12/1/2022 | | | |
| Investment #26912 | JPM | Callible quarterly starting 11/27/2021 | | | Investment #27126 | BALGEN | | | Callible anytime | | | |
| Investment #26947 | USBANK | Callible anytime starting 12/27/2024 | | | Investment #27137 | FNMA | | | Callible annually starting 11/16/2022 | | | |
| Investment #26951 | USBANK | Callible anytime starting 12/27/2024 | | | Investment #27138 | JPM | | | Callible quarterly starting 12/22/2023 | | | |
| Investment #26960 | FFCB | Callible anytime starting 03/26/2021 | | | Investment #27139 | JPM | | | Callible quarterly starting 12/22/2023 | | | |
| Investment #26980 | HON | Callible anytime | | | Investment #27141 | FNMA | | | Callible quarterly starting 12/30/2021 | | | |
| Investment #26981 | NYCGEN | Callible anytime | | | Investment #27146 | FHLMC | | | Callible quarterly starting 1/5/2023 | | | |
| Investment #26982 | NYCGEN | Callible anytime | | | Investment #27147 | FHLMC | | | Callible quarterly starting 1/5/2023 | | | |
| Investment #26983 | HON | Callible anytime | | | Investment #27149 | TOY | | | Callible on 1/20/2025 and 7/20/2025 | | | |
| Investment #26984 | AZSHGR | Callible anytime | | | | | | | | | | |
| Investment #27007 | JPM | Callible on 6/1/2023 and then again starting on 5/1/2024 | | | | | | | | | | |
| Investment #27009 | FNMA | Callible quarterly starting 6/4/2021 | | | | | | | | | | |
| Investment #27011 | JAS | Callible on 6/1/2024 | | | | | | | | | | |
| Investment #27013 | WFC | Callible quarterly starting 6/17/2022 | | | | | | | | | | |
| Investment #27015 | FHLMC | Callible annually starting 6/25/2021 | | | | | | | | | | |
| Investment #27016 | FHLMC | Callible annually starting 6/25/2021 | | | | | | | | | | |
| Investment #27024 | JPM | Callible quarterly starting 6/23/2024 | | | | | | | | | | |
| Investment #27029 | MAS | Callible anytime | | | | | | | | | | |
| Investment #27041 | WISTRN | Callible anytime | | | | | | | | | | |
| Investment #27042 | WISTRN | Callible anytime | | | | | | | | | | |
| Investment #27043 | FNMA | Callible quarterly starting 7/29/2021 | | | | | | | | | | |
| Investment #27044 | FNMA | Callible quarterly starting 7/29/2022 | | | | | | | | | | |
| Investment #27052 | FFCB | Callible anytime | | | | | | | | | | |
| Investment #27053 | FFCB | Callible anytime starting | | | | | | | | | | |
| Investment #27055 | CASWTR | Callible anytime | | | | | | | | | | |
| Investment #27056 | FNMA | Callible quarterly starting 8/16/2022 | | | | | | | | | | |
| Investment #27058 | PHOGEN | Callible anytime | | | | | | | | | | |
| Investment #27060 | FNMA | Callible quarterly starting 8/26/2021 | | | | | | | | | | |
| Investment #27071 | FAMC | Callible semi-annually starting 09/17/2021 | | | | | | | | | | |
| Investment #27072 | CASHGR | Callible anytime | | | | | | | | | | |
| Investment #27075 | FFCB | Callible anytime | | | | | | | | | | |
| Investment #27076 | FFCB | Callible anytime starting 9/29/2021 | | | | | | | | | | |
| Investment #27077 | FFCB | Callible anytime | | | | | | | | | | |
| Investment #27078 | FFCB | Callible anytime starting 9/29/2021 | | | | | | | | | | |
| Investment #27079 | FFCB | Callible anytime starting 9/29/2021 | | | | | | | | | | |
| Investment #27080 | FFCB | Callible anytime | | | | | | | | | | |
| Investment #27081 | FHLB | Callible anytime starting 3/29/2021 | | | | | | | | | | |



Northern California Power Agency
Treasurer's Report

01/31/2021

Geo 2012A Debt Service

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|-------------------|---------------|-------------------|-----------------|---------------|------------------|-------------------|-------------------|-----------|--------------|-------------------|
| U.S. Treasury | USBT | 125,000 | 0.060 | 01/26/2021 | 124,968 | 06/29/2021 | 148 | 0.060 | 124,965 | 912796H36 | 27150 | 124,969 |
| Fund Total and Average | | \$ 125,000 | 0.060 | \$ 124,968 | | 148 | | 0.061 | \$ 124,965 | | | \$ 124,969 |

Geo 2016A Debt Service

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|---------------------|-----------|------------|-----|--------------|---------------------|-----------|-------|---------------------|
| U.S. Treasury | USBT | 1,919,000 | 0.060 | 01/26/2021 | 1,918,507 | 06/29/2021 | 148 | 0.060 | 1,918,463 | 912796H36 | 27151 | 1,918,527 |
| Fund Total and Average | | \$ 1,919,000 | 0.060 | \$ 1,918,507 | | 148 | | 0.061 | \$ 1,918,463 | | | \$ 1,918,527 |

Geothermal Special Reserve

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|---------------------|-----------|----------|---|--------------|---------------------|----------|-------|---------------------|
| Union Bank of Califo | UBOC | 1,521,000 | 0.002 | 07/01/2013 | 1,521,000 | | 1 | 0.002 | 1,521,000 | SYS70015 | 70015 | 1,521,000 |
| Fund Total and Average | | \$ 1,521,000 | 0.002 | \$ 1,521,000 | | 1 | | 0.002 | \$ 1,521,000 | | | \$ 1,521,000 |

Geo Decommissioning Reserve

| | | | | | | | | | | | | |
|----------------------|------|-----------|-------|------------|-----------|------------|-------|-------|-----------|------------|-------|-----------|
| Local Agency Investm | LAIF | 1,302,972 | 0.625 | 07/01/2013 | 1,302,972 | | 1 | 0.625 | 1,302,972 | SYS70027 | 70027 | 1,302,972 |
| Union Bank of Califo | UBOC | 1,607,480 | 0.002 | 07/01/2013 | 1,607,480 | | 1 | 0.002 | 1,607,480 | SYS70034 | 70034 | 1,607,480 |
| American Honda Finan | UBOC | 500,000 | 2.650 | 11/30/2018 | 493,500 | 02/12/2021 | 11 | 3.265 | 500,340 | 02665WCD1 | 26726 | 499,910 |
| Toyota Motor Credit | UBOC | 500,000 | 2.950 | 11/30/2018 | 496,300 | 04/13/2021 | 71 | 3.276 | 502,815 | 89236TEU5 | 26727 | 499,688 |
| Caterpillar Financia | UBOC | 505,000 | 1.700 | 03/25/2020 | 495,102 | 08/09/2021 | 189 | 3.169 | 508,929 | 14912L6U0A | 26965 | 501,233 |
| Ally Bank | UBOC | 250,000 | 3.000 | 08/30/2018 | 250,000 | 08/30/2021 | 210 | 3.002 | 254,333 | 02007GEO2A | 30312 | 250,000 |
| PNC Bank NA | UBOC | 750,000 | 2.550 | 03/15/2018 | 735,450 | 12/09/2021 | 311 | 3.103 | 763,470 | 69353REY0 | 26553 | 746,666 |
| Apple Inc. | UBOC | 861,211 | 2.300 | 11/29/2017 | 860,117 | 05/11/2022 | 464 | 2.329 | 881,869 | 037833CQ1 | 26499 | 860,897 |
| University of Califo | UBOC | 1,000,000 | 2.312 | 04/30/2020 | 1,024,800 | 05/15/2022 | 468 | 1.080 | 1,025,350 | 91412G2T1 | 27001 | 1,015,656 |
| Wells Fargo Bank | UBOC | 250,000 | 3.150 | 08/30/2018 | 250,000 | 08/30/2022 | 575 | 3.154 | 262,153 | 949763TLOA | 30311 | 250,000 |
| Great North Bank | UBOC | 250,000 | 3.050 | 08/31/2018 | 250,000 | 08/31/2022 | 576 | 3.051 | 261,775 | 39103QAF3A | 30310 | 250,000 |
| Discover Bank | UBOC | 250,000 | 3.150 | 09/06/2018 | 250,000 | 09/06/2022 | 582 | 3.152 | 262,230 | 254673TM8A | 30313 | 250,000 |
| Walt Disney Company/ | UBOC | 750,000 | 2.350 | 03/15/2018 | 728,580 | 12/01/2022 | 668 | 3.004 | 777,938 | 25468PCW4 | 26551 | 741,664 |
| John Deere Capital C | UBOC | 750,000 | 2.800 | 03/15/2018 | 739,748 | 01/27/2023 | 725 | 3.104 | 786,900 | 24422ERT8 | 26550 | 745,810 |
| Bank of NY Mellon Co | UBOC | 750,000 | 2.950 | 03/15/2018 | 740,610 | 01/29/2023 | 727 | 3.229 | 787,553 | 06406RAE7 | 26549 | 746,156 |
| IBM Credit LLC | UBOC | 500,000 | 3.000 | 03/15/2018 | 496,820 | 02/06/2023 | 735 | 3.140 | 528,590 | 44932HAH6 | 26548 | 498,691 |
| Crook County School | UBOC | 355,000 | 1.563 | 05/07/2020 | 356,211 | 06/15/2023 | 864 | 1.450 | 364,163 | 227183DHO | 27003 | 355,925 |
| Federal Farm Credit | UBOC | 407,000 | 0.400 | 07/31/2020 | 407,000 | 07/27/2023 | 906 | 0.399 | 406,858 | 3133ELZ72 | 27049 | 407,000 |
| Solano County CCD | UBOC | 385,000 | 5.500 | 04/09/2020 | 434,938 | 08/01/2023 | 911 | 1.471 | 433,294 | 83412PCNO | 26978 | 422,705 |
| Enerbank USA | UBOC | 250,000 | 3.200 | 08/30/2018 | 250,000 | 08/30/2023 | 940 | 3.203 | 269,625 | 29278TCP3A | 30309 | 250,000 |
| Citibank NA | UBOC | 250,000 | 3.300 | 09/07/2018 | 250,000 | 09/07/2023 | 948 | 3.301 | 270,360 | 17312QSS4A | 30314 | 250,000 |
| Federal Farm Credit | UBOC | 1,590,000 | 0.875 | 04/08/2020 | 1,590,000 | 04/08/2024 | 1,162 | 0.875 | 1,592,655 | 3133ELVX9 | 26976 | 1,590,000 |
| Toyota Motor Credit | UBOC | 500,000 | 2.410 | 07/25/2019 | 500,000 | 07/25/2024 | 1,270 | 2.410 | 503,665 | 89236TGD1 | 26842 | 500,000 |
| Sacramento Suburban | UBOC | 330,000 | 3.480 | 04/09/2020 | 349,473 | 11/01/2024 | 1,369 | 1.846 | 351,519 | 78607QAY1 | 26977 | 346,010 |

01/31/2021

Geo Decommissioning Reserve

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|----------------------|---------------|---------------|----------------------|---------------|------------------|-------------------|----------------------|-----------|--------------|----------------------|
| W W Grainger Inc. | UBOC | 425,000 | 1.850 | 04/30/2020 | 438,600 | 02/15/2025 | 1,475 | 1.161 | 444,202 | 384802AE4 | 27002 | 436,463 |
| California St Hlth F | UBOC | 500,000 | 0.952 | 11/04/2020 | 500,000 | 06/01/2025 | 1,581 | 0.952 | 505,970 | 13032LXW5 | 27111 | 500,000 |
| Federal National Mig | UBOC | 1,000,000 | 0.710 | 06/04/2020 | 1,000,000 | 06/04/2025 | 1,584 | 0.710 | 1,001,330 | 3136G4WA7 | 27010 | 1,000,000 |
| Houston Airport Sys | UBOC | 750,000 | 1.372 | 10/20/2020 | 750,000 | 07/01/2025 | 1,611 | 1.372 | 766,808 | 442349EM4 | 27102 | 750,000 |
| Federal Farm Credit | UBOC | 2,000,000 | 3.450 | 07/27/2018 | 1,999,300 | 07/23/2025 | 1,633 | 3.455 | 2,030,700 | 3133EJUT4 | 26644 | 1,999,552 |
| East Side Union High | UBOC | 1,000,000 | 0.940 | 10/29/2020 | 1,000,000 | 08/01/2025 | 1,642 | 0.940 | 1,008,010 | 275282PS4 | 27109 | 1,000,000 |
| Federal Home Loan Mt | UBOC | 1,000,000 | 0.540 | 09/15/2020 | 1,000,000 | 09/15/2025 | 1,687 | 0.540 | 992,920 | 3134GWL38 | 27070 | 1,000,000 |
| Federal Farm Credit | UBOC | 565,000 | 0.530 | 09/29/2020 | 565,000 | 09/29/2025 | 1,701 | 0.530 | 563,734 | 3133EMBH4 | 27082 | 565,000 |
| Federal Home Loan Mt | UBOC | 1,500,000 | 0.530 | 10/15/2020 | 1,500,000 | 10/15/2025 | 1,717 | 0.530 | 1,492,185 | 3134GWY34 | 27101 | 1,500,000 |
| Fund Total and Average | | \$ 23,583,663 | 1.789 | | \$ 23,612,001 | | 953 | 1.738 | \$ 24,013,715 | | | \$ 23,639,478 |

Geo 2012A DSR Account

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|-----------|-------|---------------------|
| U.S. Treasury | USBT | 1,622,000 | 0.069 | 09/29/2020 | 1,621,089 | 07/15/2021 | 164 | 0.071 | 1,621,432 | 9127963S6 | 27096 | 1,621,483 |
| Fund Total and Average | | \$ 1,622,000 | 0.070 | | \$ 1,621,089 | | 164 | 0.071 | \$ 1,621,432 | | | \$ 1,621,483 |

GRAND TOTALS:

| | | | | | | | | | | | | |
|--|--|----------------------|--------------|--|----------------------|--|------------|--------------|-----------------------|--|--|----------------------|
| | | \$ 28,770,663 | 1.475 | | \$ 28,797,565 | | 801 | 1.433 | \$ 29,199,575. | | | \$ 28,825,457 |
|--|--|----------------------|--------------|--|----------------------|--|------------|--------------|-----------------------|--|--|----------------------|

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 01/31/2021

- Investment #26644 FFCB Callable anytime starting 7/23/2021
- Investment #26842 TOYOTA Callable semi-annually starting 7/25/2021
- Investment #26976 FFCB Callable anytime starting 4/8/2022
- Investment #26977 SCRWR Callable anytime
- Investment #27001 UNVHR Callable anytime
- Investment# 27010 FNMA Callable quarterly starting 6/4/2021
- Investment #27070 FFLMC Callable quarterly starting 9/15/2022
- Investment #27082 FFCB Callable anytime starting 9/29/2021
- Investment #27101 FFLMC Callable annually starting 10/15/2021
- Investment #27111 CASMED Callable anytime



Northern California Power Agency
 Treasurer's Report
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Cap Facilities 2019A Debt Svc

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|---------------------|---------------|---------------|---------------------|---------------|------------------|-------------------|---------------------|------------|--------------|---------------------|
| US Bank Trust | USBT | 829,429 | 0.600 | 01/24/2020 | 829,429 | | 1 | 0.600 | 829,429 | SYST79017 | 79017 | 829,429 |
| Federal Home Loan Ba | USBT | 415,000 | 0.075 | 08/28/2020 | 414,864 | 02/01/2021 | 0 | 0.076 | 415,000 | 313385BH8A | 27066 | 415,000 |
| Federal Home Loan Ba | USBT | 829,000 | 0.070 | 11/25/2020 | 828,890 | 02/01/2021 | 0 | 0.070 | 829,000 | 313385BH8A | 27120 | 829,000 |
| Federal Home Loan Ba | USBT | 415,000 | 0.060 | 01/26/2021 | 414,872 | 07/30/2021 | 179 | 0.060 | 414,834 | 313385JU1 | 27155 | 414,876 |
| Fund Total and Average | | \$ 2,488,429 | 0.246 | | \$ 2,488,055 | | 30 | 0.246 | \$ 2,488,263 | | | \$ 2,488,305 |
| GRAND TOTALS: | | \$ 2,488,429 | 0.246 | | \$ 2,488,055 | | 30 | 0.246 | \$ 2,488,263 | | | \$ 2,488,305 |

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

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 01/31/2021



Northern California Power Agency
Treasurer's Report

01/31/2021

Capital Dev. Reserve Hydro

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|----------------------|---------------|---------------|----------------------|---------------|------------------|-------------------|----------------------|------------|--------------|----------------------|
| Local Agency Investm | LAIF | 3,404,477 | 0.625 | 07/01/2013 | 3,404,477 | | 1 | 0.625 | 3,404,477 | SYST0028 | 70028 | 3,404,477 |
| Union Bank of Calif | UBOC | 319,608 | 0.002 | 07/01/2013 | 319,608 | | 1 | 0.002 | 319,608 | SYST0031 | 70031 | 319,608 |
| California State Gen | UBOC | 1,000,000 | 2.800 | 04/30/2020 | 1,016,420 | 04/01/2021 | 59 | 1.000 | 1,004,290 | 13063DGA0 | 26999 | 1,002,976 |
| Branch Banking & Tru | UBOC | 500,000 | 2.625 | 08/13/2018 | 488,420 | 01/15/2022 | 348 | 3.314 | 510,475 | 07330NA08 | 26618 | 496,917 |
| Exxon Mobil Corporat | UBOC | 500,000 | 2.397 | 08/13/2018 | 490,350 | 03/06/2022 | 398 | 2.946 | 510,030 | 30231GAJ1 | 26621 | 497,162 |
| US Bank | UBOC | 550,000 | 3.000 | 08/10/2018 | 546,607 | 03/15/2022 | 407 | 3.182 | 565,774 | 91159HHC7 | 26651 | 548,941 |
| Public Storage | UBOC | 500,000 | 2.370 | 03/14/2018 | 485,770 | 09/15/2022 | 591 | 3.051 | 515,760 | 74460DAB5 | 26546 | 494,873 |
| Visa Inc. | UBOC | 500,000 | 2.800 | 03/14/2018 | 494,470 | 12/14/2022 | 681 | 3.051 | 521,755 | 92826CAC6 | 26547 | 497,824 |
| Toyota Motor Credit | UBOC | 500,000 | 2.700 | 06/13/2018 | 489,100 | 01/11/2023 | 709 | 3.215 | 522,900 | 89236TEL5 | 26619 | 495,370 |
| Oracle Corp. | UBOC | 500,000 | 2.625 | 03/14/2018 | 488,715 | 02/15/2023 | 744 | 3.121 | 522,670 | 68389XBR5 | 26545 | 495,323 |
| United Parcel Serv | UBOC | 500,000 | 2.500 | 06/13/2018 | 484,900 | 04/01/2023 | 789 | 3.182 | 522,395 | 911312BK1 | 26620 | 493,184 |
| Colgate-Palmolive Co | UBOC | 550,000 | 2.100 | 08/09/2018 | 528,660 | 05/01/2023 | 819 | 2.985 | 571,516 | 19416QEC0 | 26652 | 539,844 |
| Federal Farm Credit | UBOC | 500,000 | 0.400 | 07/31/2020 | 500,000 | 07/27/2023 | 906 | 0.399 | 499,825 | 3133ELZ72 | 27050 | 500,000 |
| Federal Home Loan Mt | UBOC | 500,000 | 0.375 | 07/30/2020 | 500,000 | 07/28/2023 | 907 | 0.411 | 500,035 | 3134GWDL7 | 27045 | 500,000 |
| Federal Home Loan Mt | UBOC | 500,000 | 0.375 | 08/03/2020 | 500,000 | 08/03/2023 | 913 | 0.375 | 499,405 | 3134GWJJC1 | 27051 | 500,000 |
| J Paul Getty Trust | UBOC | 1,000,000 | 0.391 | 01/28/2021 | 1,000,000 | 01/01/2024 | 1,064 | 0.401 | 999,760 | 374288AB4 | 27161 | 1,000,000 |
| Nashville Met Gov | UBOC | 250,000 | 1.030 | 12/17/2020 | 250,000 | 08/01/2024 | 1,277 | 1.029 | 252,958 | 592090GB4 | 27134 | 250,000 |
| California Infra & E | UBOC | 100,000 | 0.645 | 12/17/2020 | 100,000 | 10/01/2024 | 1,338 | 0.683 | 100,723 | 13034AL57 | 27135 | 100,000 |
| Walmart, Inc. | UBOC | 500,000 | 2.650 | 02/07/2020 | 520,975 | 12/15/2024 | 1,413 | 1.744 | 539,390 | 931142DV2 | 26950 | 516,727 |
| Federal Agricultural | UBOC | 500,000 | 0.675 | 05/19/2020 | 500,000 | 05/19/2025 | 1,568 | 0.675 | 500,050 | 31422BA26 | 27004 | 500,000 |
| Nashville Met Gov | UBOC | 250,000 | 1.230 | 12/17/2020 | 250,000 | 08/01/2025 | 1,642 | 1.229 | 254,340 | 592090GC2 | 27133 | 250,000 |
| City of El Paso TX | UBOC | 500,000 | 4.346 | 12/07/2020 | 553,420 | 08/15/2025 | 1,667 | 1.950 | 550,775 | 283784TC5 | 27131 | 551,711 |
| Federal National Mtg | UBOC | 440,000 | 0.600 | 08/26/2020 | 440,000 | 08/26/2025 | 1,667 | 0.600 | 439,978 | 3136G4X32 | 27059 | 440,000 |
| California Infra & E | UBOC | 130,000 | 0.765 | 12/17/2020 | 130,000 | 10/01/2025 | 1,703 | 0.765 | 130,919 | 13034AL65 | 27132 | 130,000 |
| Bank of America Corp | UBOC | 1,000,000 | 0.650 | 11/25/2020 | 1,000,000 | 11/25/2025 | 1,758 | 0.798 | 998,670 | 06048WK41 | 27121 | 1,000,000 |
| Federal National Mtg | UBOC | 500,000 | 0.650 | 12/17/2020 | 500,850 | 12/10/2025 | 1,773 | 0.615 | 500,585 | 3135G06J7 | 27136 | 500,829 |
| JP Morgan | UBOC | 500,000 | 0.825 | 12/22/2020 | 500,000 | 12/22/2025 | 1,785 | 0.825 | 499,310 | 48128GY53 | 27140 | 500,000 |
| Federal National Mtg | UBOC | 500,000 | 0.640 | 01/06/2021 | 501,550 | 12/30/2025 | 1,793 | 0.576 | 500,340 | 3135G06Q1 | 27148 | 501,528 |
| Fund Total and Average | | \$ 16,994,085 | 1.434 | | \$ 16,984,292 | | 819 | 1.378 | \$ 17,258,713 | | | \$ 17,027,294 |

Hydro Debt Service

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|-----------|-------|---------------------|
| U.S. Treasury | USBT | 8,431,000 | 0.060 | 01/26/2021 | 8,428,836 | 06/29/2021 | 148 | 0.060 | 8,428,639 | 912796H36 | 27152 | 8,428,920 |
| Fund Total and Average | | \$ 8,431,000 | 0.060 | | \$ 8,428,836 | | 148 | 0.061 | \$ 8,428,639 | | | \$ 8,428,920 |

Hydro 2018A Debt Service

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|-----------|-------|---------------------|
| U.S. Treasury | USBT | 6,808,000 | 0.060 | 01/26/2021 | 6,806,253 | 06/29/2021 | 148 | 0.060 | 6,806,094 | 912796H36 | 27153 | 6,806,321 |
| Fund Total and Average | | \$ 6,808,000 | 0.060 | | \$ 6,806,253 | | 148 | 0.061 | \$ 6,806,094 | | | \$ 6,806,321 |



Northern California Power Agency
Treasurer's Report
01/31/2021

Hydro 2019A Debt Service

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|---------------------|---------------|---------------|---------------------|---------------|------------------|-------------------|---------------------|-----------|--------------|---------------------|
| U.S. Treasury | USBT | 4,907,000 | 0.060 | 01/26/2021 | 4,905,741 | 06/29/2021 | 148 | 0.060 | 4,905,626 | 912796H36 | 27154 | 4,905,790 |
| Fund Total and Average | | \$ 4,907,000 | 0.060 | | \$ 4,905,741 | | 148 | 0.061 | \$ 4,905,626 | | | \$ 4,905,790 |

Hydro 2012A Rebate Account

| | | | | | | | | | | | | |
|-------------------------------|------|-------------------|--------------|------------|-------------------|------------|------------|--------------|-------------------|-----------|-------|-------------------|
| U.S. Treasury | USBT | 45,000 | 0.069 | 09/29/2020 | 44,975 | 07/15/2021 | 164 | 0.071 | 44,984 | 912796S36 | 27097 | 44,986 |
| Federal Home Loan Mt | USB | 689,000 | 1.875 | 04/28/2017 | 691,391 | 08/09/2021 | 189 | 1.790 | 689,069 | 3134G93A3 | 26432 | 689,292 |
| Fund Total and Average | | \$ 734,000 | 1.764 | | \$ 736,366 | | 187 | 1.685 | \$ 734,053 | | | \$ 734,278 |

Hydro Special Reserve

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|--|----------|--------------|---------------------|----------|-------|---------------------|
| Local Agency Investm | LAIF | 0 | 0.377 | 07/01/2013 | 0 | | 1 | 0.377 | 0 | SYS70000 | 70003 | 0 |
| Union Bank of Califo | UBOC | 1,521,000 | 0.002 | 07/01/2013 | 1,521,000 | | 1 | 0.002 | 1,521,000 | SYS70016 | 70016 | 1,521,000 |
| Fund Total and Average | | \$ 1,521,000 | 0.002 | | \$ 1,521,000 | | 1 | 0.002 | \$ 1,521,000 | | | \$ 1,521,000 |

Hydro 2012 DSRA

| | | | | | | | | | | | | |
|-------------------------------|------|----------------------|--------------|------------|----------------------|------------|------------|--------------|-----------------------|-----------|-------|----------------------|
| U.S. Treasury | USB | 146,000 | 2.250 | 02/27/2018 | 145,992 | 02/15/2021 | 14 | 2.251 | 146,121 | 9128283X6 | 26539 | 146,000 |
| U.S. Treasury | USBT | 46,000 | 0.036 | 01/26/2021 | 45,997 | 03/30/2021 | 57 | 0.037 | 45,995 | 912796D22 | 27160 | 45,997 |
| U.S. Treasury | USBT | 254,000 | 0.069 | 09/29/2020 | 253,857 | 07/15/2021 | 164 | 0.071 | 253,911 | 912796S36 | 27098 | 253,919 |
| Federal Home Loan Mt | USB | 3,928,000 | 2.375 | 02/09/2012 | 3,926,232 | 01/13/2022 | 346 | 2.380 | 4,013,002 | 3137EADB2 | 25852 | 3,927,831 |
| Fund Total and Average | | \$ 4,374,000 | 2.212 | | \$ 4,372,078 | | 321 | 2.217 | \$ 4,459,029 | | | \$ 4,373,747 |
| GRAND TOTALS: | | \$ 43,769,085 | 0.836 | | \$ 43,754,566 | | 422 | 0.813 | \$ 44,113,154. | | | \$ 43,797,350 |

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

Current Market Value is based on prices from Trustee/Custodian Statements or bid prices from the Wall Street Journal as of 01/31/2021

| | | |
|-------------------|--------|---|
| Investment# 26950 | WMT | Callable anytime starting 10/15/2024 |
| Investment# 27004 | PAMCA | Callable semi-annually starting 5/19/2022 |
| Investment# 27045 | PHLMC | Callable on 7/28/2021 only |
| Investment# 27050 | PFCB | Callable anytime |
| Investment# 27051 | PHLMC | Callable quarterly starting 8/03/2021 |
| Investment# 27059 | FNMA | Callable quarterly starting 8/26/2021 |
| Investment# 27121 | BAC | Callable on 11/25/2021 only |
| Investment# 27131 | ELPASO | Callable annually starting 8/15/2023 |
| Investment# 27132 | PFCB | Callable anytime |
| Investment# 27135 | CASDEV | Callable anytime |
| Investment# 27136 | FNMA | Callable quarterly starting 6/10/2021 |
| Investment# 27140 | JPM | Callable quarterly starting 12/22/2023 |
| Investment# 27151 | JPGFTY | Callable anytime starting 10/1/2023 |



Northern California Power Agency
Treasurer's Report
01/31/2021

LEC GHG Auction Acct

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|-------------------------------|---------------------|------------------|---------------|---------------|------------------|---------------|------------------|-------------------|------------------|----------|--------------|------------------|
| Local Agency Investm | | 92,933 | 0.625 | 07/01/2013 | 92,933 | | 1 | 0.625 | 92,933 | SYS70046 | 70046 | 92,933 |
| Fund Total and Average | | \$ 92,933 | 0.625 | | \$ 92,933 | | 1 | 0.625 | \$ 92,933 | | | \$ 92,933 |

LEC Issue#1 2010A DS Fund

| | | | | | | | | | | | | |
|-------------------------------|-----|-------------------|--------------|------------|-------------------|--|----------|--------------|-------------------|----------|-------|-------------------|
| US Bank Trust | USB | 485,134 | 0.600 | 07/01/2013 | 485,134 | | 1 | 0.600 | 485,134 | SYS79003 | 79003 | 485,134 |
| Fund Total and Average | | \$ 485,134 | 0.600 | | \$ 485,134 | | 1 | 0.600 | \$ 485,134 | | | \$ 485,134 |

LEC Issue #1 2010B DS Fund

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|------------|-------|---------------------|
| US Bank Trust | USB | 495 | 0.600 | 07/01/2013 | 495 | | 1 | 0.600 | 495 | SYS79004 | 79004 | 495 |
| U.S. Treasury | USBT | 2,135,000 | 0.065 | 12/03/2020 | 2,135,325 | 05/27/2021 | 115 | 0.065 | 2,135,509 | 912796A33 | 27127 | 2,135,556 |
| Federal Home Loan Ba | USBT | 1,075,000 | 0.050 | 01/26/2021 | 1,075,812 | 06/01/2021 | 120 | 0.050 | 1,075,709 | 313385GH3A | 27156 | 1,075,821 |
| U.S. Treasury | USBT | 1,077,000 | 0.080 | 12/30/2020 | 1,075,634 | 06/01/2021 | 120 | 0.081 | 1,076,688 | 912796G37 | 27143 | 1,076,713 |
| Fund Total and Average | | \$ 4,289,495 | 0.065 | | \$ 4,288,266 | | 117 | 0.066 | \$ 4,288,411 | | | \$ 4,288,565 |

LEC Issue #2 2010B DS Fund

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|------------|-------|---------------------|
| US Bank Trust | USB | 496 | 0.600 | 07/01/2013 | 496 | | 1 | 0.600 | 496 | SYS79012 | 79012 | 496 |
| U.S. Treasury | USBT | 3,858,000 | 0.065 | 12/03/2020 | 3,856,781 | 05/27/2021 | 115 | 0.065 | 3,857,113 | 912796A33 | 27128 | 3,857,199 |
| Federal Home Loan Ba | USBT | 944,000 | 0.050 | 01/26/2021 | 943,835 | 06/01/2021 | 120 | 0.050 | 943,745 | 313385GH3A | 27157 | 943,843 |
| U.S. Treasury | USBT | 945,000 | 0.080 | 12/30/2020 | 944,679 | 06/01/2021 | 120 | 0.081 | 944,735 | 912796G37 | 27144 | 944,748 |
| Fund Total and Average | | \$ 5,747,496 | 0.065 | | \$ 5,745,791 | | 117 | 0.066 | \$ 5,746,089 | | | \$ 5,746,286 |

LEC Issue#1 2017A DS Fund

| | | | | | | | | | | | | |
|-------------------------------|------|---------------------|--------------|------------|---------------------|------------|------------|--------------|---------------------|------------|-------|---------------------|
| U.S. Treasury | USBT | 2,978,000 | 0.065 | 12/03/2020 | 2,977,059 | 05/27/2021 | 115 | 0.065 | 2,977,315 | 912796A33 | 27129 | 2,977,382 |
| Federal Home Loan Ba | USBT | 667,000 | 0.050 | 01/26/2021 | 666,883 | 06/01/2021 | 120 | 0.050 | 666,820 | 313385GH3A | 27158 | 666,889 |
| U.S. Treasury | USBT | 667,000 | 0.080 | 12/30/2020 | 666,773 | 06/01/2021 | 120 | 0.081 | 666,813 | 912796G37 | 27145 | 666,822 |
| Fund Total and Average | | \$ 4,312,000 | 0.065 | | \$ 4,310,715 | | 117 | 0.066 | \$ 4,310,948 | | | \$ 4,311,093 |

LEC Issue #1 2010 DSR Fund

| | | | | | | | | | | | | |
|----------------------|------|-----------|-------|------------|-----------|------------|-----|-------|-----------|------------|-------|-----------|
| US Bank Trust | USB | 4,429,561 | 0.600 | 07/01/2013 | 4,429,561 | | 1 | 0.600 | 4,429,561 | SYS79005 | 79005 | 4,429,561 |
| Federal Home Loan Ba | USBT | 465,000 | 0.050 | 01/26/2021 | 464,919 | 06/01/2021 | 120 | 0.050 | 464,874 | 313385GH3A | 27159 | 464,923 |
| Federal Home Loan Mt | USB | 150,000 | 1.125 | 07/28/2017 | 146,648 | 08/12/2021 | 192 | 1.699 | 150,825 | 3137EAC09 | 26454 | 149,560 |
| Federal Home Loan Ba | USB | 4,100,000 | 2.125 | 08/28/2017 | 4,166,306 | 08/10/2022 | 494 | 1.760 | 4,211,602 | 313379Q69 | 26463 | 4,119,397 |

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 |
|---------------------------------------|---------------------|--------------|---------------|---------------|-----------------|---------------|------------------|-------------------|--------------|-----------|--------------|----------------|
| Fund Total and Average | | | | | | | | | | | | |
| | | \$ 9,144,561 | 1.266 | | \$ 9,209,434 | | 232 | 1.112 | \$ 9,256,862 | | | \$ 9,163,441 |
| LEC Iss#1 2010B BABS Subs Resv | | | | | | | | | | | | |
| US Bank Trust | USB | 804 | 0.600 | 07/01/2013 | 804 | | 1 | 0.600 | 804 | SYS79006 | 79006 | 804 |
| U.S. Treasury | USBT | 2,369,000 | 0.070 | 09/29/2020 | 2,367,669 | 07/15/2021 | 164 | 0.071 | 2,368,171 | 9127963S6 | 27099 | 2,368,245 |
| Fund Total and Average | | | | | | | | | | | | |
| | | \$ 2,369,804 | 0.070 | | \$ 2,368,473 | | 164 | 0.071 | \$ 2,368,976 | | | \$ 2,369,049 |

LEC Issue #2 2010B DSR BABS

| | | | | | | | | | | | | |
|-------------------------------|------|--------------|-------|------------|--------------|------------|-----|-------|--------------|-----------|-------|--------------|
| US Bank Trust | USB | 383,713 | 0.600 | 07/01/2013 | 383,713 | | 1 | 0.600 | 383,713 | SYS79013 | 79013 | 383,713 |
| U.S. Treasury | USBT | 759,000 | 0.069 | 09/29/2020 | 758,573 | 07/15/2021 | 164 | 0.071 | 758,734 | 9127963S6 | 27100 | 758,758 |
| Fund Total and Average | | | | | | | | | | | | |
| | | \$ 1,142,713 | 0.248 | | \$ 1,142,286 | | 109 | 0.249 | \$ 1,142,447 | | | \$ 1,142,471 |

LEC O & M Reserve

| | | | | | | | | | | | | |
|-------------------------------|------|---------------|-------|------------|---------------|------------|-------|-------|----------------|-----------|-------|---------------|
| Local Agency Investm | UBOC | 1,548,980 | 0.625 | 07/01/2013 | 1,548,980 | | 1 | 0.625 | 1,548,980 | SYS70047 | 70047 | 1,548,980 |
| Union Bank of Calif | UBOC | 1,045,311 | 0.002 | 07/18/2013 | 1,045,311 | | 1 | 0.002 | 1,045,311 | SYS70041 | 70041 | 1,045,311 |
| Federal Farm Credit | UBOC | 500,000 | 1.500 | 10/15/2019 | 499,335 | 04/15/2021 | 73 | 1.590 | 501,460 | 3133EKY63 | 26892 | 499,909 |
| Toyota Motor Credit | UBOC | 495,000 | 1.800 | 02/03/2020 | 496,995 | 10/07/2021 | 248 | 1.555 | 500,361 | 89236TGJ8 | 26953 | 495,812 |
| Memphis Center City | UBOC | 500,000 | 5.530 | 04/27/2020 | 533,880 | 11/01/2021 | 273 | 1.000 | 519,795 | 58607ECD4 | 26986 | 516,815 |
| US Bank, N.A. | UBOC | 595,000 | 2.650 | 05/31/2019 | 598,290 | 05/23/2022 | 476 | 2.456 | 612,642 | 90331HPC1 | 26822 | 596,449 |
| Federal Home Loan Mt | UBOC | 1,000,000 | 0.375 | 07/30/2020 | 1,000,000 | 07/28/2023 | 907 | 0.375 | 1,000,070 | 3134GWDL7 | 27046 | 1,000,000 |
| Caterpillar Financia | UBOC | 465,000 | 3.250 | 02/03/2020 | 466,569 | 12/01/2024 | 1,399 | 1.776 | 513,755 | 14912L6G1 | 26952 | 490,066 |
| Federal National Mig | UBOC | 1,000,000 | 0.600 | 07/30/2020 | 1,001,000 | 07/29/2025 | 1,639 | 0.579 | 999,950 | 3136G4D75 | 27047 | 1,000,899 |
| Federal Farm Credit | UBOC | 2,000,000 | 0.670 | 08/04/2020 | 2,000,000 | 08/04/2025 | 1,645 | 0.670 | 2,000,000 | 3133ELZS2 | 27054 | 2,000,000 |
| Federal National Mig | UBOC | 1,000,000 | 0.600 | 08/18/2020 | 1,000,000 | 08/18/2025 | 1,659 | 0.600 | 996,580 | 3136G4G72 | 27057 | 1,000,000 |
| Federal Farm Credit | UBOC | 750,000 | 0.530 | 09/29/2020 | 750,000 | 09/29/2025 | 1,701 | 0.530 | 748,320 | 3133EMBH4 | 27083 | 750,000 |
| Federal Farm Credit | UBOC | 670,000 | 0.530 | 09/29/2020 | 670,000 | 09/29/2025 | 1,701 | 0.530 | 668,446 | 3133EMBJ0 | 27084 | 670,000 |
| Fund Total and Average | | | | | | | | | | | | |
| | | \$ 11,569,291 | 1.060 | | \$ 11,640,360 | | 963 | 0.778 | \$ 11,655,670 | | | \$ 11,614,241 |
| GRAND TOTALS: | | | | | | | | | | | | |
| | | \$ 39,153,427 | 0.654 | | \$ 39,283,392 | | 395 | 0.535 | \$ 39,347,469. | | | \$ 39,213,233 |

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 01/31/2021

Investment #26822 USB Callable anytime starting 4/22/2022
 Investment #27046 FHLMC Callable on 7/28/2021 only
 Investment #27047 FHLMC Callable quarterly starting 7/29/2022
 Investment #27054 FFCB Callable anytime starting 2/4/2021
 Investment #27057 FNWA Callable quarterly starting 8/18/2022
 Investment #27083 FFCB Callable anytime starting 9/29/2021
 Investment #27084 FFCB Callable anytime



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Disposal of Northern California Power Agency Surplus Property

AGENDA CATEGORY: Consent

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

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

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

- Trench CCVT

BACKGROUND:

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

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

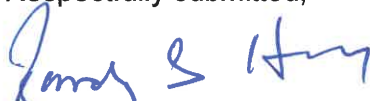
FISCAL IMPACT:

This report has no direct fiscal impact to the Agency.

ENVIRONMENTAL ANALYSIS:

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

Respectfully submitted,



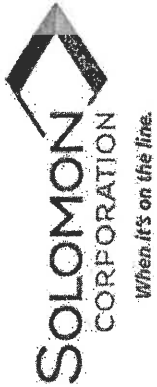
RANDY S. HOWARD
General Manager

Attachments: Declaration of Surplus
Receipt of disposal



Repair

INCOMING EQUIPMENT LOAD SHEET



Carrier Information:

Ship Date: 10/30/2020
 Carrier Name: LIVE LOAD
 Truck Number: 564
 Trailer Number: 210
 Driver's Name:
 Load Unit Count Total: 1
 KVA Total: 0.0

Load Information:

Load Number: 159092
 Receipt Date: 11/02/2020
 Purchase Order: 278583, 90
 Supplier #: TCA590
 Status: Complete

Manifest #: _____
 Manifest Date: _____
 PO Buyer: AN
 Customer Load Ref: _____

Receiving Location:

Solomon
 103 W. Main
 Solomon, KS 67480

Shipping Location:

Northern California Power Agency, Northern California Power Agen
 477 Bret Harte Drive
 Murphys CA 95247

| Unit # | I.C. Number | Unit KVA | Unit Mfg | Company ID Num | Phase | Unit Type | Lab # | Oil PPM | Fluid Level |
|--------|-------------|----------|----------|----------------|-------|-----------|-------|---------|-------------|
| 1 | 120172958 | 0.0 | TRENCH | 92604101 | | PT/CT | N/A | NP | Full |
| | | | | | | | | Weight: | 875 |

CUSTOMER SIGNATURE: _____ DATE: _____

Trisha Zimmer

From: Amber Summersett
Sent: Wednesday, January 20, 2021 6:52 AM
To: Trisha Zimmer
Subject: Trench DOE Disposal Receipt
Attachments: trench disposal.pdf; 20200818_DOE_Trench_CCVT.pdf

Hey Trish,

This finally came yesterday. Please see disposal receipt for the Trench CCVT dec of excess. That still leaves the GE Disconnect Switches, and I haven't made much progress on those.

Lemme know if you have any questions!

Thanks,
amber

Amber Summersett
Materials Procurement Coordinator
Hydroelectric Facility

Northern California Power Agency

A Public Agency
477 Bret Harte Drive
PO Box 2280
Murphys, CA 95247
(209)728-1387 ext 321 Phone
(209)728-1391 Fax

Amber.Summersett@ncpa.com

www.ncpa.com



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

Date: 8/12/2020

| QTY | U/M* | DESCRIPTION (Including All Applicable Model #'s, LCNs & VINs) | COND** | ESTIMATED VALUE | | NCPA Property or Project # | SITE LOCATION |
|-----|------|---|--------|-----------------|-------|-------------------------------|------------------|
| | | | | UNIT | TOTAL | | |
| 1. | ea | Trench CCVT | P | 1 | \$0 | 11197 | Murphys |
| 2. | | | | | | | |
| 3. | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |

JUSTIFICATION FOR SURPLUS/DISPOSAL:

Trench CCVT removed from service due to failing capacitor. This CCVT cannot be refurbished which makes it of no value to any other utility. New Trench CCVT units were installed in July 2020.

PREPARED BY: Andy Summers 8-12-20 8/18/20
 APPROVED BY: [Signature] ORG. CODE: 650
 AUTHORIZATION (ASST. GEN. MANAGER)
 TO PROCEED: [Signature] DATE: 8/26/20
 (GENERAL MANAGER)

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

The CCVT has failed and is not able to be repaired, therefore it has no value to NCPA nor any other utility. We will likely have to pay to have this item disposed.

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

ORIGINAL TO TREASURER-CONTROLLER.

ATTACHMENT 1



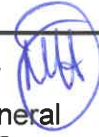
Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Debt and Interest Rate Management Report ending December 31, 2020

AGENDA CATEGORY: Consent

| | | | |
|--------------------|---|-----------------------------|-----|
| FROM: | Monty Hanks  Assistant General Manager/CFO | METHOD OF SELECTION: | N/A |
| Division: | Administrative Services | | |
| Department: | Accounting & Finance | | |

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Staff is recommending the Northern California Power Agency (NCPA) Commission accept the Debt and Interest Rate Management Report for the period ending December 31, 2020.

BACKGROUND:

In accordance with the Debt and Interest Rate Management Policy, Section 20, *Monitoring and Reporting Requirements*, approved by the Commission in May 2019, the Finance team will provide a written report regarding the status of all fixed and variable rate debt and the Agency's interest rate swaps on a semi-annual basis to the Finance Committee and to the Commission.

The report, for the period ending December 31, 2020, is attached for your information and acceptance. Listed below is a summary of the report.

Fixed Rate Debt

No changes to the Agency's outstanding, fixed-rate debt since the last report.

Variable Rate Debt

The Agency had a total of \$81.5 million of outstanding variable rate debt. The Agency's variable rate debt is structured with a Letter of Credit with Bank of America. On average, the reset rates continue to trade better than the Securities Industry and Financial Markets Association (SIFMA) for the Series A bonds. The reset rates and index comparisons are included in the attached report.

Interest Rate Swaps

As of December 31, 2020, NCPA had \$81.5 million of outstanding swaps, all related to the Hydroelectric Project bonds, which act as a hedge against the variable rate debt. The total market value of the interest rate swaps was a net liability of \$20.2 million (negative). This amount improved from the June 30, 2020 net liability of \$21.0 million (negative). No new swaps or defaults have occurred in the last six months. The interest rate swaps make up approximately 33% of the outstanding Hydroelectric Project debt portfolio. Additional details of the swap agreements are provided in the attached report.

Counterparties

The counterparty for the interest rate swap is Citibank, N.A. The credit ratings for Citibank, N.A., are A+/Aa3/A+ by S&P, Moody's, and Fitch, respectively. There have been no changes since the last report.

Rating Changes

There have been no changes since the last report however the following actions were reported:

- December 2020
 - Fitch affirmed 'Aa2' rating with 'stable' outlook on Lodi Energy Center Revenue Bonds, Indenture B [CDWR]

FISCAL IMPACT:

The total projected savings over the life of the interest rate swaps was \$13.9 million at the inception of these agreements. Total projected savings through December 31, 2020 was \$8.0 million with actual results at \$13.0 million. The difference between expected savings and actual savings is due to “basis risk”, or the difference between what NCPA pays on the variable rate bonds and the index rate received in the swap transaction. Total basis risk to date is positive, resulting in additional savings of \$5.0 million. Staff continues to monitor the potential for refinancing these bonds and terminating the swaps, however, the large mark-to-market termination payment due to Citibank, N.A. of over \$20.2 million is making a potential refund not a feasible option at this time.

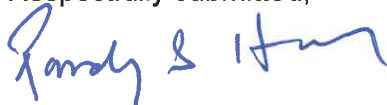
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation was reviewed by the Finance Committee on February 9, 2020 and was recommended for Commission acceptance.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Debt and Interest Rate Management Report as of 12-31-2020



**Debt and Interest Rate Management Report
As of December 31, 2020**

**Monty Hanks
February 2021**

| | <u>Page</u> |
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Key Highlights from July – December 2020

- No negative material changes to any fixed or variable rate debt or outstanding swap agreements occurred since the last report.
- Ratings on all projects remained the same.
 - Fitch affirmed the 'Aa2' rating and stable outlook on Lodi Energy Center Revenue Bonds, Indenture B [CDWR]
- No defaults under the above swap agreements, fixed rate or variable rate debt have occurred.
- Counterparty ratings remained the same; no collateral posting by the counterparty has been required and the counterparty remains highly rated.
- The MTM on the outstanding swaps changed from a negative value of \$21.0 million on June 30, 2020 to a negative value of \$20.2 million on December 31, 2020.



NORTHERN CALIFORNIA POWER AGENCY

DEBT OVERVIEW BY PROJECT

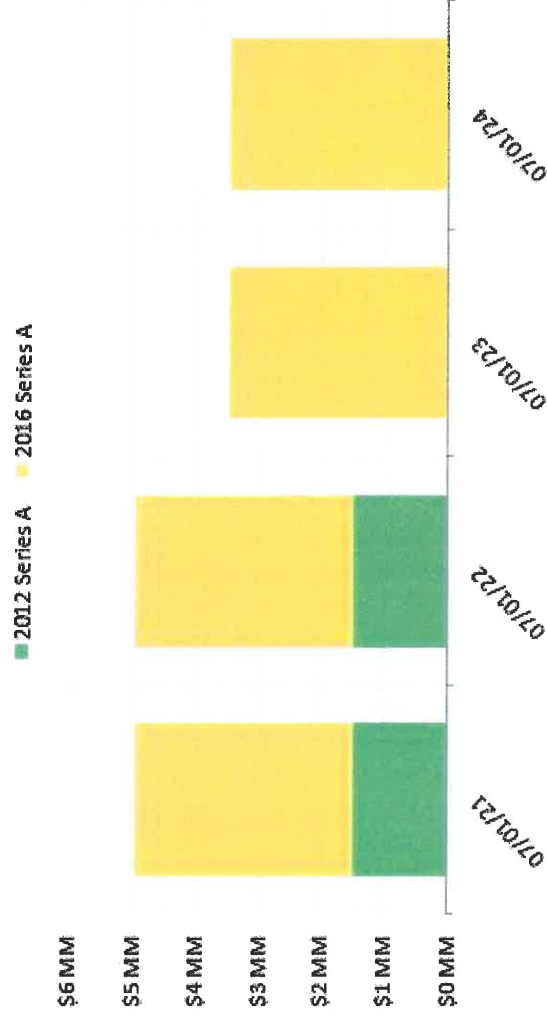


Geothermal Project Debt Overview

Geothermal Project Participation Percentages

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

Geothermal Project Debt Service



Summary of Outstanding Geothermal Project Debt

| Series | Tax Status | Coupon Type | Issue Size | Ratings (M/S/F): -/A/-* | | Final Maturity |
|---------------|------------|-------------|--------------|-------------------------|--------|----------------|
| | | | | Outstanding | Par | |
| 2012 Series A | Tax-Exempt | Fixed-Rate | \$12,910,000 | \$2,165,000 | 2.289% | 7/1/2022 |
| 2016 Series A | Tax-Exempt | Fixed-Rate | \$17,530,000 | \$13,340,000 | 1.670% | 7/1/2024 |

*Outstanding bonds are bank loans; Moody's and Fitch ratings withdrawn

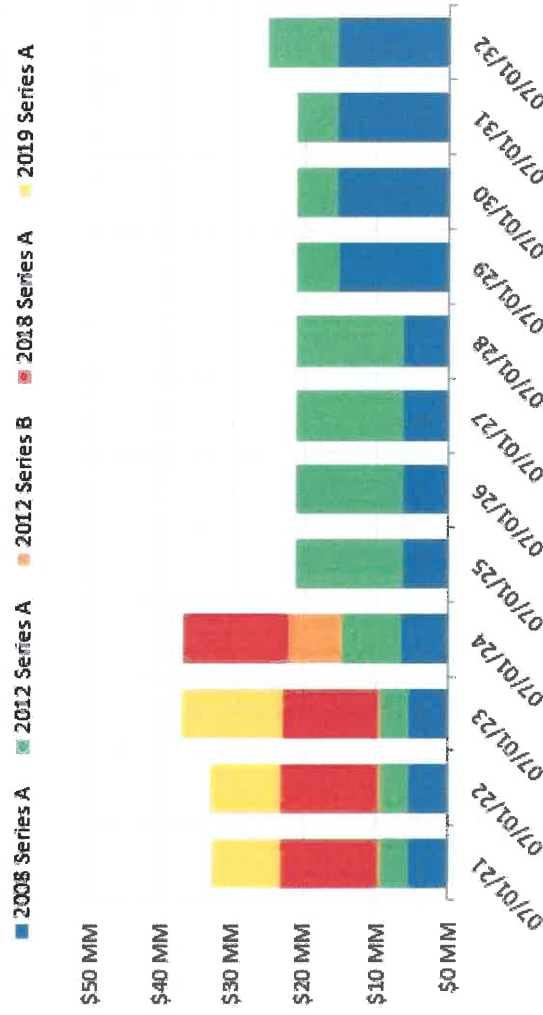


Hydroelectric Project Debt Overview

Hydroelectric Project Participation Percentages

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

Hydroelectric Project Debt Service



Summary of Outstanding Hydroelectric Project Debt

Ratings (M/S/F): Aa3/-/AA-, Stable Outlooks

| Series | Tax Status | Coupon Type | Issue Size | Outstanding Par | Coupon Range | Call Date | Final Maturity |
|---------------|------------|---------------|--------------|-----------------|------------------------------|--------------|----------------|
| 2008 Series A | Tax-Exempt | Variable-Rate | \$85,160,000 | \$81,475,000 | Var. (3.819%) ⁽⁵⁾ | Current | 7/1/2032 |
| 2012 Series A | Tax-Exempt | Fixed-Rate | \$76,665,000 | \$76,665,000 | 5.000% | 7/1/2022 | 7/1/2032 |
| 2012 Series B | Taxable | Fixed-Rate | \$7,120,000 | \$7,120,000 | 4.320% | Make-Whole | 7/1/2024 |
| 2018 Series A | Tax-Exempt | Fixed-Rate | \$68,875,000 | \$49,260,000 | 5.000% | Non-Callable | 7/1/2024 |
| 2019 Series A | Tax-Exempt | Fixed-Rate | \$39,250,000 | \$30,480,000 | 4.000%-5.000% | Non-Callable | 7/1/2023 |

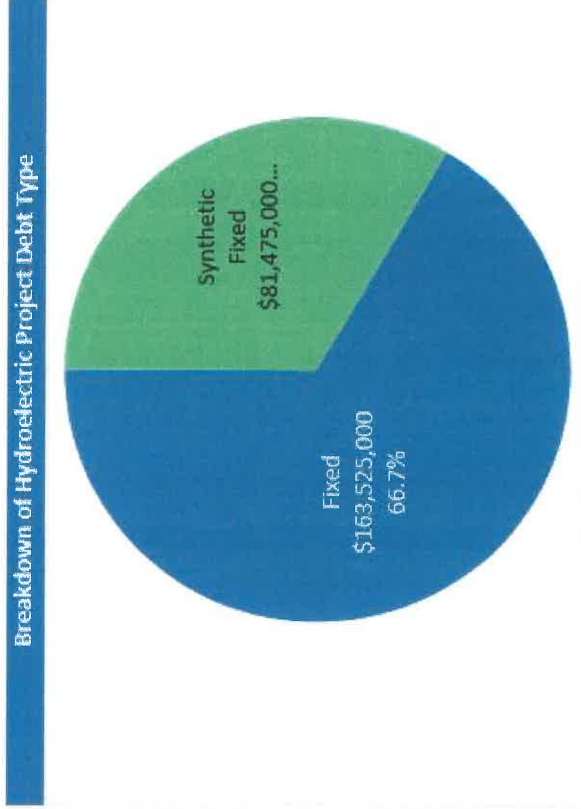
⁽⁵⁾ Swapped; Please see next page for details



Hydroelectric Project Debt Overview

| Hydroelectric Project Swap Summary | | | | | | | | | |
|------------------------------------|-----------|--------------------------|------------|----------------|---------------|-------------------------------|------------------|------------------|--------------------------------------|
| Series | NCPA Pays | NCPA Receives | Trade Date | Effective Date | Maturity Date | MTM Value (As of 12/31/20) | Initial Notional | Current Notional | Bank Counterparty |
| 2008 Series A | 3.8190% | 54% of USD-LIBOR + 0.54% | 11/24/04 | 11/24/04 | 7/1/32 | (\$20,209,083) | \$85,160,000 | \$81,475,000 | Citibank, N.A., New York (Aa3/A+/A+) |

| Hydroelectric Project Liquidity Summary | | | |
|---|------------------------------------|---------------|------------------------|
| Series | LOC Provider | LOC Expiry | Reset (as of 01/19/21) |
| 2008 Series A | Bank of America, N.A. (Aa2/A+/AA-) | June 21, 2024 | 0.05% |



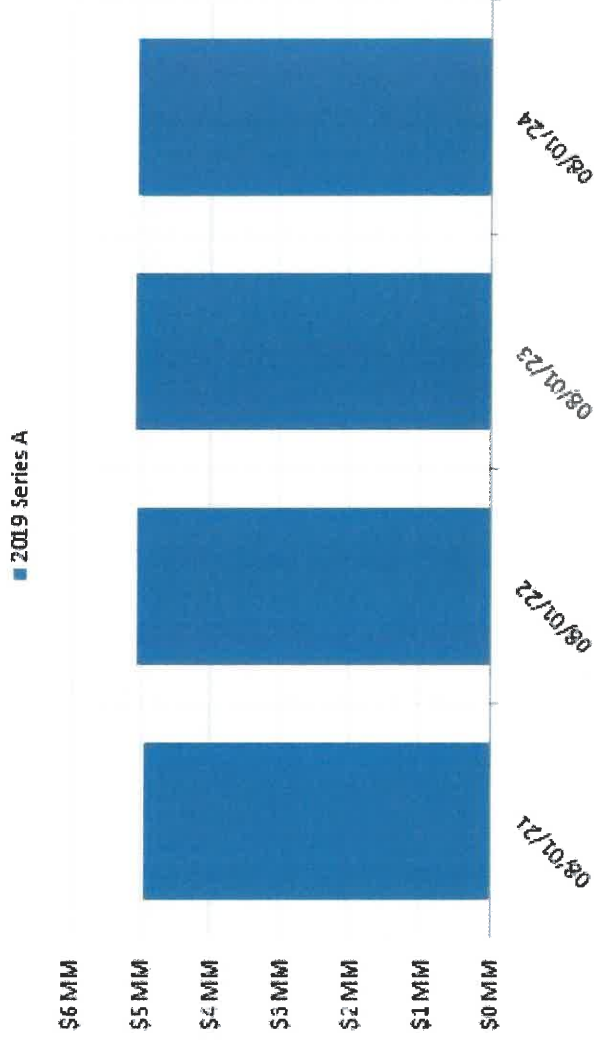


Capital Facilities Debt Overview

Capital Facilities Participation Percentages

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

Capital Facilities Debt Service



Summary of Outstanding Capital Facilities Debt

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

| Series | Tax Status | Coupon Type | Issue Size | Outstanding Par | Coupon Range | Call Date | Final Maturity |
|---------------|------------|-------------|--------------|-----------------|--------------|-----------|----------------|
| 2019 Series A | Tax-Exempt | Fixed-Rate | \$20,450,000 | \$17,875,000 | 5.000% | - | 8/1/2024 |



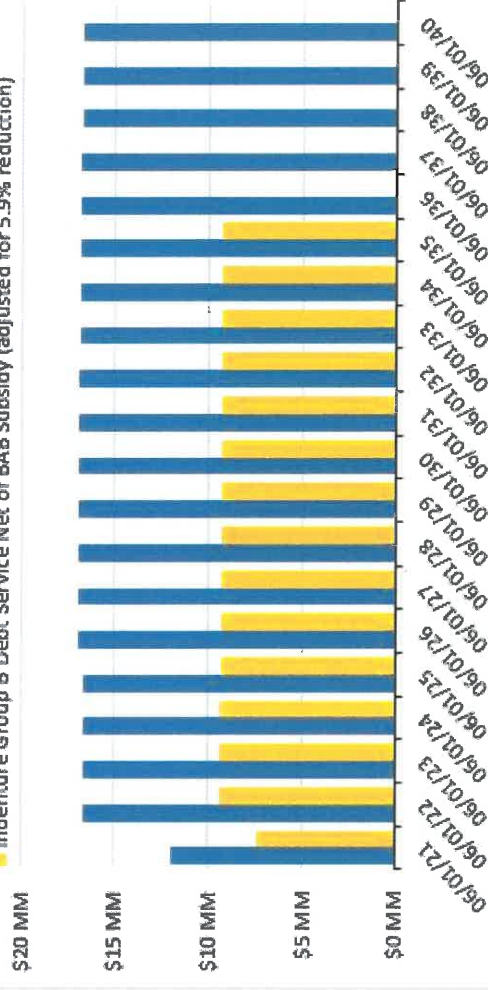
Lodi Energy Center Debt Overview

LEC Participation Percentages

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

Lodi Energy Center Debt Service

■ Indenture Group A Debt Service Net of BAB Subsidy (adjusted for 5.9% reduction)
 ■ Indenture Group B Debt Service Net of BAB Subsidy (adjusted for 5.9% reduction)



Summary of Outstanding Lodi Energy Center Debt

| Series | Tax Status | Coupon Type | Issue Size | Outstanding Par | Coupon Range | Next Call | Final Maturity |
|--|--------------|-------------|---------------|-----------------|------------------------------|------------|----------------|
| Indenture Group A Ratings (M/S/F): A1/A-/A, Stable Outlooks | | | | | | | |
| 2010 Series B | Taxable BABs | Fixed-Rate | \$176,625,000 | \$176,625,000 | 7.311% ⁽¹⁾ | Make-Whole | 6/1/2040 |
| 2017 Series A | Tax-Exempt | Fixed-Rate | \$38,970,000 | \$37,410,000 | 2.270% | - | 6/1/2025 |
| Indenture Group B—CADWR Ratings (M/S/F): Aa2/AAA/-, Stable Outlooks | | | | | | | |
| 2010 Series B | Taxable BABs | Fixed-Rate | \$110,225,000 | \$105,015,000 | 4.630%-5.679% ⁽¹⁾ | Make-Whole | 6/1/2035 |

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



FIXED RATE DEBT OVERVIEW

Fixed Rate Debt Overview

- Fixed Rate Debt
 - No changes since last update
- Ratings
 - December
 - Fitch affirmed 'Aa2' rating with stable outlook on Lodi Energy Center Revenue Bonds, Indenture B [CDWR]

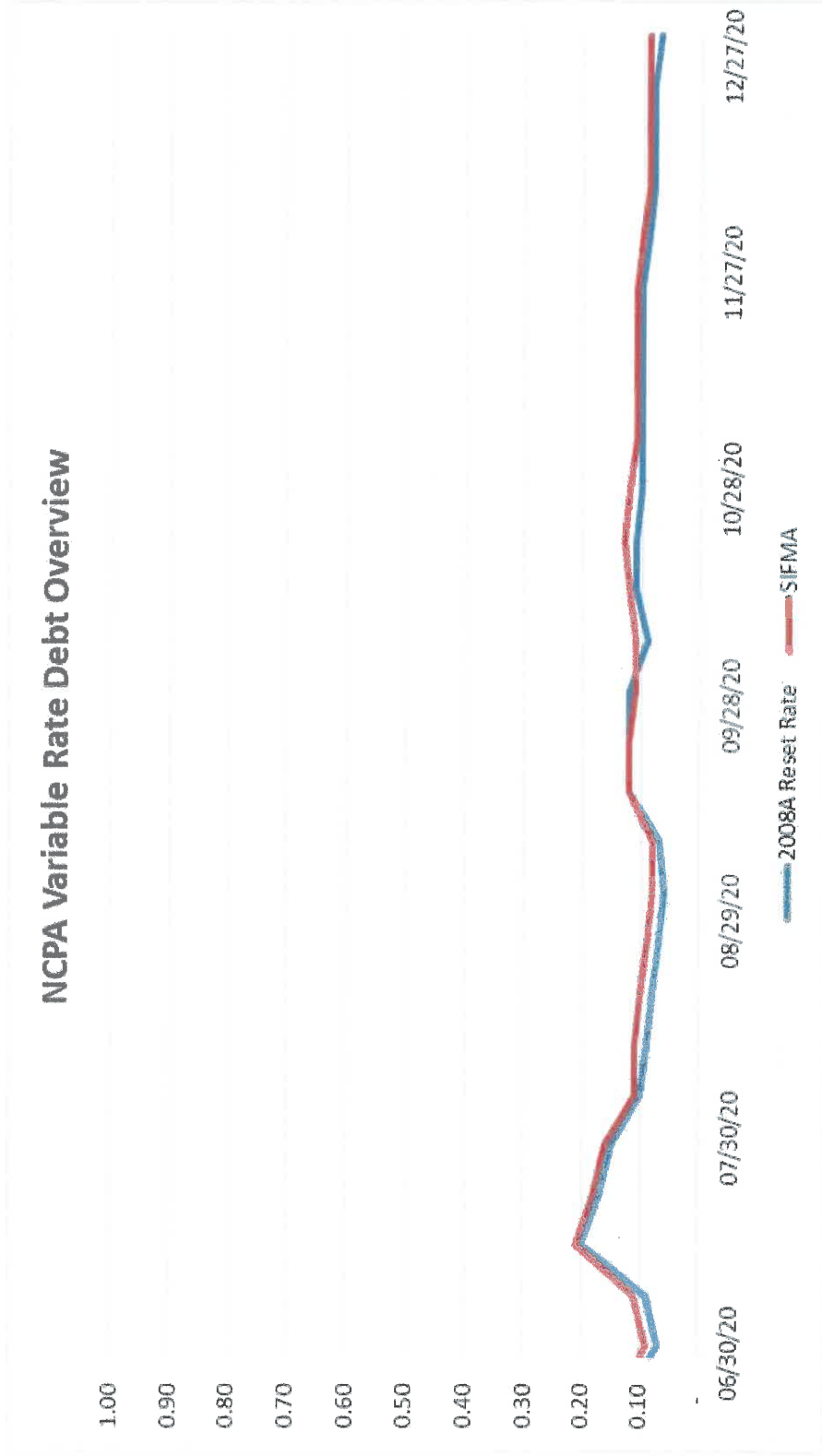


VARIABLE RATE DEBT OVERVIEW

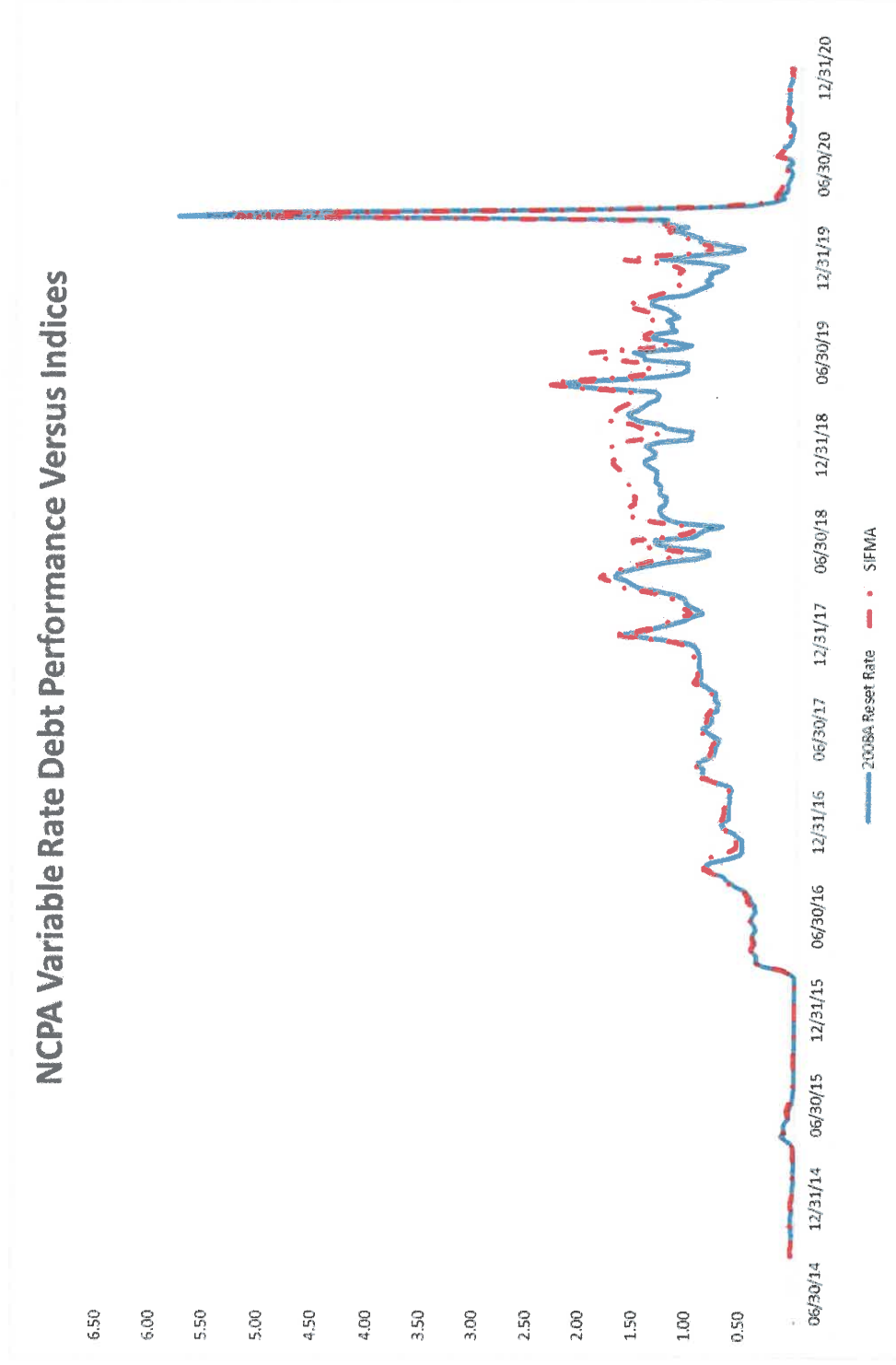
Variable Rate Debt Overview

| | |
|---|--|
| Variable Rate Debt Amount Priced Payment | Hydro 2008A \$81,475,000 Weekly Monthly |
| Swap Counter-party: | Citigroup |
| Payments | NCPA Pays Fixed @ 3.819% NCPA Receives Floating rate (based on 54% of monthly Libor+.54%) |
| From/To: Counterparty | |
| Payment terms: | Semi-Annual (net) Semi-Annual (net) |
| Liquidity/Letter of Credit Provider | Bank of America |
| Annual Fee | 35.0 bp |
| Expiration Date | 6/21/2024 |
| Credit Ratings | Aa2/A+/AA- |

Variable Rate Debt Overview



Variable Rate Debt Overview





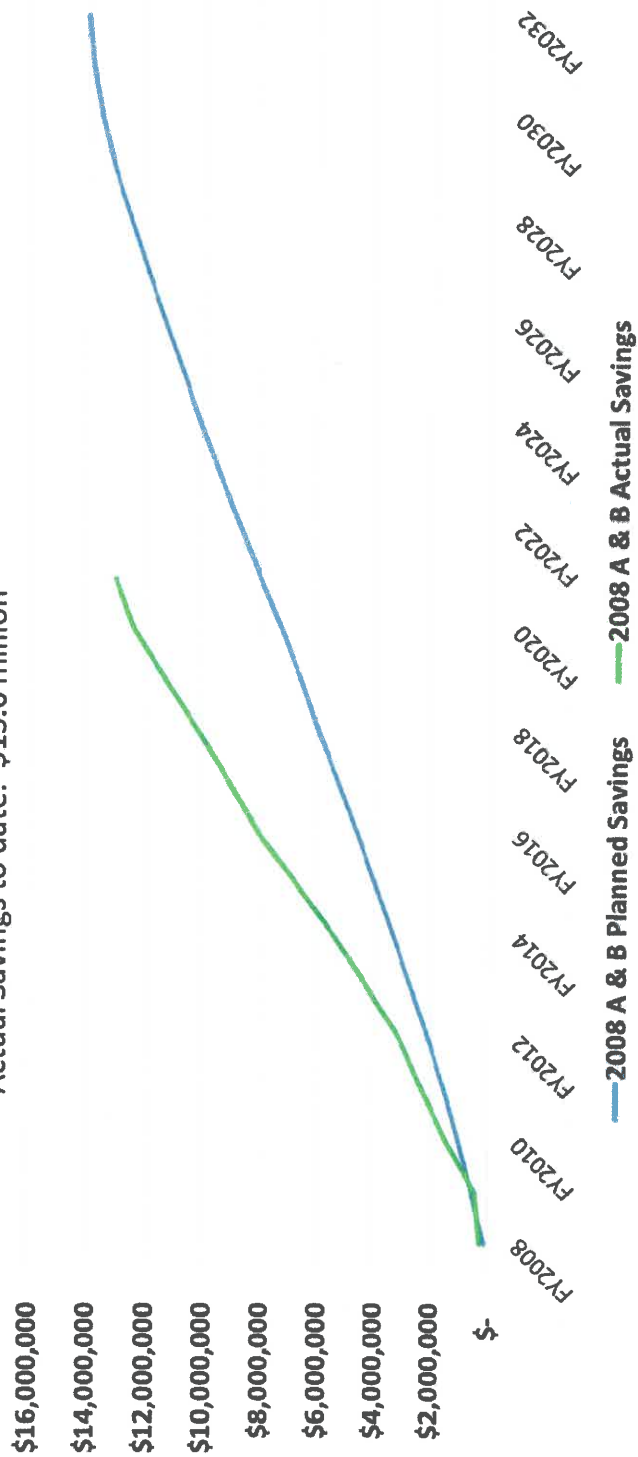
INTEREST RATE SWAP OVERVIEW



Interest Rate Swap Overview

Northern California Power Agency Hydroelectric Project Swaps Performance to Date December 31, 2020

Total Projected Savings over life of bonds: \$13.9 million
Total Projected Savings to date: \$8.0 million
Actual Savings to date: \$13.0 million





Interest Rate Swap Overview



PFM Swap Advisors LLC

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

| Transaction Type | Name | Associated Bonds | Client Pay | Client Receives | Trade Date | Effective Date (Initial Calc) | Maturity Date |
|------------------|----------------------|------------------|------------|-----------------------------|------------|-------------------------------|---------------|
| Swap | NCPA 200411240001 | Series 2008A | 3.8190% | 54% of USD-LIBOR + 0.54% | 11/24/2004 | 4/2/2008 | 7/1/2032 |

| Initial Notional | Current Notional | Bank Counterparty | Counterparty Ratings Moody's / S&P / Fitch | MTM Value 12/31/2020 |
|------------------|------------------|-----------------------------|---|-------------------------|
| \$85,160,000 | \$81,475,000 | Citibank, N.A., New York | Aa3 / A+ / A+ | (\$20,209,083) |



Interest Rate Swap Overview - Participant



Phone: 215 567 5100
Fax: 215 567 4180

| Transaction Type | Name | Associated Bonds | Client Pay | Client Receives | Trade Date | Maturity Date | Current Notional |
|------------------|----------------------|------------------|------------|-----------------------------|------------|---------------|---------------------|
| Swap | NCPA 200411240001 | Series 2008A | 3.8190% | 54% of USD-LIBOR + 0.54% | 11/24/2004 | 7/1/2032 | \$81,475,000 |
| | | | | | | | <u>\$81,475,000</u> |

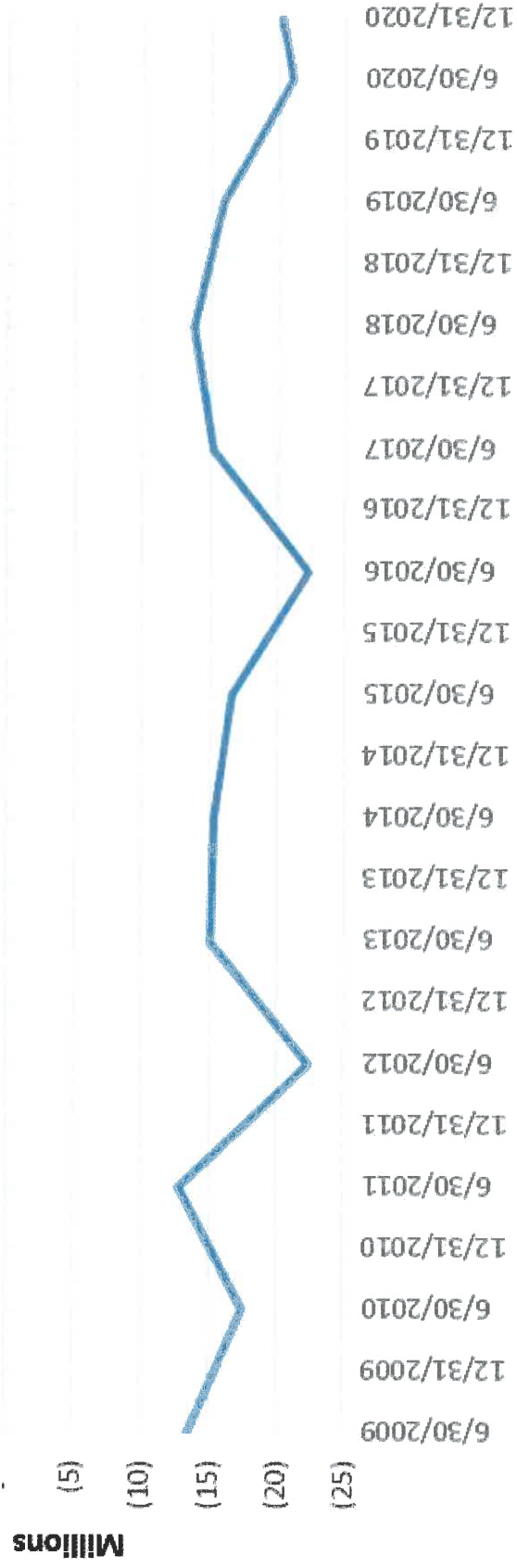
| Total MTM Value | Alameda 10% | Healdsburg 1.66% | Lodi 10.37% | Lompoc 2.30% | Palo Alto 22.92% | Plumas-Sierra 1.69% | Roseville 12.00% | Santa Clara 37.02% | Ukiah 2.04% |
|-----------------|---------------|------------------|---------------|--------------|------------------|---------------------|------------------|--------------------|-------------|
| (\$20,209,083) | (\$2,020,908) | (\$335,471) | (\$2,095,682) | (\$464,809) | (\$4,631,922) | (\$341,534) | (\$2,425,090) | (\$7,481,403) | (\$412,265) |

| Total Impact on MTM Value - 50 bp swing | Alameda 10% | Healdsburg 1.66% | Lodi 10.37% | Lompoc 2.30% | Palo Alto 22.92% | Plumas-Sierra 1.69% | Roseville 12.00% | Santa Clara 37.02% | Ukiah 2.04% |
|---|---------------|------------------|---------------|--------------|------------------|---------------------|------------------|--------------------|-------------|
| (\$18,427,137) | (\$1,842,714) | (\$305,890) | (\$1,910,894) | (\$423,824) | (\$4,223,500) | (\$311,419) | (\$2,211,256) | (\$6,821,726) | (\$375,914) |



Interest Rate Swap Overview

2008A&B Swap MTM Fair Value





Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: AESI-US, Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---|------------------------------------|
| FROM: | Jane Cirrincione <i>JDC</i> | METHOD OF SELECTION: |
| | AGM, Legislative and Regulatory Affairs | <i>Competitive Pricing Process</i> |
| Division: | Legislative & Regulatory Affairs | <i>If other, please describe:</i> |
| Department: | Legislative & Regulatory | |

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 21-11 authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with AESI-US, Inc., (AESI) for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over two years for NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

BACKGROUND:

On January 10, 2019, the California Public Utilities Commission (CPUC) approved Decision 19-01-018 requiring all electric utilities to develop and implement a plan ("Utility Physical Security Plan") that (1) identifies electric distribution assets that require greater protection; and (2) specifies measures to reduce the identified risks and threats to those facilities. The Utility Physical Security Plan requirements are modeled on the security plan requirements set forth by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protocol (CIP)-014. The overarching goal of the Utility Physical Security Plan is to describe the utility's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

Pursuant to D.19-01-018, publicly owned utilities (POUs) must complete the identification and plan development process and provide the CPUC with notice that the POU's governing board has adopted the plan by July 10, 2021. In support of these requirements, NCPA issued a Request for Proposal (RFP) LR2002 ("Physical Security RFP") on December 15, 2020, to solicit proposals from qualified consultants to provide services that would: (1) provide technical advisory support for the development of NCPA and/or Members' Physical Security Plans; and (2) independently evaluate NCPA and/or Members' Physical Security Plans.

NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP. Seven vendors responded to the RFP by the deadline of January 15, 2021. Based on the scoring review group's evaluation, five of the vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services. The review group selected AESI based upon the scores for AESI's response to the Physical Security RFP. NCPA notes, and as specifically mentioned above, other entities were also selected through the RFP process.

FISCAL IMPACT:

These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously-approved funds in NCPA's existing budget.

SELECTION PROCESS:

A formal bidding process was conducted in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from December 15, 2020 through January 15, 2021. A total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) ability to perform the work within the time specified and demonstrated strong project management abilities; and 6) customer references. The responses were evaluated by a review group consisting of staff from the City of Ukiah, Port of Oakland, and NCPA. Based on the evaluation process, five vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

AESI is a Hometown Connections Incorporated (HCI) partner. AESI's status as a partner played no role in and was not in any way considered as part of the RFP process. NCPA acknowledges AESI may have learned of the Physical Security RFP due to AESI being an HCI partner. NCPA works to expand the pool of vendors responding to NCPA RFPs and encourages interested vendors to participate in NCPA's RFP processes. Nonetheless, AESI's relationship with HCI was not discussed or valued in the RFP evaluation.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed in the Legislative and Regulatory Affairs Committee on February 24, 2021.

Respectfully submitted,

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

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-11
- Multi-Task Consulting Services Agreement with AESI-US, Inc.

RESOLUTION 21-11

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY TO APPROVE AND AUTHORIZE EXECUTION OF A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH AESI-US, INC.

(Reference Staff Report #114:21)

WHEREAS, pursuant to the California Public Utilities Commission Decision 19-01-018, California publicly-owned electric utilities are required to develop and implement a Utility Physical Security Plan that identifies electric distribution assets that require greater protection and specifies measures to reduce the identified risk and threats to those facilities; and

WHEREAS, to assist in compliance with these requirements, NCPA issued a Request for Proposals (“RFP”) seeking consultants that are qualified to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services (“Services”); and

WHEREAS, NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP; and

WHEREAS, a total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) demonstration of strong project management abilities; and 6) customer references; and

WHEREAS, AESI-US, Inc. was one of five consultants selected to provide Services based upon its experience and response to the RFP; and

WHEREAS, NCPA is willing and able to (i) retain AESI-US, Inc. to provide the Services under a Multi-Task Consulting Services Agreement (“Agreement”) and (ii) bill all expenses and costs for related Services to the entity receiving the Services; and

WHEREAS, the Agreement with AESI-US, Inc. for up to \$500,000 over a two-year period may include services that are provided directly to NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or 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 authorize the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with AESI-US, Inc. for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 combined over two years for use by NCPA, NCPA Members, SCPPA, or SCPPA Members.

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

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

 DAVID HAGLE
 CHAIR

ATTEST:

 CARY A. PADGETT
 ASSISTANT SECRETARY



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

This Consulting Services Agreement (“Agreement”) is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 (“Agency”) and AESI-US, Inc., a corporation with its office located at 1990 Lakeside Parkway, Suite 250, Tucker, GA 30084 (“Consultant”) (together sometimes referred to as the “Parties”) as of _____, 2021 (“Effective Date”) in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than two (2) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority (“SCPPA”) or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed (“Requested Services”), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency’s issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven day

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

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

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

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

Invoices shall be sent to:

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

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

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

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Limitation on Liability.** The total aggregate liability of Consultant for each Purchase Order will be limited to the insurance limits described in Section 4 of this Agreement.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1** Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

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

where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or her designee, who shall act as the

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

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

Joel Charlebois
Vice President – Regulatory Compliance
AESI-US, Inc.
1990 Lakeside Parkway, Suite 250
Tucker, Georgia 30084

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

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

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order shall control.
- 10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide Services to an Agency member, SCCPA and/or a SCPPA member (collectively for the purposes of this section only "Member") pursuant to section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

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

NORTHERN CALIFORNIA POWER AGENCY

AESI-US, INC.

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

JOEL CHARLEBOIS, VICE PRESIDENT
REGULATORY COMPLIANCE

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF SERVICES

AESI-US, Inc. ("Consultant") shall provide the following services, as requested by the Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

Task I: Utility Physical Security Plan Technical Advisory Services

On an as-needed basis and upon request by the Agency, Consultant shall provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018. Such technical advisory services may include the development of a physical security plan in its entirety, based on information provided by NCPA/Member, as applicable.

Within 10 business days of receiving an approved request from Agency to perform technical advisory services for NCPA/Member, Consultant shall meet with NCPA/Member to determine the mutually agreeable scope and timeframe for its deliverables.

Task II: Utility Physical Security Plan Independent Evaluation Services

On an as-needed basis and upon request by the Agency, the selected contractor shall complete an independent evaluation of an NCPA or Member Physical Security Plan pursuant to the requirements of D. 19-01-018:

In performing Task II, Consultant shall review and assess the comprehensiveness of NCPA/Member's Physical Security Plan, and may need to present its findings to governing bodies geographically located across California. The anticipated key timelines and deliverables associated with this task are as follows:

- i. Within 10 days of receiving a request from Agency, Consultant shall meet with NCPA/Member to determine a mutually agreeable scope and format for its review of NCPA/Member's Physical Security Plan. At this time, Consultant and NCPA/Member may wish to modify timelines such that deliverables are received on a mutually agreeable schedule that may vary from that identified below.
- ii. Within 45 days of receiving an approved request from Agency, Consultant shall provide NCPA/Member with a draft report including the Consultant's analysis and finding of whether or not NCPA/Member's plan is consistent with the requirements of CPUC D. 19-01-018. If the plan is not found to be consistent with all requirements, the report shall explicitly identify any deficiencies in the plan, as well as recommendations for actions NCPA/Member could undertake to address such deficiencies.

- iii. To the extent NCPA/Member chooses to modify its Physical Security Plan to reflect the findings of Consultant, Consultant shall be available to review NCPA/Member-proposed changes and adjust its findings accordingly.
- iv. Within 15 days of receiving a modified Physical Security Plan from NCPA/Member, Consultant shall provide NCPA/Member with a final report and finding.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$500,000.00. The hourly rates and/or compensation break down and an estimated amount of expenses is as follows:

Cost Sheet:

We understand the economic impacts that the COVID-19 pandemic has had on the power generation and transmission industry. As such, we are offering a 20% discount on our standard hourly rates for 2021 (year 1). Our intent is to support industry participants as the sector recovers from the pandemic's economic impacts. For this engagement, please note our discounted 2021 rates below.

| Task & Task Description | Not-to-Exceed Cost Per PSP (Discounted) |
|---|---|
| <p>Task 1 Part A: Provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018</p> <p>Note: This is based on 30 hours of support to provide the technical advisory services. This also assumes that each member has one PSP covering all distribution facilities.</p> | \$7,500 |
| <p>Task 1 Part B: The development of a physical security plan in its entirety, based on information provided by NCPA/Member.</p> <p>Note: This is based on 150 hours to provide the technical advisory services to develop and finalize the PSP in its entirety. This also assumes that each member has one PSP covering all distribution facilities.</p> | \$34,000 |
| <p>Task 2: Complete an independent evaluation of an NCPA or Member PSP pursuant to the requirements of D. 19-01-018 and present the findings to governing bodies geographically located across California and all other stakeholders.</p> <p>Note: This is based on 50 hours to perform the evaluation of the NCPA or Member PSP. This also assumes that each member has one PSP covering all distribution facilities.</p> | \$10,600 |

Hourly Rates:

| Staff | 2021 Standard | 2021 20% Discount | 2022 10% Discount | 2023 Standard |
|------------------------|------------------|----------------------|----------------------|------------------|
| Loreto Sarracini | \$350 | \$280 | \$315 | \$360 |
| Nimish Bhatnagar | \$260 | \$208 | \$234 | \$270 |
| Ivan Wong | \$220 | \$176 | \$198 | \$230 |
| Greg Taylor | \$163 | \$130 | \$147 | \$173 |
| Paul Stanley | \$163 | \$130 | \$147 | \$173 |
| Arete Resources | \$220 | \$176 | \$198 | \$230 |
| Administrative Support | \$100 | \$80 | \$90 | \$110 |

Notes:

1. AESI is offering a 20% discount off its current hourly rates for work performed in 2021, and a 10% discount off its current hourly rates for work performed in 2022. AESI will revert to its standard hourly rates for 2023.
2. Additional or other similarly qualified resources may be substituted upon mutual agreement between AESI and NCPA or its members, with hourly rates similar to those above or otherwise mutually agreed upon.
3. Any potential expenses that may be required, which includes travel to the NCPA or Member's sites, local accommodations, local transportation, and food, will be charged as actual costs on a flow through basis with no administrative markups.
4. The hourly rates in the table above are for straight time and for any overtime that is incurred, AESI does not charge increased rates.
5. AESI adjusts its rates annually effective January 1.

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Burns & McDonnell Engineering Company, Inc - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------|---|---|
| FROM: | Jane Cirrincione <i>JDC</i> AGM, Legislative and Regulatory Affairs | METHOD OF SELECTION: <i>Competitive Pricing Process</i> |
| Division: | Legislative & Regulatory Affairs | <i>If other, please describe:</i> |
| Department: | Legislative & Regulatory | |

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

RECOMMENDATION:

Approve Resolution 21-12 authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over two years for NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

BACKGROUND:

On January 10, 2019, the California Public Utilities Commission (CPUC) approved Decision 19-01-018 requiring all electric utilities to develop and implement a plan ("Utility Physical Security Plan") that (1) identifies electric distribution assets that require greater protection; and (2) specifies measures to reduce the identified risks and threats to those facilities. The Utility Physical Security Plan requirements are modeled on the security plan requirements set forth by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protocol (CIP)-014. The overarching goal of the Utility Physical Security Plan is to describe the utility's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

Pursuant to D.19-01-018, publicly owned utilities (POUs) must complete the identification and plan development process and provide the CPUC with notice that the POU's governing board has adopted the plan by July 10, 2021. In support of these requirements, NCPA issued a Request for Proposal (RFP) LR2002 ("Physical Security RFP") on December 15, 2020, to solicit proposals from qualified consultants to provide services that would: (1) provide technical advisory support for the development of NCPA and/or Members' Physical Security Plans; and (2) independently evaluate NCPA and/or Members' Physical Security Plans.

NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP. Seven vendors responded to the RFP by the deadline of January 15, 2021. Based on the scoring review group's evaluation, five of the vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

FISCAL IMPACT:

These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should

NCPA itself utilize services under these contracts, the cost will be covered by previously-approved funds in NCPA's existing budget.

SELECTION PROCESS:

A formal bidding process was conducted in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from December 15, 2020 through January 15, 2021. A total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) ability to perform the work within the time specified and demonstrated strong project management abilities; and 6) customer references. The responses were evaluated by a review group consisting of staff from the City of Ukiah, Port of Oakland, and NCPA. Based on the evaluation process, five vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed in the Legislative and Regulatory Affairs Committee on February 24, 2021.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-12
- Multi-Task Consulting Services Agreement with Burns & McDonnell Engineering Company, Inc

RESOLUTION 21-12

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY TO APPROVE AND AUTHORIZE EXECUTION OF A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC.

(Reference Staff Report #115:21)

WHEREAS, pursuant to the California Public Utilities Commission Decision 19-01-018, California publicly-owned electric utilities are required to develop and implement a Utility Physical Security Plan that identifies electric distribution assets that require greater protection and specifies measures to reduce the identified risk and threats to those facilities; and

WHEREAS, to assist in compliance with these requirements, NCPA issued a Request for Proposals ("RFP") seeking consultants that are qualified to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services ("Services"); and

WHEREAS, NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP; and

WHEREAS, a total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) demonstration of strong project management abilities; and 6) customer references; and

WHEREAS, Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell). was one of five consultants selected to provide Services based upon its experience and response to the RFP; and

WHEREAS, NCPA is willing and able to (i) retain Burns & McDonnell to provide the Services under a Multi-Task Consulting Services Agreement ("Agreement") and (ii) bill all expenses and costs for related Services to the entity receiving the Services; and

WHEREAS, the Agreement with Burns & McDonnell for up to \$500,000 over a two-year period may include services that are provided directly to NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or 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 authorize the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Burns & McDonnell for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by

the NCPA General Counsel, which shall not exceed \$500,000 combined over two years for use by NCPA, NCPA Members, SCPPA, or SCPPA Members.

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

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

 DAVID HAGLE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY



**MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
BURNS & MCDONNELL ENGINEERING COMPANY, INC.**

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Burns & McDonnell Engineering Company, Inc. ("Burns & McDonnell"), a corporation, with its office located at 9400 Ward Parkway, Kansas City, MO 66061 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than two (2) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven day

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

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

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

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

Invoices shall be sent to:

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

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

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

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Limitation of Liability.** The total aggregate liability of Consultant for each Purchase Order will be limited to the insurance limits described in Section 4 of this Agreement.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1 Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

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

where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or her designee, who shall act as the

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

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

Victor Elazegui
Senior Physical Security Specialist
Burns & McDonnell
9400 Ward Parkway
Kansas City, MO 66061

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

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

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

BURNS & MCDONNELL ENGINEERING
COMPANY, INC.

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

VICTOR ELAZEGUI
SENIOR PHYSICAL SECURITY
SPECIALIST

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Burns & McDonnell (“Consultant”) shall provide the following services, as requested by the Northern California Power Agency (“Agency”) at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”), or SCPPA Members.

Task I: Utility Physical Security Plan Technical Advisory Services

On an as-needed basis and upon request by the Agency, Consultant shall provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018. Such technical advisory services may include the development of a physical security plan in its entirety, based on information provided by NCPA/Member, as applicable.

Within 10 business days of receiving an approved request from Agency to perform technical advisory services for NCPA/Member, Consultant shall meet with NCPA/Member to determine the mutually agreeable scope and timeframe for its deliverables.

Task II: Utility Physical Security Plan Independent Evaluation Services

On an as-needed basis and upon request by the Agency, the selected contractor shall complete an independent evaluation of an NCPA or Member Physical Security Plan pursuant to the requirements of D. 19-01-018:

In performing Task II, Consultant shall review and assess the comprehensiveness of NCPA/Member’s Physical Security Plan, and may need to present its findings to governing bodies geographically located across California. The anticipated key timelines and deliverables associated with this task are as follows:

- i. Within 10 days of receiving a request from Agency, Consultant shall meet with NCPA/Member to determine a mutually agreeable scope and format for its review of NCPA/Member’s Physical Security Plan. At this time, Consultant and NCPA/Member may wish to modify timelines such that deliverables are received on a mutually agreeable schedule that may vary from that identified below.
- ii. Within 45 days of receiving an approved request from Agency, Consultant shall provide NCPA/Member with a draft report including the Consultant’s analysis and finding of whether or not NCPA/Member’s plan is consistent with the requirements of CPUC D. 19-01-018. If the plan is not found to be consistent with all requirements, the report shall explicitly identify any deficiencies in the plan, as well as recommendations for actions NCPA/Member could undertake to address such deficiencies.

- iii. To the extent NCPA/Member chooses to modify its Physical Security Plan to reflect the findings of Consultant, Consultant shall be available to review NCPA/Member-proposed changes and adjust its findings accordingly.
- iv. Within 15 days of receiving a modified Physical Security Plan from NCPA/Member, Consultant shall provide NCPA/Member with a final report and finding.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$500,000.00. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Billing Rates

| Title | 2021 |
|---|-----------------|
| Project Manager (PM) | \$255.00 |
| Senior Physical Security Specialist (Sen) | \$210.00 |
| Staff Physical Security Specialist (Staff) | \$160.00 |
| Technical Utility Consultant (TUC) | \$195.00 |

TASK 1 Plan Development Estimated Price

| Project Deliverable | Cost* | Effort by Hour | | | | Assumptions |
|--|---|----------------|-----|-------|-----|--|
| | | PM | SEN | Staff | TUC | |
| Phase I: Kickoff and List of Facilities Requiring Assessment | Labor: \$41,310 | 10 | 36 | | 160 | All of Phase 1 work is remote. This is the estimated hours for Phase 1 assessment of each of the 16 utility companies. |
| Phase II: Assessments, First Draft Physical Security Assessment Report | Labor: \$169,175 Travel: \$4,620 Total: \$173,795 | 25 | 440 | 440 | | 10 sites total 2 site visits |
| Phase III: First Draft Physical Security Plan Recommendations | Total: \$23,375 | 25 | 20 | 80 | | 10 sites total |
| Phase IV: Draft and Final Reports Addressing Third Party Comments and Findings | Total: \$19,550 | 10 | 20 | 80 | | 10 sites total |
| Totals | Total: \$258,030 | 70 | 516 | 600 | 160 | |

*Burns & McDonnell assumes that no changes will be made to the D.19-01-018 regulation; any updates to the regulation may require and update in phases tasks.

TASK 2 Plan Development Estimated Price

| Project Deliverable | Estimated Cost* | Estimated Effort by Hour | | | | Assumptions |
|---------------------|-----------------|--------------------------|-----|-------|-----|--|
| | | PM | SEN | STAFF | TUC | |
| Review | Labor: \$16,940 | 8 | 10 | 80 | 0 | All work is done remotely. 10 independent reviews. |
| Totals | Total: \$16,940 | | | | | |

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: iParametrics LLC. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---|------------------------------------|
| FROM: | Jane Cirrincione <i>JDC</i> | METHOD OF SELECTION: |
| | AGM, Legislative and Regulatory Affairs | <i>Competitive Pricing Process</i> |
| Division: | Legislative & Regulatory Affairs | <i>If other, please describe:</i> |
| Department: | Legislative & Regulatory | |

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 21-13 authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with iParametrics LLC (iParametrics) for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over two years for NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

BACKGROUND:

On January 10, 2019, the California Public Utilities Commission (CPUC) approved Decision 19-01-018 requiring all electric utilities to develop and implement a plan ("Utility Physical Security Plan") that (1) identifies electric distribution assets that require greater protection; and (2) specifies measures to reduce the identified risks and threats to those facilities. The Utility Physical Security Plan requirements are modeled on the security plan requirements set forth by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protocol (CIP)-014. The overarching goal of the Utility Physical Security Plan is to describe the utility's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

Pursuant to D.19-01-018, publicly owned utilities (POUs) must complete the identification and plan development process and provide the CPUC with notice that the POU's governing board has adopted the plan by July 10, 2021. In support of these requirements, NCPA issued a Request for Proposal (RFP) LR2002 ("Physical Security RFP") on December 15, 2020, to solicit proposals from qualified consultants to provide services that would: (1) provide technical advisory support for the development of NCPA and/or Members' Physical Security Plans; and (2) independently evaluate NCPA and/or Members' Physical Security Plans.

NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP. Seven vendors responded to the RFP by the deadline of January 15, 2021. Based on the scoring review group's evaluation, five of the vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

FISCAL IMPACT:

These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously-approved funds in NCPA's existing budget.

SELECTION PROCESS:

A formal bidding process was conducted in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from December 15, 2020 through January 15, 2021. A total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) ability to perform the work within the time specified and demonstrated strong project management abilities; and 6) customer references. The responses were evaluated by a review group consisting of staff from the City of Ukiah, Port of Oakland, and NCPA. Based on the evaluation process, five vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed in the Legislative and Regulatory Affairs Committee on February 24, 2021.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-13
- Multi-Task Consulting Services Agreement with iParametrics LLC

RESOLUTION 21-13

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY TO APPROVE AND AUTHORIZE EXECUTION OF A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH IPARAMETRICS LLC

(Reference Staff Report #116:21)

WHEREAS, pursuant to the California Public Utilities Commission Decision 19-01-018, California publicly-owned electric utilities are required to develop and implement a Utility Physical Security Plan that identifies electric distribution assets that require greater protection and specifies measures to reduce the identified risk and threats to those facilities; and

WHEREAS, to assist in compliance with these requirements, NCPA issued a Request for Proposals (“RFP”) seeking consultants that are qualified to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services (“Services”); and

WHEREAS, NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP; and

WHEREAS, a total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) demonstration of strong project management abilities; and 6) customer references; and

WHEREAS, iParametrics LLC was one of five consultants selected to provide Services based upon its experience and response to the RFP; and

WHEREAS, NCPA is willing and able to (i) retain iParametrics LLC to provide the Services under a Multi-Task Consulting Services Agreement (“Agreement”) and (ii) bill all expenses and costs for related Services to the entity receiving the Services; and

WHEREAS, the Agreement with iParametrics LLC for up to \$500,000 over a two-year period may include services that are provided directly to NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or 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 authorize the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with iParametrics LLC for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by

the NCPA General Counsel, which shall not exceed \$500,000 combined over two years for use by NCPA, NCPA Members, SCPPA, or SCPPA Members.

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

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

DAVID HAGLE
CHAIR

ATTEST: _____
CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND IPARAMETRICS LLC

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and iParametrics LLC, a limited liability company, with its office located at 178 South Main Street, Suite 100, Alpharetta, GA 30009 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than two (2) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to

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

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

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

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

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Limitation of Liability.** The total aggregate liability of Consultant for each Purchase Order will be limited to the insurance limits described in Section 4 of this Agreement.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1 Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

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

where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or her designee, who shall act as the

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

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

Paul Pelletier
Principal
iParametrics LLC
178 South Main Street, Suite 100
Alpharetta, Georgia 30009

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

IPARAMETRICS LLC

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

PAUL PELLETIER
PRINCIPAL

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

iParametrics LLC (“Consultant”) shall provide the following services, as requested by the Northern California Power Agency (“Agency”) at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”), or SCPPA Members.

Task I: Utility Physical Security Plan Technical Advisory Services

On an as-needed basis and upon request by the Agency, Consultant shall provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018. Such technical advisory services may include the development of a physical security plan in its entirety, based on information provided by NCPA/Member, as applicable.

Within 10 business days of receiving an approved request from Agency to perform technical advisory services for NCPA/Member, Consultant shall meet with NCPA/Member to determine the mutually agreeable scope and timeframe for its deliverables.

Task II: Utility Physical Security Plan Independent Evaluation Services

On an as-needed basis and upon request by the Agency, the selected contractor shall complete an independent evaluation of an NCPA or Member Physical Security Plan pursuant to the requirements of D. 19-01-018:

In performing Task II, Consultant shall review and assess the comprehensiveness of NCPA/Member’s Physical Security Plan, and may need to present its findings to governing bodies geographically located across California. The anticipated key timelines and deliverables associated with this task are as follows:

- i. Within 10 days of receiving a request from Agency, Consultant shall meet with NCPA/Member to determine a mutually agreeable scope and format for its review of NCPA/Member’s Physical Security Plan. At this time, Consultant and NCPA/Member may wish to modify timelines such that deliverables are received on a mutually agreeable schedule that may vary from that identified below.
- ii. Within 45 days of receiving an approved request from Agency, Consultant shall provide NCPA/Member with a draft report including the Consultant’s analysis and finding of whether or not NCPA/Member’s plan is consistent with the requirements of CPUC D. 19-01-018. If the plan is not found to be consistent with all requirements, the report shall explicitly identify any deficiencies in the plan, as well as recommendations for actions NCPA/Member could undertake to address such deficiencies.

- iii. To the extent NCPA/Member chooses to modify its Physical Security Plan to reflect the findings of Consultant, Consultant shall be available to review NCPA/Member-proposed changes and adjust its findings accordingly.
- iv. Within 15 days of receiving a modified Physical Security Plan from NCPA/Member, Consultant shall provide NCPA/Member with a final report and finding.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$500,000.00. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Eddie Wise, Project Manager/Lead Planner, \$185/hour
Steve Thibodeaux, Senior Security Planner, \$155/hour
Lynn Thilmany, Senior Security Planner, \$155/hour

Specific pricing for services to be performed at NCPA Member or SCPA locations will be quoted at the time services are requested.

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: TRC Solutions, Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | |
|--|------------------------------------|
| FROM: Jane Cirrincione <i>JDC</i> | METHOD OF SELECTION: |
| AGM, Legislative and Regulatory Affairs | <i>Competitive Pricing Process</i> |
| Division: Legislative & Regulatory Affairs | <i>If other, please describe:</i> |
| Department: Legislative & Regulatory | |

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 21-14 authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with TRC Solutions, Inc.(TRC) for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over two years for NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

BACKGROUND:

On January 10, 2019, the California Public Utilities Commission (CPUC) approved Decision 19-01-018 requiring all electric utilities to develop and implement a plan (“Utility Physical Security Plan”) that (1) identifies electric distribution assets that require greater protection; and (2) specifies measures to reduce the identified risks and threats to those facilities. The Utility Physical Security Plan requirements are modeled on the security plan requirements set forth by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protocol (CIP)-014. The overarching goal of the Utility Physical Security Plan is to describe the utility’s risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

Pursuant to D.19-01-018, publicly owned utilities (POUs) must complete the identification and plan development process and provide the CPUC with notice that the POU’s governing board has adopted the plan by July 10, 2021. In support of these requirements, NCPA issued a Request for Proposal (RFP) LR2002 (“Physical Security RFP”) on December 15, 2020, to solicit proposals from qualified consultants to provide services that would: (1) provide technical advisory support for the development of NCPA and/or Members’ Physical Security Plans; and (2) independently evaluate NCPA and/or Members’ Physical Security Plans.

NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP. Seven vendors responded to the RFP by the deadline of January 15, 2021. Based on the scoring review group’s evaluation, five of the vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

FISCAL IMPACT:

These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA’s Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously-approved funds in NCPA’s existing budget.

SELECTION PROCESS:

A formal bidding process was conducted in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from December 15, 2020 through January 15, 2021. A total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) ability to perform the work within the time specified and demonstrated strong project management abilities; and 6) customer references. The responses were evaluated by a review group consisting of staff from the City of Ukiah, Port of Oakland, and NCPA. Based on the evaluation process, five vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed in the Legislative and Regulatory Affairs Committee on February 24, 2021.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-14
- Multi-Task Consulting Services Agreement with TRC Solutions, Inc.

RESOLUTION 21-14

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
TO APPROVE AND AUTHORIZE EXECUTION OF A MULTI-TASK CONSULTING SERVICES
AGREEMENT WITH TRC SOLUTIONS, INC.**

(Reference Staff Report #117:21)

WHEREAS, pursuant to the California Public Utilities Commission Decision 19-01-018, California publicly-owned electric utilities are required to develop and implement a Utility Physical Security Plan that identifies electric distribution assets that require greater protection and specifies measures to reduce the identified risk and threats to those facilities; and

WHEREAS, to assist in compliance with these requirements, NCPA issued a Request for Proposals (“RFP”) seeking consultants that are qualified to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services (“Services”); and

WHEREAS, NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP; and

WHEREAS, a total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) demonstration of strong project management abilities; and 6) customer references; and

WHEREAS, TRC Solutions, Inc. was one of five consultants selected to provide Services based upon its experience and response to the RFP; and

WHEREAS, NCPA is willing and able to (i) retain TRC Solutions, Inc. to provide the Services under a Multi-Task Consulting Services Agreement (“Agreement”) and (ii) bill all expenses and costs for related Services to the entity receiving the Services; and

WHEREAS, the Agreement with TRC Solutions, Inc. for up to \$500,000 over a two-year period may include services that are provided directly to NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or 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 authorize the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with TRC Solutions, Inc. for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by

the NCPA General Counsel, which shall not exceed \$500,000 combined over two years for use by NCPA, NCPA Members, SCPPA, or SCPPA Members.

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

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

 DAVID HAGLE
 CHAIR

ATTEST:

 CARY A. PADGETT
 ASSISTANT SECRETARY



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

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and TRC Solutions, Inc., a corporation with its office located at 6030 West Oaks Boulevard, Suite 180, Rocklin CA 95765 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than two (2) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to

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

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

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

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

Invoices shall be sent to:

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

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

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

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Limitation of Liability.** The total aggregate liability of Consultant for each Purchase Order will be limited to the insurance limits described in Section 4 of this Agreement.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1** Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

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

where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

- 10.7 Contract Administrator.** This Agreement shall be administered by Jane Cirrincione, Assistant General Manager, or her designee, who shall act as the

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

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

Lawrence Fitzgerald
Director of Security & Emergency Management
TRC
14 Gabriel Drive
Augusta, ME 04330

Casey Bisard
VP Distribution Engineering
TRC
6030 W. Oaks Blvd, Suite 160
Rocklin, CA 95675

Dharme Rathnayke
Director of Engineering
TRC
One Concord Center
300 Clayton Road, Suite 610
Concord, CA 94520

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

TRC SOLUTIONS, INC.

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

PAUL ARNOLD
VICE PRESIDENT

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

TRC Solutions, Inc. ("Consultant") shall provide the following services, as requested by the Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

Task I: Utility Physical Security Plan Technical Advisory Services

On an as-needed basis and upon request by the Agency, Consultant shall provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018. Such technical advisory services may include the development of a physical security plan in its entirety, based on information provided by NCPA/Member, as applicable.

Within 10 business days of receiving an approved request from Agency to perform technical advisory services for NCPA/Member, Consultant shall meet with NCPA/Member to determine the mutually agreeable scope and timeframe for its deliverables.

Task II: Utility Physical Security Plan Independent Evaluation Services

On an as-needed basis and upon request by the Agency, the selected contractor shall complete an independent evaluation of an NCPA or Member Physical Security Plan pursuant to the requirements of D. 19-01-018:

In performing Task II, Consultant shall review and assess the comprehensiveness of NCPA/Member's Physical Security Plan, and may need to present its findings to governing bodies geographically located across California. The anticipated key timelines and deliverables associated with this task are as follows:

- i. Within 10 days of receiving a request from Agency, Consultant shall meet with NCPA/Member to determine a mutually agreeable scope and format for its review of NCPA/Member's Physical Security Plan. At this time, Consultant and NCPA/Member may wish to modify timelines such that deliverables are received on a mutually agreeable schedule that may vary from that identified below.
- ii. Within 45 days of receiving an approved request from Agency, Consultant shall provide NCPA/Member with a draft report including the Consultant's analysis and finding of whether or not NCPA/Member's plan is consistent with the requirements of CPUC D. 19-01-018. If the plan is not found to be consistent with all requirements, the report shall explicitly identify any deficiencies in the plan, as well as recommendations for actions NCPA/Member could undertake to address such deficiencies.

- iii. To the extent NCPA/Member chooses to modify its Physical Security Plan to reflect the findings of Consultant, Consultant shall be available to review NCPA/Member-proposed changes and adjust its findings accordingly.
- iv. Within 15 days of receiving a modified Physical Security Plan from NCPA/Member, Consultant shall provide NCPA/Member with a final report and finding.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

| Role/Category | Hourly Rate |
|--|-------------|
| GIS Specialist, Drafter | \$95 |
| Designer (Distribution/Substation) | \$105 |
| Security Planner | \$105 |
| Project Coordinator | \$115 |
| Lead Designer (Distribution) | \$115 |
| Distribution Engineer, Gas Engineer | \$120 |
| Security Assessor | \$135 |
| Senior Distribution Engineer | \$140 |
| Senior Emergency Planner | \$145 |
| Security Designer | \$155 |
| Principal Distribution System Engineer | \$175 |
| Senior Power Systems Engineer, Senior Engineer | \$175 |
| Project Manager | \$185 |
| Senior Security Consultant, Senior Security Designer | \$185 |
| Principal Power Systems Engineer, Principal Communications Engineer, Principal Substation Engineer | \$198 |
| Quality Assurance SME | \$198 |
| Regional Manager | \$210 |
| Principal | \$210 |

The above rates are inclusive of salary, fringe benefits, overhead, and profit. These rates do not include Other Direction Costs (such as travel or equipment), and they do not include state or local sales taxes. TRC invoices clients monthly on either an hourly basis (plus expenses) or percent complete for lump sum assignments.

The above rates are valid until March 1, 2022. For work that extends beyond that period, TRC reserves the right to increase rates by up to 2% per year.

Specific pricing for services to be performed at NCPA Member or SCPA locations will be quoted at the time services are requested.

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Guidehouse Inc. - Two Year Multi-Task Consulting Services Agreement for Utility Physical Security Plan Evaluation Services; Applicable to the following: Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---|------------------------------------|
| FROM: | Jane Cirrincione <i>JPC</i> | METHOD OF SELECTION: |
| | AGM, Legislative and Regulatory Affairs | <i>Competitive Pricing Process</i> |
| Division: | Legislative & Regulatory Affairs | <i>If other, please describe:</i> |
| Department: | Legislative & Regulatory | |

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Approve Resolution 21-15 authorizing the General Manager or his designee to execute a Multi-Task Consulting Services Agreement with Guidehouse Inc. for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over two years for NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

BACKGROUND:

On January 10, 2019, the California Public Utilities Commission (CPUC) approved Decision 19-01-018 requiring all electric utilities to develop and implement a plan ("Utility Physical Security Plan") that (1) identifies electric distribution assets that require greater protection; and (2) specifies measures to reduce the identified risks and threats to those facilities. The Utility Physical Security Plan requirements are modeled on the security plan requirements set forth by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protocol (CIP)-014. The overarching goal of the Utility Physical Security Plan is to describe the utility's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

Pursuant to D.19-01-018, publicly owned utilities (POUs) must complete the identification and plan development process and provide the CPUC with notice that the POU's governing board has adopted the plan by July 10, 2021. In support of these requirements, NCPA issued a Request for Proposal (RFP) LR2002 ("Physical Security RFP") on December 15, 2020, to solicit proposals from qualified consultants to provide services that would: (1) provide technical advisory support for the development of NCPA and/or Members' Physical Security Plans; and (2) independently evaluate NCPA and/or Members' Physical Security Plans.

NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP. Seven vendors responded to the RFP by the deadline of January 15, 2021. Based on the scoring review group's evaluation, five of the vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

FISCAL IMPACT:

These agreements do not commit NCPA to any new expenditure of funds. The total contractual not-to-exceed cost of the agreement is \$500,000 over two years to enable NCPA, NCPA Members, SCPPA, and SCPPA Members to utilize these services. Work completed by this consultant under this agreement will be processed and billed to the individual utility system as a pass-through charge in accordance with NCPA's Support Services Program Agreement. Should NCPA itself utilize services under these contracts, the cost will be covered by previously-approved funds in NCPA's existing budget.

SELECTION PROCESS:

A formal bidding process was conducted in accordance with NCPA's procurement policies and procedures. An RFP was posted on NCPA's website from December 15, 2020 through January 15, 2021. A total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) possession of the knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) ability to perform the work within the time specified and demonstrated strong project management abilities; and 6) customer references. The responses were evaluated by a review group consisting of staff from the City of Ukiah, Port of Oakland, and NCPA. Based on the evaluation process, five vendors were selected to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed and discussed in the Legislative and Regulatory Affairs Committee on February 24, 2021.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-15
- Multi-Task Consulting Services Agreement with Guidehouse Inc.

RESOLUTION 21-15

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
TO APPROVE AND AUTHORIZE EXECUTION OF A MULTI-TASK CONSULTING SERVICES
AGREEMENT WITH GUIDEHOUSE INC.**

(Reference Staff Report #118:21)

WHEREAS, pursuant to the California Public Utilities Commission Decision 19-01-018, California publicly-owned electric utilities are required to develop and implement a Utility Physical Security Plan that identifies electric distribution assets that require greater protection and specifies measures to reduce the identified risk and threats to those facilities; and

WHEREAS, to assist in compliance with these requirements, NCPA issued a Request for Proposals (“RFP”) seeking consultants that are qualified to provide Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services (“Services”); and

WHEREAS, NCPA created a review group for the Physical Security RFP consisting of NCPA staff and staff from NCPA Member entities. This review group evaluated and scored timely proposals submitted to the Physical Security RFP; and

WHEREAS, a total of seven responses were received and evaluated based on: 1) the quality and thoroughness of proposal; 2) knowledge, experience, and skills required to provide the requested services; 3) experience of staff to be assigned to the project, based on prior engagements of similar scope and complexity; 4) competitive rates for the requested services; 5) demonstration of strong project management abilities; and 6) customer references; and

WHEREAS, Guidehouse Inc. was one of five consultants selected to provide Services based upon its experience and response to the RFP; and

WHEREAS, NCPA is willing and able to (i) retain Guidehouse Inc. to provide the Services under a Multi-Task Consulting Services Agreement (“Agreement”) and (ii) bill all expenses and costs for related Services to the entity receiving the Services; and

WHEREAS, the Agreement with Guidehouse Inc. for up to \$500,000 over a two-year period may include services that are provided directly to NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or 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 authorize the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Guidehouse Inc. for Utility Physical Security Plan Technical Advisory and/or Independent Evaluation Services, with any non-substantial changes recommended and approved by

the NCPA General Counsel, which shall not exceed \$500,000 combined over two years for use by NCPA, NCPA Members, SCPPA, or SCPPA Members.

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

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

 DAVID HAGLE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND GUIDEHOUSE INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Guidehouse Inc., a corporation with its office located at 35 Iron Point Circle, Suite 225, Folsom, CA 95630 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than two (2) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to

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

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

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

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

Invoices shall be sent to:

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

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

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

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Limitation on Liability.** The total aggregate liability of Consultant for each Purchase Order will be limited to the insurance limits described in Section 4 of this Agreement.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1 Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- 8.4.3 Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4 Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

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

where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

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

Chris Luras
Partner
Guidehouse Inc.
35 Iron Point Circle, Suite 225
Folsom, CA 95630

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

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

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

GUIDEHOUSE INC.

Date _____

Date _____

RANDY S. HOWARD
GENERAL MANAGER

CHRIS LURAS
PARTNER

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Guidehouse Inc. ("Consultant") shall provide the following services, as requested by the Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

Task I: Utility Physical Security Plan Technical Advisory Services

On an as-needed basis and upon request by the Agency, Consultant shall provide technical advisory services to NCPA and/or its Member(s) to support the development of physical security plans that are consistent with the requirements of CPUC Decision 19-01-018. Such technical advisory services may include the development of a physical security plan in its entirety, based on information provided by NCPA/Member, as applicable.

Within 10 business days of receiving an approved request from Agency to perform technical advisory services for NCPA/Member, Consultant shall meet with NCPA/Member to determine the mutually agreeable scope and timeframe for its deliverables.

Task II: Utility Physical Security Plan Independent Evaluation Services

On an as-needed basis and upon request by the Agency, the selected contractor shall complete an independent evaluation of an NCPA or Member Physical Security Plan pursuant to the requirements of D. 19-01-018:

In performing Task II, Consultant shall review and assess the comprehensiveness of NCPA/Member's Physical Security Plan, and may need to present its findings to governing bodies geographically located across California. The anticipated key timelines and deliverables associated with this task are as follows:

- i. Within 10 days of receiving a request from Agency, Consultant shall meet with NCPA/Member to determine a mutually agreeable scope and format for its review of NCPA/Member's Physical Security Plan. At this time, Consultant and NCPA/Member may wish to modify timelines such that deliverables are received on a mutually agreeable schedule that may vary from that identified below.
- ii. Within 45 days of receiving an approved request from Agency, Consultant shall provide NCPA/Member with a draft report including the Consultant's analysis and finding of whether or not NCPA/Member's plan is consistent with the requirements of CPUC D. 19-01-018. If the plan is not found to be consistent with all requirements, the report shall explicitly identify any deficiencies in the plan, as well as recommendations for actions NCPA/Member could undertake to address such deficiencies.

- iii. To the extent NCPA/Member chooses to modify its Physical Security Plan to reflect the findings of Consultant, Consultant shall be available to review NCPA/Member-proposed changes and adjust its findings accordingly.
- iv. Within 15 days of receiving a modified Physical Security Plan from NCPA/Member, Consultant shall provide NCPA/Member with a final report and finding.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$500,000.00. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Task I: Utility Physical Security Plan Technical Advisory Services

Guidehouse will prepare a proposed task order for NCPA or its members based upon the scope of the request. The work will either be performed on a time and materials basis at the below rates or on an agreed upon fixed fee basis.

Task II. Utility Physical Security Plan Independent Evaluation Services

This work will be done on a fixed price basis. The price includes travel expenses for up to four sites.

- \$8,000 per site including travel
- Additional work beyond evaluation of site plans will be billed on a time and material basis.

The following table includes our hourly rates for the duration of this project. Any work outside of the scope described above will be done on a Time and Materials basis using the below rates.

| Labor Categories | Hourly Rate |
|---------------------|-------------|
| Associate Director | \$320 |
| Managing Consulting | \$258 |
| Sr. Consultant | \$220 |
| Consultant | \$182 |

Travel

Due to the ongoing COVID-19 epidemic, Guidehouse will make all efforts to conduct as much of this work remotely as possible. However, this type of work requires onsite evaluations and inspections. Accordingly, Guidehouse will make sure any staff participating in site visits strictly abides by state and local rules and CDC guidance. All travel will be billed at actual cost, and expenses will be charged without markup, including meals, hotels, and transportation (e.g. mileage payable at the standard IRS rate, tolls, parking, and airfare). All travel will be pre-approved by BVES prior to booking.

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Commission Staff Report

Date: February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: SEL Engineering Services, Inc. – Five Year Multi-Task Professional Services Agreement for Protective Relay and Automation Design; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Approve Resolution 21-16 authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with SEL Engineering Services, Inc. for protective relay and automation design services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Protective relay and automation design 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 currently has an agreement in place with SEL Engineering Services, Inc., which is running low on funds and is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the 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 does not have any other agreements for similar services with additional vendors at this time.

FISCAL IMPACT:

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

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation above was reviewed by the Facilities Committee on February 3, 2021, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 8, 2021, and was approved.

Respectfully submitted,

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

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement with SEL Engineering Services, Inc.

RESOLUTION 21-16

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH SEL
ENGINEERING SERVICES, INC.**

(reference Staff Report #119:21)

WHEREAS, protective relay and automation design 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, SEL Engineering Services, Inc. is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task Professional Services Agreement with SEL Engineering Services, Inc. to provide such services at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members, in an amount not to exceed \$1,000,000 over five years; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with SEL Engineering Services, Inc., for protective relay and automation design services, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

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

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
SEL ENGINEERING SERVICES, INC.**

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and SEL Engineering Services, Inc., a corporation with its office located at 2350 NE Hopkins Court, Pullman, WA 99163 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 20__ ("Effective Date") in Roseville, California.

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

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

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

Section 2.

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

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

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

Invoices shall be sent to:

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

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

2.3 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement. All quoted prices are exclusive of any sales, use, value-added or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing as long as the taxes are reasonably estimated and provided to Agency when Consultant

responds to a request for a bid or quote, or in writing in response to a request for Services from Consultant.

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with

a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

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

4.3 Professional Liability Insurance. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least three (3) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within three (3) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of three (3) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 All Policies Requirements.

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

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

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

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members,

Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they arise out of, pertain to, or relate to such claims, whether directly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

5.3 Limitation of Liability. Notwithstanding any other term in this Agreement, Consultant's liability to Agency or its insurers for any loss or damage regarding this Agreement shall be limited as follows: (i) for those claims covered by an

insurance certificate required under Section 4 of this Agreement, Consultant's liability shall be limited to the amount of the applicable insurance; and (ii) for all other claims, except those arising as a result of Consultant's violation of applicable law or patent infringement, Consultant's liability shall in no event exceed \$1,000,000 for each claim whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall either party be liable for any special, incidental, consequential or punitive damages, including without limitation any loss of profit or revenues, loss of use of associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, downtime costs or claims of Agency's customers for such damages.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

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

permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

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

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

8.2 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties.

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

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

8.4.1 Immediately terminate the Agreement;

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

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

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

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the

Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents. Notwithstanding the above, Consultant's Confidential Information (as defined below) and all intellectual property, including patents, copyrights, trademarks, trade secrets, and other proprietary information incorporated into, or provided in conjunction with, the Services (collectively, "Consultant IP") shall not be deemed "works made for hire" for Agency, Agency members, SCPPA, and SCPPA members (each a "Licensee"), and shall remain the exclusive property of Consultant. Consultant hereby grants to each Licensee a perpetual, worldwide, royalty-free, non-exclusive, non-transferable, personal, irrevocable, limited license to use, copy and modify Consultant IP for Licensee's internal business purposes, including the use, operation, maintenance, and repair of the Services and all parts or portions thereof, and including such work by Licensee's employees, agents, contractors, or consultants on such Licensee's behalf ("License"). Consultant IP shall not be used for any other purpose without first obtaining Consultant's written consent. For the avoidance of doubt, a Licensee may assign its License in connection with the sale or other disposition of substantially all of the assets of Licensee's business or substantially all of the goods or other deliverables obtained by such Licensee under this Agreement. Notwithstanding any other provision of this Agreement, each License shall survive the termination or expiration of this Agreement. Subject to this Section 9, Consultant shall provide Agency relay settings and supporting documentation, including supporting calculations, pertinent fault study results, overcurrent coordination curves, and similar information, in Microsoft Word, Adobe Acrobat, and/or SEL-5030 ACSELERATOR QuickSet format, as applicable.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement. Please note: As Consultant is a privately held company it can allow audits of time and expense projects, however, as long as such restriction is allowed under California law, Consultant does not provide breakdown of its fixed price or lump sum contracts, and does not reveal the components that make up its hourly rate.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested

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

Section 10. MISCELLANEOUS PROVISIONS.

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

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

10.7 Contract Administrator. This Agreement shall be administered by 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.

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

SEL Engineering Services, Inc.
Attention: Contracts & Risk
2350 NE Hopkins Court
Pullman, WA 99163-5603
selcontracts@selinc.com
509-332-1890

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order shall control.
- 10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this Section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

Section 11. WARRANTY FOR GOODS. Consultant warrants that goods, equipment, supplies, or other materials provided pursuant to this Agreement (for purposes of this Section 11, "Goods") are free from defects in material, design, and workmanship for ten (10) years after completion or delivery of the Goods, including Consultant-manufactured control enclosure structures and panels. Such warranty shall be for ten (10) years after delivery for Fault Indicator and Sensor Division goods. This warranty is conditioned upon storage, installation, connection, operation and maintenance of Goods consistent with Consultant's manual provided to Agency in writing. If during the term of this Agreement or the applicable warranty period specified above, any Goods used or provided by Consultant under this Agreement fail due to defects in material, design, and/or workmanship or other breach of this Agreement, Consultant shall, upon any reasonable written notice from Agency, replace, reperform, or repair the same to Agency's satisfaction. This warranty shall be void in its entirety if Agency modifies the Goods without prior written consent to and subsequent approval of any such modifications by Consultant. If any Goods fail to conform to this warranty, Agency properly notifies Consultant of such failure and Agency returns the Goods to Consultant factory for diagnosis (and pays all expenses for such return), Consultant shall correct any such failure by, at its sole discretion, either repairing any defective or damaged Goods or part(s) thereof, or making available, freight prepaid, by Consultant (Carriage Paid To (CPT) customer's place of business) any necessary replacement part(s) or Good(s). Any Goods repair or upgrade shall be covered by this warranty for the longer of one (1) year from date of repair or the remainder of the original warranty period.

11.2 Warranty for Services. Consultant shall perform services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant shall reperform (or, at Consultant's option, pay a third party to reperform) any defective services at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original services.

11.3 General Warranty Provisions. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE OR DEALING OR USAGE OF TRADE), EXCEPT TITLE AND PATENT INFRINGEMENT. Consultant shall, whenever possible, pass the original manufacturer warranty to Agency for non-Consultant products.

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

SEL ENGINEERING SERVICES, INC.

Date _____

Date _____

RANDY S. HOWARD,
General Manager

JOSEPH NESTEGARD,
Treasurer

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

SEL Engineering Services, Inc. ("Consultant") shall provide protective relay and automation design, testing and commissioning services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

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

- Protective Relay and Automation Design
- Testing Services
- Commissioning Services
- Training

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Time and Expense Additional Work

SEL Engineering Services, Inc. (SEL ES) will perform additional work on a time and expense (T&E) basis, unless the Customer and SEL ES agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL ES will identify any budget or schedule impact and submit it for approval. SEL ES will proceed with the work as soon as SEL ES receives written approval, in accordance with established contract provisions.

Work performed on a T&E basis will be in accordance with the schedule of charges shown in the T&E Rate Tables (below), **unless specifically modified in a Purchase Order.**

T&E Rate Tables (USD) - SEL ES reserves the right to review and increase SEL ES hourly rates by up to 3% annually after providing no less than 60 days' notice to Agency.

| Role | Weekday (per hour) | Weekday Overtime (per hour) | Saturday (per hour) | Sunday/ Holiday (per hour) | Travel (per hour) | Travel Expenses |
|---|-------------------------------|--|--------------------------------|---|------------------------------|----------------------------|
| Consultant Principal Engineer | \$285 | \$428 | \$428 | \$570 | \$285 | Cost + 10% |
| Senior Engineer | \$210 | \$315 | \$315 | \$420 | \$210 | Cost + 10% |
| Project Engineer III | \$175 | \$263 | \$263 | \$350 | \$175 | Cost + 10% |
| Project Engineer II Senior Specialist Senior Relay Commissioning Technician | \$160 | \$240 | \$240 | \$320 | \$160 | Cost + 10% |
| Project Engineer I Specialist III Relay Commissioning Technician III Project Controller II & III Senior Designer | \$140 | \$210 | \$210 | \$280 | \$140 | Cost + 10% |
| Designer III Specialist II Project Controller I | \$125 | \$188 | \$188 | \$250 | \$125 | Cost + 10% |
| Associate Project Engineer Relay Commissioning Technician II Field Service Technician III | \$120 | \$180 | \$180 | \$240 | \$120 | Cost + 10% |
| Designer II Specialist I | \$115 | \$173 | \$173 | \$230 | \$115 | Cost + 10% |
| Designer I Relay Commissioning Technician I | \$95 | \$143 | \$143 | \$190 | \$95 | Cost + 10% |
| Drafter Account Administrator III Field Service Technician II | \$85 | \$128 | \$128 | \$170 | \$85 | Cost + 10% |
| Account Administrator I & II Administrative Field Service Technician I Engineering Intern | \$75 | \$113 | \$113 | \$150 | \$75 | Cost + 10% |

| Cybersecurity and Networking T&E Rates (USD) | | | | | | |
|---|-------------------------------|--|--------------------------------|---|------------------------------|----------------------------|
| Role | Weekday (per hour) | Weekday Overtime (per hour) | Saturday (per hour) | Sunday/ Holiday (per hour) | Travel (per hour) | Travel Expenses |
| Security Engineer | \$220 | \$330 | \$330 | \$440 | \$220 | Cost + 10% |
| Senior Security Specialist | \$185 | \$278 | \$278 | \$370 | \$185 | Cost + 10% |
| Security Specialist | \$175 | \$263 | \$263 | \$350 | \$175 | Cost + 10% |

For projects in the U.S., all quoted prices are exclusive of any sales, use, value-added, or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing.

The following details apply to the T&E Rate Tables:

- The Customer is to reimburse SEL ES for travel expenses at cost plus 10% for expenses such as airline tickets, meals, lodging, rental car, parking, and fuel (where applicable). Airline tickets are at the coach rate to the commercial airport nearest the work site; business rates apply for international travel.
- The T&E rate is the charge per person, per hour. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. Onsite work outside of typical working hours shall be agreed upon between the Customer and SEL ES in advance and be subject to additional charges.
- Overtime is defined as time in excess of 8 hours per day or any hours worked Saturday or Sunday. Overtime will be billed at the rates shown in the T&E Rate Tables (above).
- Time spent by SEL ES personnel on site while waiting standby, training, or traveling to and from the site will be considered billable time.
- Onsite T&E invoices will include billable project administration and project management time not performed on site.
- The hourly rates quoted include the use of personal computers loaded with Microsoft Office, Lotus Notes, MATLAB, Mathcad, AutoCAD, MicroStation, and SEL software used in the preparation, documentation, and processing of settings for SEL products.
- SEL ES does not bill for long-distance telephone, fax, low-volume copying, and document shipping charges.
- Hourly rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____

(Name of person signing affidavit)(Title)

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

SEL Engineering Services, Inc.

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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



Commission Staff Report

Date: February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: GEI Consultants, Inc. – First Amendment to Five Year Multi-Task Professional Services Agreement; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|--|------------------------------------|
| FROM: | Joel Ledesma <i>Jed</i> Assistant General Manager | METHOD OF SELECTION: N/A |
| Division: | Generation Services | <i>If other, please describe:</i> |
| Department: | Hydroelectric | |

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

RECOMMENDATION:

Approve Resolution 21-17 authorizing the General Manager or his designee to enter into a First Amendment to the Multi Task Professional Services Agreement with GEI Consultants, Inc., with any non-substantial changes as 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:

Dam Safety engineering, geology, hydrology, hydraulics, geotechnical and structural consulting and preparation of signed stamped construction documents are services 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 an MTPSA with GEI Consultants, Inc. effective May 1, 2019 for an amount not to exceed \$1,000,000 over five years. This agreement has been used for multiple NCPA Hydroelectric Projects where GEI was consistently the lowest bidder. Projects including, but not limited to, the McKays Sediment Removal Basis of Design Report, Emergency Action Plan dam-break modeling / inundation mapping, and 5-Year Part 12 Inspections for FERC Project 11563 were broadly announced to qualified engineering firms and competitively bid in accordance with the purchasing policy. This agreement is now running low on funds and the Amendment will increase the not to exceed amount from \$1,000,000 to \$3,000,000 to cover the remainder of the contract term and the amended Exhibit B Compensation Schedule and Hourly Fees that include routine rate increases since the contract was executed in 2019. This agreement is available for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA currently has agreements in place with HDR Engineering, Condor Earth Technologies, AECOM, Black & Veatch, Gannett Fleming, GHD, and other engineering consultants for similar services.

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 remaining approximately three years of the contract. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation above was reviewed by the Facilities Committee on February 3, 2021, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on February 8, 2021, and was approved.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution
- MTPSA between NCPA and GEI Consultants, Inc.
- First Amendment to MTPSA between NCPA and GEI Consultants, Inc.

RESOLUTION 21-17

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO THE MULTI-TASK PROFESSIONAL SERVICES
AGREEMENT WITH GEI CONSULTANTS, INC.**

(reference Staff Report #120:21)

WHEREAS, Northern California Power Agency (NCPA) and GEI Consultants, Inc. entered into a Multi-Task Professional Services Agreement effective May 1, 2019, for GEI Consultants, Inc. to provide dam safety engineering and other engineering consulting 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, the NCPA Hydroelectric Facility has awarded multiple competitively bid jobs to GEI Consultants, Inc. for various engineering and regulatory projects that have consumed the majority of funds on the contract; and

WHEREAS, the Parties now desire to amend Section 2 - "Compensation" to increase the not-to-exceed amount from \$1,000,000 to \$3,000,000 over the remaining approximately three years of the contract, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, the Parties also desire to amend Exhibit B – Compensation Schedule and Hourly Fees to include routine rate increases since the contract was executed in 2019; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to Multi-Task Professional Services Agreement with GEI Consultants, Inc increasing the not-to-exceed amount from \$1,000,000 to \$3,000,000 and amending the compensation schedule to ensure sufficient funds to cover the remainder of the contract period, with any non-substantial changes as approved by the NCPA General Counsel, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

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

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

DAVID HAGELE
CHAIR

ATTEST:

CARY PADGETT
ASSISTANT SECRETARY



FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND GEI CONSULTANTS, INC.

This First Amendment (“Amendment”) to the Multi-Task Professional Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and GEI Consultants, Inc. (“Consultant”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task Professional Services Agreement dated effective May 1, 2019, (the “Agreement”) for GEI Consultants, Inc. to provide dam safety engineering services for NCPA, NCPA Members, SCPPA and 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. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** three million dollars (\$3,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the 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.

SIGNATURES ON FOLLOWING PAGE

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Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

GEI CONSULTANTS, INC.

WILLIAM RETTBERG, Vice President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT B

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

FEE SCHEDULE AND PAYMENT TERMS



FEE SCHEDULE

| <u>Personnel Category</u> | <u>Hourly Billing Rate</u> <u>\$ per hour</u> |
|--|--|
| Staff Professional – Grade 1 | \$ 123 |
| Staff Professional – Grade 2 | \$ 135 |
| Project Professional – Grade 3 | \$ 148 |
| Project Professional – Grade 4 | \$ 166 |
| Senior Professional – Grade 5 | \$ 196 |
| Senior Professional – Grade 6 | \$ 223 |
| Senior Professional – Grade 7 | \$ 265 |
| Senior Consultant – Grade 8 | \$ 297 |
| Senior Consultant – Grade 9 | \$ 362 |
| Senior Principal – Grade 10 | \$ 362 |
| ----- | |
| Senior Drafter and Designer | \$ 148 |
| Drafter / Designer and Senior Technician | \$ 135 |
| Field Professional | \$ 111 |
| Technician, Word Processor, Administrative Staff | \$ 110 |
| Office Aide | \$ 86 |

These rates are billed for both regular and overtime hours in all categories.
Rates will increase up to 5% annually, at GEI's option, for all contracts that extend beyond twelve (12) months after the date of the contract. Rates for Deposition and Testimony are increased 1.5 times.

OTHER PROJECT COSTS

Subconsultants, Subcontractors and Other Project Expenses - All costs for subconsultants, subcontractors and other project expenses will be billed at cost plus a 15% service charge. Examples of such expenses ordinarily charged to projects are subcontractors; subconsultants; chemical laboratory charges; rented or leased field and laboratory equipment; outside printing and reproduction; communications and mailing charges; reproduction expenses; shipping costs for samples and equipment; disposal of samples; rental vehicles; fares for travel on public carriers; special fees for insurance certificates, permits, licenses, etc.; fees for restoration of paving or land due to field exploration, etc.; state and local sales and use taxes and state taxes on GEI fees. The 15% service charge will not apply to GEI-owned equipment and vehicles or in-house reproduction expenses.

Field and Laboratory Equipment Billing Rates – GEI-owned field and laboratory equipment such as pumps, sampling equipment, monitoring instrumentation, field density equipment, portable gas chromatographs, etc. will be billed at a daily, weekly, or monthly rate, as needed for the project. Expendable supplies are billed at a unit rate.

Transportation and Subsistence - Automobile expenses for GEI or employee owned cars will be charged at the rate per mile set by the Internal Revenue Service for tax purposes plus tolls and parking charges or at a day rate negotiated for each project. When required for a project, four-wheel drive vehicles owned by GEI or the employees will be billed at a daily rate appropriate for those vehicles. Per diem living costs for personnel on assignment away from their home office will be negotiated for each project.

PAYMENT TERMS

Invoices will be submitted monthly or upon completion of a specified scope of service, as described in the accompanying contract (proposal, project, or agreement document that is signed and dated by GEI and CLIENT).

Payment is due upon receipt of the invoice. Interest will accrue at the rate of 1% of the invoice amount per month, for amounts that remain unpaid more than 30 days after the invoice date. All payments will be made by either check or electronic transfer to the address specified by GEI and will include reference to GEI's invoice number.

Fee Schedule: 2020



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
GEI CONSULTANTS, INC.**

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and GEI Consultants, Inc., a corporation with its office located at 180 Grand Avenue, Oakland, CA 94612 ("Consultant") (together sometimes referred to as the "Parties") as of MAY 1, 2019 ("Effective Date") in Roseville, California.

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

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

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

Section 2.

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

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

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

Invoices shall be sent to:

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

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

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

- 2.4 Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 All Policies Requirements.

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

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

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

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

Agency member, SCPPA or Agency member for which the Services are to be performed.

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel

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

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

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

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

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the

performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.

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

8.4.1 Immediately terminate the Agreement;

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

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

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

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 Consultant's Books and Records. Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00); the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the

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

Section 10. MISCELLANEOUS PROVISIONS.

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

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

10.7 Contract Administrator. This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

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

William Rettberg, Vice President
GEI Consultants, Inc.
180 Grand Avenue, Suite 1410
Oakland, CA 94612

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

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

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

Date 5/1/2019

Walter Howard for

RANDY HOWARD, General Manager

GEI CONSULTANTS, INC.

Date 3/27/19

William Rettberg

WILLIAM RETTBERG, Vice President

Attest:

Carol Proctor

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

GEI Consultants, Inc. ("Consultant") shall provide the following services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by the Agency, its Members, SCPPA, or SCPPA Members, including:

- Dam Safety engineering in accordance with 18 CFR12D;
- Geology, hydrology, hydraulics, geotechnical and structural engineering; and
- Preparation of signed stamped construction documents.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

FEE SCHEDULE AND PAYMENT TERMS



FEE SCHEDULE

| <u>Personnel Category</u> | <u>Hourly Billing Rate</u> <u>\$ per hour</u> |
|--|--|
| Staff Professional – Grade 1 | \$ 118 |
| Staff Professional – Grade 2 | \$ 130 |
| Project Professional – Grade 3 | \$ 142 |
| Project Professional – Grade 4 | \$ 160 |
| Senior Professional – Grade 5 | \$ 188 |
| Senior Professional – Grade 6 | \$ 214 |
| Senior Professional – Grade 7 | \$ 255 |
| Senior Consultant – Grade 8 | \$ 286 |
| Senior Consultant – Grade 9 | \$ 348 |
| Senior Principal – Grade 10 | \$ 348 |
| ----- | |
| Senior CADD Drafter and Designer | \$ 142 |
| CADD Drafter / Designer and Senior Technician | \$ 130 |
| Field Professional | \$ 107 |
| Technician, Word Processor, Administrative Staff | \$ 106 |
| Office Aide | \$ 83 |

These rates are billed for both regular and overtime hours in all categories. Rates will increase up to 5% annually, at GEI's option, for all contracts that extend beyond twelve (12) months after the date of the contract. Rates for Deposition and Testimony are increased 1.5 times.

OTHER PROJECT COSTS

Subconsultants, Subcontractors and Other Project Expenses - All costs for subconsultants, subcontractors and other project expenses will be billed at cost plus a 15% service charge. Examples of such expenses ordinarily charged to projects are subcontractors; subconsultants; chemical laboratory charges; rented or leased field and laboratory equipment; outside printing and reproduction; communications and mailing charges; reproduction expenses; shipping costs for samples and equipment; disposal of samples; rental vehicles; fares for travel on public carriers; special fees for insurance certificates, permits, licenses, etc.; fees for restoration of paving or land due to field exploration, etc.; state sales and use taxes and state taxes on GEI fees.

Billing Rates for Specialized Technical Computer Programs - Computer usage for specialized technical programs will be billed at a flat rate of \$10.00 per hour in addition to the labor required to operate the computer.

Field and Laboratory Equipment Billing Rates - GEI-owned field and laboratory equipment such as pumps, sampling equipment, monitoring instrumentation, field density equipment, portable gas chromatographs, etc. will be billed at a daily, weekly, or monthly rate, as needed for the project. Expendable supplies are billed at a unit rate.

Transportation and Subsistence - Automobile expenses for GEI or employee owned cars will be charged at the rate per mile set by the Internal Revenue Service for tax purposes plus tolls and parking charges or at a day rate negotiated for each project. When required for a project, four-wheel drive vehicles owned by GEI or the employees will be billed at a daily rate appropriate for those vehicles. Per diem living costs for personnel on assignment away from their home office will be negotiated for each project.

PAYMENT TERMS

Invoices will be submitted monthly or upon completion of a specified scope of service, as described in the accompanying contract (proposal, project, or agreement document that is signed and dated by GEI and CLIENT).

Payment is due upon receipt of the invoice. Interest will accrue at the rate of 1% of the invoice amount per month, for amounts that remain unpaid more than 30 days after the invoice date. All payments will be made by either check or electronic transfer to the address specified by GEI and will include reference to GEI's invoice number.

Fee Schedule 2019

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

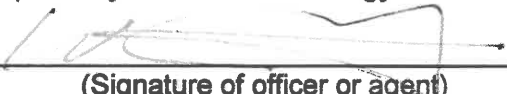
I, WILLIAM A. RETTBERG, SN.VP
(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of
GEI CONSULTANTS, INC.
(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242
(Project name and location)

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


(Signature of officer or agent)

Dated this 27 day of MARCH 20 19.

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.



Commission Staff Report

Date: February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: d'Heurle Systems, Inc. – Five Year Multi-Task General Services Agreement for General Engineering Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, except the Lodi Energy Center.

AGENDA CATEGORY: Consent

| | | | |
|--------------------|---|-----------------------------------|-----|
| FROM: | Joel Ledesma <i>42</i> Assistant General Manager | METHOD OF SELECTION: | N/A |
| Division: | Generation Services | <i>If other, please describe:</i> | |
| Department: | Hydroelectric | | |

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

RECOMMENDATION:

Approve Resolution 21-18 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with d'Heurle Systems, Inc. for general mechanical, electrical and control system engineering and support, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not to exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center.

BACKGROUND:

General mechanical, electrical and control system engineering and support is required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA. NCPA has worked with d'Heurle Systems, Inc. (dHSI) for many years. Some of the projects that dHSI supported over the last ten (10) years include being the lowest cost bidder for the programmable logic controller upgrades at Collierville Powerhouse and New Spicer Meadow Powerhouse, and hydraulic upgrades at New Spicer Meadow Powerhouse. As such, dHSI is very familiar with NCPA Hydro's hardware and control system logic as it exists currently. Other engineering firms are capable of performing these same services; however, d'Heurle Systems specializes in control systems, including sourcing materials, system integration, and commissioning and has an unparalleled understanding of hydroelectric systems in particular. In addition, dHSI is based locally and has a relatively low overhead business model which often results in dHSI submitting very competitive bids that provide good value to NCPA. This agreement will be available for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center. NCPA currently has agreements in place for similar services with ABB, GE, Andritz Hydro, Siemens, and Wunderlich-Malec.

FISCAL IMPACT:

Upon execution, the total cost of the agreement will not 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 required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

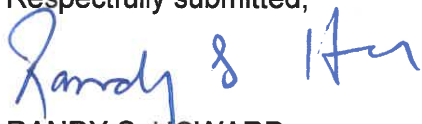
ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation above was reviewed by the Facilities Committee on February 3, 2021, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement with d'Heurle Systems, Inc.

RESOLUTION 21-18

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH D'HEURLE
SYSTEMS, INC. (dHSI)

(reference Staff Report #121:21)

WHEREAS, general mechanical, electrical and control system engineering and support is required from
time to time for the operation and maintenance of facilities owned and/or operated by the Northern California
Power Agency (NCPA); and

WHEREAS, d'Heurle Systems, Inc. is a provider of these services; and

WHEREAS, NCPA has worked with d'Heurle Systems, Inc. for over 10 years, and they are familiar with
NCPA systems and locations; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with d'Heurle Systems,
Inc. to provide these services at any facilities owned and/or operated by NCPA, except the Lodi Energy Center,
in an amount not to exceed \$2,500,000 over five years; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency
authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement with
d'Heurle Systems, Inc., for general mechanical, electrical and control system engineering and support, 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, except the Lodi
Energy Center.

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

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

DAVID HAGELE
CHAIR

ATTEST: CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
D'HEURLE SYSTEMS, INCORPORATED**

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 d'Heurle Systems, Incorporated, a corporation with its mailing address of P.O. Box 1219, Colfax, CA 95713 ("dHSI") (together sometimes referred to as the "Parties") as of _____, 20__ ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, dHSI 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 dHSI 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.** dHSI shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which dHSI is engaged and for which dHSI is providing the Work. dHSI represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** dHSI shall assign only competent personnel to perform any Work in connection with this agreement.
- 1.4 Work Provided.** Work provided under this Agreement by dHSI may include Work directly to the Agency.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have dHSI perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work") or Materials to be provided ("Requested Materials"), may include a not-to-exceed cap on monetary cap on Requested Work or Requested Materials and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed or Requested Materials shall be delivered. dHSI shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that dHSI chooses not to perform the Requested Work. If dHSI agrees to perform the Requested Work, or begins to perform the Requested Work, within the seven day period specified, then dHSI will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Project authorization by the Agency via Purchase Orders shall not imply that dHSI work constitutes provision or the sale of products for which strict liability may apply.

- 1.6 Charges and Extra Services.** Provided that Agency gives reasonable advance notice to dHSI, Agency may propose in writing changes to dHSI's work within the Scope of Services described in any particular Purchase Order. If dHSI is of the opinion that any proposed change causes an increase or decrease in the cost, or a change in the schedule for performance, of the Services under such Purchase Order, dHSI shall notify Agency in writing of that fact within five (5) days after receipt of written proposal for changes. dHSI may also initiate such notification, upon identifying a condition which may change the Scope of Services as agreed at the time of execution of the Purchase Order covering such Scope of Services. When and if Agency and dHSI reach agreement on any such proposed change and its effect on the cost and time for performance under any Purchase Order, they shall confirm such agreement in writing as an amendment or supplement to Purchase Order. In the event the Parties cannot reach agreement as to the proposed change, dHSI shall have no obligation perform such work and Agency shall have no obligation to pay dHSI for any work associated with the proposed change.

Agency shall not be liable for payment of any changes to the Scope of Services, nor shall dHSI be obligated to perform any such changes, except upon such written amendment or supplement; provided that if, upon agency's written request, dHSI begins work in accordance with a proposed change, Agency shall be liable to dHSI for the amounts due with respect to dHSI's work pursuant to such change, unless and until Agency notifies dHSI to stop work on such change.

Section 2. COMPENSATION. Agency hereby agrees to pay dHSI an amount **NOT TO EXCEED** Two Million, Five Hundred Thousand dollars (\$2,500,000) for the Work and/or Materials, which shall include all fees, costs, expenses, shipping, taxes (if applicable), insurance delivery charges and other reimbursables, as set forth in dHSI's fee schedule, attached hereto and incorporated herein as Exhibit B. dHSI's fee schedule per Exhibit B shall be valid for two years from the date of this contract, and shall thereupon be re-negotiable one time during the term of this Agreement. This dollar amount is not a guarantee that Agency will pay that full amount to the dHSI, but is merely a limit of potential Agency expenditures under this Agreement.

- 2.1 Invoices.** dHSI 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 dHSI and each employee, agent, and subcontractor of dHSI 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 pay in full the invoices received by dHSI, for Work satisfactorily performed by dHSI, 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 dHSI.
- 2.3 Payment of Taxes.** dHSI is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.
- 2.4 Authorization to Perform Work.** The dHSI is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** dHSI shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work or Materials Provided. In the event dHSI fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, dHSI is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, dHSI 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, dHSI, 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 dHSI employs any person, dHSI shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by dHSI 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. dHSI 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 dHSI. 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 the operations of dHSI, with a self-insured retention or deductible of no more than \$100,000.

4.2.2 Automobile Liability. dHSI 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 dHSI, 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 of dHSI.

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. dHSI shall maintain professional liability insurance appropriate to dHSI'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 dHSI'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 claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.5 All Policies Requirements.

4.5.1 Verification of coverage. Prior to beginning any work under this Agreement, dHSI 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 if such coverage is not included in the policy or policies.

- 4.5.2 Notice of Reduction in or Cancellation of Coverage.** dHSI 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 dHSI maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the dHSI.
- 4.5.4 Additional Certificates and Endorsements.** Intentionally omitted.
- 4.5.5 Waiver of Subrogation.** dHSI agrees to waive subrogation which any insurer of dHSI may acquire from dHSI by virtue of the payment of any loss. dHSI 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 dHSI, its employees, agents and subcontractors.
- 4.6 Contractor's Obligation.** dHSI 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. dHSI 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 dHSI from liability under this indemnification and hold harmless clause. By execution of this Agreement, dHSI acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** dHSI shall indemnify and hold harmless the Agency and its officials, commissioners, officers and employees from and against any and all losses, liability, and damages arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused by the willful misconduct or negligent acts or omissions of dHSI or its employees, subcontractors, or agents, and for acts for

which they are liable.

The foregoing obligations of dHSI shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises from the negligence or willful misconduct of the Agency or its officers, employees, or agents, and (2) the actions of dHSI or its employees, subcontractors, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law.

It is understood that the duty to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by Agency of Insurance certificates and endorsements required under this Agreement does not relieve dHSI from liability under this indemnification and hold harmless clause. By execution of this Agreement, dHSI acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

dHSI liability and duty to defend shall be limited to the policy limit amounts detailed in Section 4 above, as well as any coverage positions or determinations made or taken by dHSI's insurance carriers, as it relates to specific claims by the Agency, as long as dHSI maintains in effect and applicability the insurance, including but not limited to the amounts, deductibles, and scope, referenced herein.

As to any professional services subject to Civil Code section 2782.8, dHSI's liability shall be further limited as set forth in Section 2782.8 of the California Civil Code.

Section 6. STATUS OF CONTRACTOR.

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

dHSI shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of dHSI 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.

dHSI 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 claims, whether directly or indirectly, due to dHSI's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

dHSI 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, dHSI 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 dHSI.

6.2 Contact Not Agent. Except as Agency may specify in writing, dHSI shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. dHSI 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 dHSI and is based upon a determination of dHSI'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 dHSI. dHSI may not assign this Agreement or any interest therein without the prior written approval of the Agency. dHSI 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, dHSI shall supervise all work subcontracted by dHSI in performing the Work and shall be responsible for all work performed by a subcontractor as if dHSI itself had performed such work. The subcontracting of any work to subcontractors shall not relieve dHSI from any of its obligations under this Agreement with respect to the Work and dHSI is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

6.4 Certification as to California Energy Commission. Not applicable.

6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors. Not applicable.

6.6 Maintenance Labor Agreement. Not applicable.

Section 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

- 7.2 Compliance with Applicable Laws.** dHSI and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** dHSI represents and warrants to Agency that dHSI 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, dHSI 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, dHSI must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. dHSI 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.

dHSI 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 dHSI's receipt of Agency's written request therefor. dHSI's failure to timely comply with this provision may subject the dHSI to penalties pursuant to state law.

dHSI shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, dHSI 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 dHSI or by any subcontractor under dHSI 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 dHSI.

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 dHSI.

dHSI may cancel this agreement at any time and without cause upon ten (10) days prior written notice to Agency.

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

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and dHSI shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Contractor.** If dHSI 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 dHSI pursuant to this Agreement;
 - 8.4.3** Retain a different contractor to complete the Work not finished by dHSI; and/or
 - 8.4.4** Charge dHSI 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 dHSI pursuant hereto if dHSI 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 dHSI prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. dHSI hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and dHSI agree that, unless approved by Agency in writing, dHSI 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.** dHSI shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements or materials 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 dHSI under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires dHSI 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. dHSI shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, dHSI shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to dHSI's Work.

- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** dHSI 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. Agency will not 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 dHSI'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 dHSI. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall not have liability therefor. dHSI 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 dHSI on the Project site. All materials and supplies used by dHSI in the Work shall be new and in good condition.
- 10.3 Use of Agency Equipment.** dHSI shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency for the performance of Work.

Section 11. WARRANTY.

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, dHSI warrants that all Work shall be free from defects in design and workmanship, and that dHSI 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.

Services Warranty: If during the term of this Agreement (or during the one (1) year period following the term hereof), any Services used or provided by dHSI under this Agreement fail due to defects in workmanship or other breach of this Agreement, dHSI, shall, upon any reasonable notice from Agency, replace or repair the same to Agency's satisfaction.

Materials Warranty: If during the one (1) year period following delivery of materials, any equipment, goods or other materials provided by dHSI under this Agreement fail due to defects in material and/or workmanship or other breach of this Agreement, dHSI, shall, upon any reasonable notice from Agency, replace or repair the same to Agency's satisfaction.

For materials supplied by manufacturers including warranties longer than one year, dHSI will extend the warranty to match the manufacturer's terms.

Unless otherwise expressly permitted by the applicable Purchase Order, all materials and supplies to be used by dHSI in the performance of the Services shall be new and utility grade equipment.

- 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 dHSI shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from dHSI'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 dHSI under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, dHSI shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** dHSI 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.
- 11.4 Substantial Completion, Warranties and Claims.** Any and all warranties, claims and all statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued, in any and all events, on the date of Substantial Completion of Contractor's Work.

Section 12. HEALTH AND SAFETY PROGRAMS. dHSI shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency.

- 12.1** dHSI is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** dHSI 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. dHSI shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** dHSI 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 dHSI performing the Work. dHSI 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 dHSI under this Agreement at any time when, or for any Work performed when, dHSI is not in full compliance with this Section 12.

- 12.5** dHSI shall immediately report any injuries to the Agency site safety representative. Additionally, dHSI 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** dHSI shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. dHSI 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** dHSI shall develop a plan to properly handle and dispose of any hazardous wastes, if any, dHSI generates in performing the Work.
- 12.8** dHSI 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** dHSI 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 dHSI.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, each party shall be responsible for its own attorneys' fees.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

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

dHSI 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 dHSI shall be sent to:

Al d’Heurle
d’Heurle Systems Incorporated
P.O. Box 1219
Colfax, CA 95713

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and dHSI 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 dHSI agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
 - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
 - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or dHSI's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the dHSI's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the dHSI'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-signatory third parties.

13.16 Fiduciary Responsibility. dHSI assumes no fiduciary responsibility towards the Agency in connection with this work.

13.17 Mutual Waiver of Consequential Damages. Unless specifically identified in this Agreement, in no event shall the parties to this Agreement be liable to each other, whether in contract, warranty, tort (including negligence or strict liability) or otherwise for any special, indirect, incidental or consequential damages of any kind or nature whatsoever, beyond the limits of any applicable liability insurance.

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

NORTHERN CALIFORNIA POWER AGENCY

D'HEURLE SYSTEMS, INCORPORATED

Date _____

Date _____

RANDY S. HOWARD, General Manager

ALAIN F. d'HEURLE, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

d'Heurle Systems Incorporated ("dHSI") shall provide the following services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by the Agency, including:

- Design and recommendation for new or refurbished existing systems;
- Preparation of engineering plans and specifications;
- Phone consultation and/or attendance at on-site meetings;
- Electrical contracting;
- Materials ordering and delivery;
- Control systems integration, configuration and programming;
- Equipment and/or system commissioning;
- Troubleshooting; and
- General mechanical, electrical and control system engineering and consulting.

D'HEURLE SYSTEMS INCORPORATED is not a signatory to the Maintenance Labor Agreement for the Lodi Energy Center Project and therefore will not perform any such work at that NCPA 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:

| | | |
|--|--------------------------------|----------|
| Sr. Engineer/Technician | \$240.00 | per hour |
| Sr. Engineer/Technician onsite normal business hours | \$240.00 | per hour |
| Sr. Engineer/Technician onsite outside normal business hours | \$360.00 | per hour |
| Sr. Engineer/Technician travel time | \$120.00 | per hour |
| Engineering Associate (including travel time) | \$100.00 | per hour |
| CAD drafting | \$100.00 | per hour |
| Journeyman Electrician (prevailing wage, no travel time) | \$140.00 | per hour |
| Electrician - dHSI shop panel assembly * | \$90.00 | per hour |
| Per Diem | \$250.00 | per day |
| Subcontracted services | DHSI Cost + 10% | |
| Misc. expensed (mail, reproduction, freight) | DHSI Cost | |
| Materials resale | DHSI Cost + 20% + CA sales tax | |
| Mileage | IRS standard mileage rate | |

* dHSI shop panel assembly labor is subject to CA sales tax

NOTE: As a public agency, NCPA shall not reimburse dHSI for travel, food and related costs in excess of those permitted by the Internal Revenue Service. In addition, NCPA policies prohibit reimbursement for alcohol.



Commission Staff Report

DATE: February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Granite Construction Company – Five Year Multi-Task General Services Agreement for Miscellaneous Maintenance General Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, except the Lodi Energy Center.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---------------------------|-----------------------------|
| FROM: | Joel Ledesma <i>JL</i> | METHOD OF SELECTION: |
| | Assistant General Manager | N/A |
| Division: | Generation Services | |
| Department: | Geothermal | |

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

RECOMMENDATION:

Approve Resolution 21-19 authorizing the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Granite Construction Company for general maintenance services, including grading, excavation, and paving, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center.

BACKGROUND:

General maintenance services, including grading, excavation, and paving, are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA. NCPA has utilized this vendor in the past, and has a good working relationship with the 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. This agreement will be available for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center. NCPA has in place agreements for similar services with Brian Davis dba Northern Industrial Construction, Gifford's Backhoe Services, Inc., Epidendio Construction, Inc, and Rege Construction.

FISCAL IMPACT:

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

SELECTION PROCESS:

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

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation above was reviewed by the Facilities Committee on February 3, 2021, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement with Granite Construction Company

RESOLUTION 21-19

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIVE YEAR MULTI-TASK GENERAL SERVICES AGREEMENT WITH
GRANITE CONSTRUCTION COMPANY**

(reference Staff Report #122:21)

WHEREAS, general maintenance services, including grading, excavation, and paving, are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA); and

WHEREAS, Granite Construction Company is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with Granite Construction Company to provide such services as needed at any facilities owned and/or operated by NCPA, except Lodi Energy Center, in an amount not to exceed \$1,000,000 over five years; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Five Year Multi-Task General Services Agreement with Granite Construction Company, for general maintenance services, including grading, excavation, and paving, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, except the Lodi Energy Center.

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

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

DAVID HEGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
GRANITE CONSTRUCTION COMPANY**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Granite Construction Company, a California corporation with its office located at P.O. Box 50085, Watsonville, CA 95076 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2021 ("Effective Date") in Roseville, California.

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

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency.
- 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, which is subject to mutual agreement as evidenced by a fully executed 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. If a not-to-exceed cap is specified, Contractor shall be entitled to stop Work under a Purchase Order once the cap is met unless the Parties mutually agree to increase the cap unless Contractor has agreed to complete any Work under a Purchase Order for a fixed price.

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

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

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

Invoices shall be sent to:

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

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

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

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

2.5 Timing for Submittal of Final Invoice. Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for

any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency. Notwithstanding the foregoing, in the event that the Requested Work includes hazardous material remediation services, Contractor shall have one hundred eighty (180) days after completion of said services to submit its final invoice. In the event Contractor fails to submit an invoice to Agency for hazardous remediation services for any amounts due within the one hundred eighty (180) day period, Contractor is deemed to have waived its right to collect its final payment for said services from Agency.

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

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

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

4.3 Professional Liability Insurance. Not applicable.

4.4 Pollution Insurance. 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.

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

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

4.5.3 Higher Limits. If Contractor maintains higher limits than the minimums specified herein, the Agency shall not 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 reasonable 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 active, sole, or gross negligence or willful misconduct of Agency or others within its authority or control. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** If Contractor's Work involves its transporting hazardous materials brought on to the Site by Contractor, 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 to the extent caused by Contractor. Contractor shall not be responsible for any pre-existing hazardous materials.

- 5.4 Waiver of Consequential Damages.** IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT OR OTHERWISE FOR INDIRECT, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, AND BUSINESS INTERRUPTION, EVEN IF THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Section 6. STATUS OF CONTRACTOR.

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

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

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

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

6.2 Contractor Not Agent. Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 Assignment and Subcontracting. This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

6.4 Certification as to California Energy Commission. Not applicable.

6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors. Not applicable.

6.6 Maintenance Labor Agreement. Not applicable.

Section 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 Licenses and Permits. Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses,

qualifications, and approvals of whatever nature that are legally required to practice their respective professions. Contractor shall not be responsible for the procurement or payment of any permits, fees, royalties, or licenses, except for transportation and safety permits and business and contractor's licenses that can only be acquired by Contractor.

- 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 for Convenience.** 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 for convenience, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination, costs to make the Site safe, and reasonable costs to demobilize; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

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

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

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

8.4.1 Immediately terminate the Agreement for default;

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; 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. Agency will not 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 shall be solely as an accommodation and Agency shall have no liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition, unless specified otherwise.
- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.
- 10.4 Investigation.** Contractor shall have no responsibility for any site condition unless it was ascertainable through a visual pre-bid examination of the Project Site or disclosed in writing to Contractor prior to the execution of the Agreement or applicable Purchase Order. Contractor shall be entitled to rely on the design documents and specifications as being accurate and complete and shall not be responsible for error or deficiencies in such documents. Contractor's required review of any contract documents is strictly for the purpose of facilitating construction by the Contractor and is made in Contractor's capacity as a contractor and not as a design professional, but any nonconformity or deficiency discovered by or made known to Contractor shall be reported promptly to Agency.

Section 11. WARRANTY.

- 11.1 Nature of Work.** Contractor warrants that all Work shall be free from defects in materials and workmanship, and that the Work will conform to the applicable plans and specifications provided by Agency or others on behalf of Agency. Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including construction codes and standards, and in accordance with the terms of this Agreement.
- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the

term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency.

- 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.

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

in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

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

13.7 Contract Administrator. This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

13.8 Notices. Any written notice to Contractor shall be sent to:

Justin Ingram
North Coast Area Manager
Granite Construction Company
1324 South State Street
Ukiah, CA 95482

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
 - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
 - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.
- 13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

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

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

NORTHERN CALIFORNIA POWER AGENCY

GRANITE CONSTRUCTION COMPANY

Date _____

Date _____

RANDY S. HOWARD, General Manager

JIGISHA DESAI, Vice President
CSLB: No. 89

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Granite Construction Company ("Contractor") shall provide routine, recurring, and usual maintenance services which include, but are not limited to grading, excavation, paving concrete, gravel hauling, water hauling, seal coating services as requested by Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, except the Lodi Energy Center facility. **No work under this Agreement shall be performed at NCPA's Lodi Energy Center 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:

GRANITE™

Northern California 2020-2021 LABOR AND EQUIPMENT RENTAL RATES

| CRAFT LABOR | HOURLY LABOR RATES | | |
|-----------------------|--------------------|-------|-------|
| | ST | OT | DT |
| OPERATOR FOREMAN | \$155 | \$198 | \$246 |
| OPERATOR / GRADSETTER | \$143 | \$181 | \$223 |
| LABOR FOREMAN | \$115 | \$147 | \$182 |
| LABORER | \$105 | \$128 | \$156 |
| CARPENTER FOREMAN | \$157 | \$210 | \$262 |
| CARPENTER | \$140 | \$184 | \$227 |
| TEAMSTER | \$115 | \$137 | \$167 |
| PROJECT MANAGER | \$250 | NA | NA |

| HOURLY EQUIPMENT RATES | | | |
|----------------------------|-------|-------------------|-------|
| LOADER JD 210C 4X4/BOBCAT | \$46 | ROLLER 4-6 TON | \$53 |
| LOADER/BACKHOE JD 710 | \$74 | ROLLER 7-9 TON | \$109 |
| EXCAVATOR CAT 330L | \$175 | ROLLER 10+ TON | \$127 |
| EXCAVATOR CAT 345 | \$225 | COMPACTOR CAT 815 | \$142 |
| EXCAVATOR CAT 365 | \$372 | POWER KICK BROOMS | \$206 |
| LOADER CAT 950 | \$129 | WATER TRUCKS | \$71 |
| LOADER CAT 966 | \$153 | PICKUP | \$34 |
| DOZER/RIPPER CAT D6 | \$145 | FLATRACK | \$47 |
| MOTOR GRADER CAT 140H/143H | \$114 | AIR COMPRESSORS | \$24 |
| ASPHALT PAVER | \$331 | | |

- * The above prices are based upon availability of Granite owned equipment.
- * Minimum charge of 4 hours. There is a minimum charge of 8 hours for equipment worked over 4 hours.
- * Rates do not include working at night. Project specific pricing can be provided for night work.
- * Overtime will be charged for work in excess of 8 hours per shift and Saturdays.
- * Double-time will be charged for work in excess of 12 hours per shift and Sundays.
- * Move-in/out not included in rates and will be charged at cost plus 15%.
- * Rental equipment and on-road dump trucks will be charged at cost plus 15%.
- *Materials will be charged at cost plus 15%.

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

Date: February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Grant of Easement and Easement Agreement with the Beigel Family; Applicable to the following: Northern California Power Agency (NCPA) Geothermal Facility.

AGENDA CATEGORY: Consent

| | | | |
|--------------|---|-----------------------------------|-----|
| FROM: | Joel Ledesma <i>J.L.</i> Assistant General Manager | METHOD OF SELECTION: | N/A |
| Division: | Generation Services | <i>If other, please describe:</i> | |
| Department: | Geothermal | | |

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

RECOMMENDATION:

Approve Resolution 21-20 delegating authority to the General Manager or his designee to enter into a Grant of Easement and Easement Agreement with the Beigel family, with any non-substantial changes recommended and approved by the NCPA General Counsel, for use at NCPA's Geothermal Facility.

BACKGROUND:

NCPA entered into a Grant of Easement and Easement Agreement with the Beigel family on December 17, 1980. This agreement allowed NCPA employees to cross private property owned by the Beigel family to access NCPA-owned transmission towers. NCPA has paid a nominal fee every five years to the Beigel family for these easement access rights. The previous Grant of Easement and Easement Agreement expired on September 30, 2020.

NCPA needs to execute a new Grant of Easement and Easement Agreement to replace the previous agreement. This new agreement will have an effective date of October 1, 2020. The new agreement will allow NCPA easement access rights for an initial term of five years (through the year 2025), with the option to extend the agreement for three successive periods of five years each (through the year 2045).

FISCAL IMPACT:

Upon execution, a payment of \$6,934 will be made to the current Beigel family landowners, as calculated based on the Consumer Price Index (CPI), which covers NCPA's easement access for the initial five year term. For the successive five year extensions, the payment will continue to be calculated based on increases in the CPI.

Funds for this easement access agreement were included in the current fiscal year budget and are available in the Generation Services account. Cost allocation will be based on the Project Participant percentages.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation above was reviewed by the Facilities Committee on February 3, 2021, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Grant of Easement and Easement Agreement with the Beigel Family

RESOLUTION 21-20

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A GRANT OF EASEMENT AND EASEMENT AGREEMENT WITH THE BEIGEL FAMILY

(reference Staff Report #123:21)

WHEREAS, Northern California Power Agency originally entered into a Grant of Easement and Easement Agreement on December 17, 1980 with the Beigel family landowners to allow NCPA to cross their property to access NCPA-owned transmission towers; and

WHEREAS, NCPA has paid a nominal fee every five years to the Beigel family landowners for these easement access rights; and

WHEREAS, the previous Grant of Easement and Easement Agreement expired on September 30, 2020; and

WHEREAS, NCPA wishes to execute a new Grant of Easement and Easement Agreement with the Beigel family to replace the previous agreement; and

WHEREAS, the new agreement will have an effective date of October 1, 2020, and will be for an initial term of five years (through the year 2025), with the option to extend of the Grant of Easement and Easement Agreement for three successive five-year terms (through the year 2045); and

WHEREAS, NCPA will continue to pay the Beigel family for these easement access rights for each five-year term, the amount of which will be calculated based upon the Consumer Price Index (CPI), as described in the Easement Agreement; 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 NCPA General Manager or his designee to enter into a Grant of Easement and Easement Agreement with Beigel family, with any non-substantial changes recommended and approved by the NCPA General Counsel, for use at NCPA's Geothermal Facility.

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

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Northern California Power Agency
Attn: General Manager
651 Commerce Drive
Roseville, CA 95678
Phone: (916) 781-3636

APNs: 141-030-007-000 – Sonoma County
141-040-031-000 – Sonoma County

EXEMPT FROM RECORDING FEES
PER GOVERNMENT CODE §§ 6103, 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT OF EASEMENT AND EASEMENT AGREEMENT

This Grant of Easement and Easement Agreement (this “**Agreement**”) by and among the Northern California Power Agency, a California joint powers agency (the “**Agency**”), and Patricia C. Beigel, Trustee of the Ronald and Patricia Beigel Family Trust as to a 50% interest; LeAnne Beigel Scott, as to a 25% interest; and Lynda Beigel Barros, as to a 25% interest, owners of the Property (collectively referred to as “**Grantor**”) is entered into this ____ day of _____, 2021, with an effective date of October 1, 2020. The parties to this Agreement may be referred to herein individually as a “**Party**” or collectively as the “**Parties.**”

RECITALS

A. Grantor is the owner of that certain real property situated in Sonoma County, California, known as Assessor’s Parcel Numbers 141-030-007-000 and 141-040-031-000, as more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the “**Property**”).

B. The Agency has requested, and Grantor has agreed to grant to Agency, an easement over the existing private roads which traverse the Property, as more particularly described in Exhibit B, attached hereto and incorporated herein by reference (the “**Easement Area**”).

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Easement Area. The Easement Area subject to the easement granted by Grantors to Agency pursuant to the terms of this Agreement is depicted on Exhibit B, and consists of the private roads traversing the Property, and which is indicated by a map outlining the Property and associated roads.

2. Grant of Easement. For valuable consideration of \$6,934.00 (“**Initial Payment**”), the receipt of which is hereby acknowledged, and future Regular Payments, as defined below, Grantor hereby grants and conveys to Agency, its successors and assigns, a nonexclusive easement on and over the Easement Area for the purpose of ingress to and egress from any and all of Agency’s present and future geothermal electric generation and steam field facilities, including electric transmission and distribution

facilities (the “**Facilities**”), by Agency and its employees, invitees, contractors and agents as the Agency may reasonably see fit (the “**Easement**”).

3. Term. This Agreement shall have an initial term of five (5) years, commencing on October 1, 2020, and terminating on September 30, 2025 (the “Initial Term”). The term of this Agreement shall be extended beyond the Initial Term for three (3) successive periods of five (5) years each (each being a “Renewal Term”), provided that neither Party has delivered a written notice of termination of this Agreement to the other Party prior to that date which is six (6) months prior to the expiration of the then-expiring term, and provided further that the Agency:

(a) has fully and faithfully performed all the terms, covenants, and conditions of this Agreement as of the end of the then-expiring term; and

(b) has paid Grantor the Regular Payments (as defined below).

Regular Payments. Agency shall make a payment to Grantor every five (5) years during the term of this Agreement, payable on October 1 of each payment year (“**Regular Payment**”). The amount of each Regular Payment shall be in an amount which is the same percentage greater than the previous Regular payment as the percentage by which the Consumer Price Index for All Urban Consumers, U.S. City Average, All Items, of the United States Department of Labor, Bureau of Labor Statistics (the Index”), for April of the current Regular Payment year is greater than the Index was for April of the previous Regular Payment year, rounded to the nearest whole dollar. In determining the amount of the first Regular Payment, the Initial Payment shall be used as the base amount.

4. No Public Access. The grant of the Easement is not a public dedication and will not and does not give the public access, but is, and will be, limited to use by the Agency, its employees, invitees, agents, and contractors for ingress to and egress from the Facilities.

5. Term; Early Termination. The Easement granted under this Agreement shall be effective as of the effective date written above and shall terminate on September 30, 2040. The Agency may, at any time, and in its sole discretion, surrender the Easement to Grantor by executing and delivering to the Grantor, and placing a record in the county in which the lands are located, a quit claim deed for the Easement Area.

6. Title and Lease Warranty. Grantor represents and warrants that Grantor is the sole fee owner of the Property, that Grantor is not under any contract with any other party for the purchase and sale of the Property, and that there are no oral or written leases in effect with respect to any portion of the Property except to Calpine (formerly Unocal). NCPA acknowledges that Calpine has the sole right to drill for, produce, extract, take, remove and sell steam and steam power and that Calpine or its predecessors in interest, as lessee, constructed and now maintains and uses the private roads comprising the Easement Area.

7. Indemnification. The Agency agrees to indemnify, defend and hold harmless Grantor from and against any and all claims, causes of action, liability, costs and expenses (“**Claims**”) arising out of injuries to, or deaths of, any person, and for loss of, or damage to, all property including the Easement Area and the lands of Grantor, caused by use of the Easement by the Agency or its employees, invitees, contractors and agents, except that Agency shall not be required to indemnify or defend Grantor for any

Claims attributable to the negligence or willful misconduct of Grantor. The terms of this indemnification, defense and hold harmless provision shall survive the termination of this Agreement.

8. General Terms.

A. Successor and Assigns. All rights, title and privileges granted pursuant to this Agreement, and all benefits and burdens relating thereto, shall run with the land and shall be and inure to the benefit of and bind the successors and assigns of the Parties hereto.

B. Governing Law; Venue. This Agreement shall be governed by and construed according to the laws of the State of California, and in the event that either Party brings any action against the other under this Agreement, the Parties agree that the venue of such action shall be vested exclusively in the state courts of California in the County of Sonoma or in the United States District Court for the Northern District of California.

C. Attorney's Fees and Costs. If any dispute or controversy arises, or if any legal action relating to this Agreement is commenced by Agency or Grantor, such that legal counsel must be retained by either party, the prevailing party (as determined by a court of competent jurisdiction) shall be entitled to collect its attorney's fees and costs from the losing party in such amount as the court determines reasonable.

D. 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.

E. Notice. Any written notice to the Grantor shall be sent via first-class mail postage prepaid to:

Patricia C. Beigel,
Trustee of the Ronald and Patricia Beigel Family Trust (as to 50% interest)
854 Butternut Drive
San Rafael, CA 94903-3150
Telephone: (415) 479-4850
Cell No.: (415) 233-2922

LeAnne Beigel Scott (as to 25% interest)
965 Darlyn Way
Santa Rosa, CA 95407
Telephone: (209) 489-9258

Lynda Beigel Barros (as to 25% interest)
130 Camino del Sol
Martinez, CA 94553
Telephone: (925) 313-9293

Any written notice to the Agency shall be sent to:

Northern California Power Agency
Attn: General Manager
651 Commerce Drive
Roseville, CA 95678
Phone: (916) 781-3636

With a copy to:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

F. Entire Agreement; Modification. This Agreement, including Exhibits A and B attached hereto, represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, or agreements, either written or oral, concerning the subject of this Agreement. This Agreement may only be modified by a written amendment duly executed by the Parties to this Agreement.

G. Counterparts. This Agreement may be executed in counterparts, all such executed counterparts shall constitute the same Agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

H. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement except as specifically set forth herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

GRANTOR

**NORTHERN CALIFORNIA POWER AGENCY,
a California Joint Powers Agency**

By: _____
PATRICIA C. BEIGEL, Trustee of the
Ronald and Patricia Beigel Family Trust
(as to a 50% interest)

By: _____
RANDY S. HOWARD
General Manager

By: _____
LeAnne Beigel Scott (as to a 25% interest)

Attest: _____
Assistant Secretary of the Commission

By: _____
Lynda Beigel Barros (as to a 25% interest)

Approved as to form:

By: _____
Jane E. Luckhardt, General Counsel

EXHIBIT A

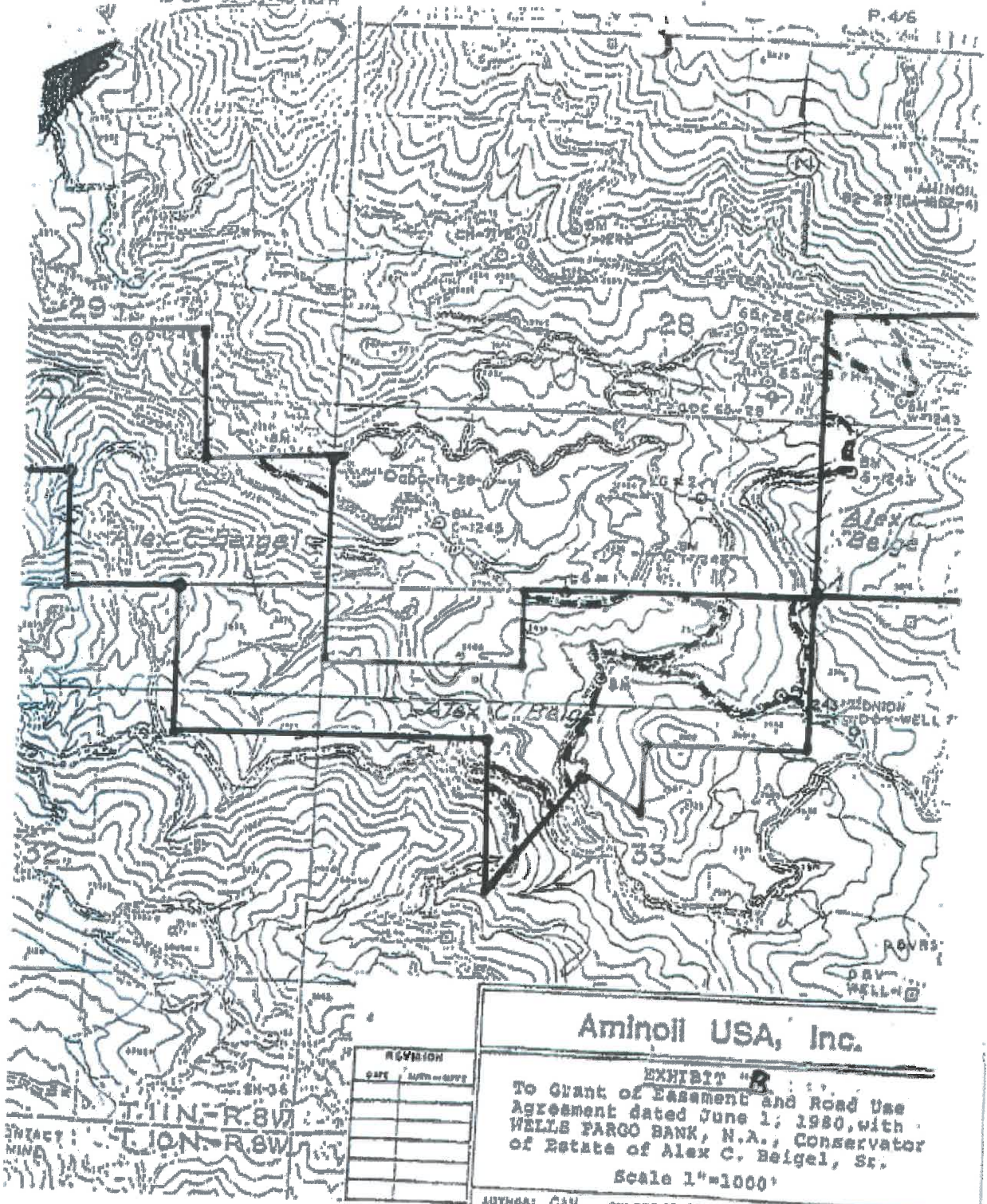
DESCRIPTION OF GRANTOR'S PROPERTY

The east one-half of the southeast one-quarter (E ½ SE ¼) of Section 28, the southeast one-quarter of the southeast one-quarter (SE ¼ SE ¼) and the northwest one-quarter of the southeast one-quarter (NW ¼ SE ¼) of Section 29, and Lots 3 and 12, and the northwest one-quarter of the northeast one-quarter (NW ¼ NE ¼) of Section 33, Township 11 North, Range 8 West M.D.B.&M., excepting from said Lot 3 the portion thereof lying within the boundary lines of the parcel of land described in the deed from Alex C. Beigel and wife to Helen V. Dillingham and Frances W. Vought dated March 20, 1962 and recorded in Book 1891 of Official Records at page 703, Sonoma County Records.

EXHIBIT B

DESCRIPTION OF EASEMENT AREA

The easement area refers to the private roads located on the Grantor's Property and informally called Big Sulfur Creek Road and Pine Flat Road. The attached map labelled Aminoil USA, Inc., Exhibit B, shows the location of the roads.



| REVISION | |
|----------|------------------|
| DATE | BY/NO. OF SHEETS |
| | |
| | |
| | |
| | |

Aminoli USA, Inc.

EXHIBIT "B"
 To Grant of Easement and Road Use Agreement dated June 1, 1980, with WELLS FARGO BANK, N.A., Conservator of Estate of Alex C. Beigel, Sr.
 Scale 1"=1000'

AUTHOR: GAV BY: GAV GEOGRAPHIC RESOURCES DIVISION

T. ION-R. 8W
 T. ION-R. 8W

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____



Commission Staff Report

February 16, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Updates and Modifications to the Nexant Cost Allocation Model for FY2022

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Staff recommends approval of Resolution No. 21-21 adopting the updates and modifications to the Nexant Model as proposed by staff in order to allocate budgeted costs to members for Fiscal Year 2022.

BACKGROUND:

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

Pursuant to the Power Management and Administrative Services Agreement, costs attributed to Power Management and Administrative Services for the Fiscal Year 2022 Annual Budget are allocated to members in accordance with the Nexant Model. This model has been in place at NCPA for the past eleven budget cycles and is updated each year as part of the annual budget process. The Nexant Model methodology was developed in part to allocate various budgeted costs that use, among other things, defined allocation parameter percentages and determinants intended to correspond to the amount of time and effort required by NCPA staff to provide applicable services. Determinants prescribed by the Nexant studies for use in the Nexant Model include metered demand, resource energy schedules related to daily, hourly and real time market activity, as well as contract deals that represent agreements for the purchase and sale of long-term and short-term energy supply, resource adequacy capacity, and renewable energy credit transactions.

As NCPA's bidding and scheduling requirements, computer application systems and members' needs have evolved over time, staff has identified the need to periodically adapt or refine the determinants used as inputs into the Nexant Model to ensure they represent an accurate measure of the time and effort performed by staff on behalf of members for use as allocators.

Following the review of the Nexant Model results this year, staff proposes to modify the weighted average calculation method used to compute contract deal weights as described in the table below.

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

| Proposed Change | Reason for Change |
|---|--|
| Modify the weighted average calculation used for the Pool & BART Contract percentage rate to a simple average of members' proportionate shares of Contract Hour and Contract Count percentages. | For the allocation of Power Management costs to BART and Pool Members, contract deals contain two distinct attributes for use as allocators: (1) Contract Hours and (2) Contract Counts. The original Nexant Studies recommended that these two determinants be melded into a single rate for each member based on a ratio of long term and short term contract deals, which (at the time) positively correlated with the work performed by Pre-Scheduling and Dispatch staff. This observed |

| | |
|--|---|
| | relationship, however, has weakened as NCPA's scheduling activities have evolved over time. Staff proposes to modify the existing melded contract rate to a simple average of Contract Hours and Contract Counts. This change better aligns the use of weighted contract deal determinants for use as allocators and is consistent with the existing Commission-approved and long-established method used to allocate settlements-related Nexant costs. |
|--|---|

This proposed change to the model is necessary to align the allocation of certain budgeted costs for services consistent with cost causation principles. Further, the scope of this proposed change to the Nexant Model is intended to be a prospective change only and effective for Fiscal Year 2022, as well as any future year to the extent that the current Nexant Model is used.

Determinants used in this year's Fiscal Year 2022 model, as an annual practice, incorporates updates from the previous year, which in this case uses calendar year 2020 data, with respect to scheduling and operating data.

As a separate topic for consideration, with respect to the member contract deal determinants that are used as allocators in the Nexant Model, Plumas-Sierra Rural Electric Cooperative (PSREC) staff requested that the Facilities Committee allow for the consolidation of twenty-one (21) pairs of transmission and energy import transactions related to last year's Public Safety Power Shutoff (PSPS) events that disproportionately affected the PSREC service area. These transmission deals and related energy import schedules were transacted by NCPA pre-scheduling and dispatch staff on behalf of PSREC in order to reroute the transmission of scheduled energy to maintain PSREC's electrical distribution service. The consolidation of these deals would have reduced PSREC's share of contract deals for use in the Nexant Model as well as its allocated share of costs. While the committee was empathetic to the matter, the seven members in attendance ultimately determined that the transmission and energy import deal bill determinants for use in the Nexant Model appropriately represented the time and effort performed by NCPA staff to maintain electrical service to PSREC in response to the PSPS events.

FISCAL IMPACT:

The recommended adjustments will result in a change to all applicable members' allocated share of Power Management costs by varying amounts. Table 2 of Appendix A provides indicative changes in allocated Nexant Power Management costs to members based on current Fiscal Year 2021 budget after applying updated Calendar Year 2020 determinants to the model in addition to the modifications described in Table 1 as presented at the February 3, 2021 Facilities Committee meeting and February 10, 2021 Special Facilities Committee Budget meeting.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

No formal action was taken due to the lack of a quorum, however, the seven Project participants present at the February 10, 2021 Special Facilities Committee Budget meeting voiced their support for staff's recommendation and no other meeting attendees had any objections.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments:

- Resolution 21-21

Appendix A

Table 2: The table below represents indicative, allocated Nexant Power Management Costs to members and participants for FY 2022 based on the final version of updated calendar year 2020 data and using current Fiscal Year 2021 budgeted costs for comparison purposes, as presented at the February 3, 2021 Facilities Committee meeting and February 10, 2021 Special Facilities Committee Budget meeting. These results incorporate the proposed change in Table 1 of the staff report. Note: a positive / (negative) value in the last column represents an indicative increase / decrease to a member's cost, respectively.

| Member Name | FY 2021 Total Power Mgmt | FY 2022 Total Power Mgmt | Increase (Decrease) |
|-----------------------------|---------------------------------|---------------------------------|----------------------------|
| Alameda | \$1,039,846 | \$1,002,372 | (\$37,473) |
| BART | \$979,710 | \$860,020 | (\$119,690) |
| Biggs | \$82,200 | \$76,908 | (\$5,291) |
| Gridley | \$114,816 | \$131,006 | \$16,190 |
| Healdsburg | \$205,438 | \$217,883 | \$12,445 |
| Lodi | \$1,114,320 | \$1,171,328 | \$57,007 |
| Lompoc | \$386,530 | \$500,479 | \$113,950 |
| Palo Alto | \$1,841,249 | \$1,817,187 | (\$24,062) |
| Plumas Sierra | \$332,078 | \$395,377 | \$63,299 |
| Port of Oakland | \$529,849 | \$504,875 | (\$24,974) |
| Roseville | \$528,211 | \$528,528 | \$318 |
| Santa Clara | \$3,449,060 | \$3,413,109 | (\$35,951) |
| Turlock Irrigation District | \$137,258 | \$143,228 | \$5,970 |
| Ukiah | \$303,615 | \$306,637 | \$3,022 |
| | \$11,044,179 | \$11,068,938 | \$24,758 |
| | | | |
| Direct to Programs - LEC | \$1,449,578 | \$1,424,819 | (\$24,758) |
| | | | |
| FY 2021 Power Mgmt Budget | \$12,493,757 | \$12,493,757 | (\$0) |

RESOLUTION 21-21

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
ADOPTING THE MODIFIED NEXANT COST ALLOCATION MODEL INPUT DETERMINANTS
FOR FISCAL YEAR 2022**

(reference Staff Report #127:21)

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

WHEREAS, staff has reviewed calendar year 2020 data for input into the Nexant Cost Allocation Model for Fiscal Year 2022, and recommends adjustments be performed to certain bill determinants to more accurately reflect their use as allocators as described in Staff Report #127:21 for inputs into the Nexant Power Management Cost Allocation Model in order to allocate certain budgeted costs to members for Fiscal Year 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 adopts the modified Nexant Cost Allocation Model input determinants as described in Staff Report #127:21 as inputs into the Nexant Power Management Cost Allocation Model in order to allocate budgeted costs to members for Fiscal Year 2022.

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

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

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY




Commission Staff Report

February 17, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Review and Approve the Northern California Power Agency (NCPA) Investment Policy and Guidelines No. 200-100

AGENDA CATEGORY: Consent

| | | |
|--------------------|---|--|
| FROM: | Monty Hanks  Assistant General Manager/CFO | METHOD OF SELECTION: N/A |
| Division: | Administrative Services | <i>If other, please describe:</i> |
| Department: | Accounting & Finance | |

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

RECOMMENDATION:

Staff is recommending the Northern California Power Agency (NCPA) Commission approve Resolution 21-22 authorizing revisions to NCPA's Investment Policy and Guidelines No. 200-100.

BACKGROUND:

Investment Policy

NCPA sets forth its objectives, risk preference, authorized investments and other investment related priorities in its Investment Policy. The Investment Policy serves as a guide for setting and achieving investment goals, defines rules, and reduces exposure to liability and loss. While it has long been deemed good investment practice to have a written policy, it is considered a standard of best practice for government agencies to have a written policy and review it annually.

Staff has reviewed the Investment Policy against California Government Code, Sections 53600 and 53635 et seq. and recommends revisions to Attachment 3 to increase the maximum percentage allowable to be invested in municipal bonds from 20% to 30%, add a footnote defining the parameters for the purchase of an Agency Members' municipal bonds, and to update Attachment 4 to include the Capital Facilities 2019 and Lodi Energy Center 2017 bond indentures.

FISCAL IMPACT:

The increase of the maximum allowable concentration for municipal bonds from 20%-30% is projected to result in approximately \$10,000 in additional interest income in fiscal year 2021.

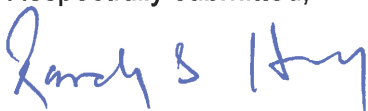
ENVIRONMENTAL ANALYSIS:

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 revisions to NCPA's Investment Policy and Guidelines No. 200-100 was reviewed by the Finance Committee on February 9, 2021 and was unanimously recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD
General Manager

Attachments: Resolution 21-22
Investment Policy and Guidelines No. 200-100

RESOLUTION 21-22

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY REVIEW AND APPROVE INVESTMENT POLICY GUIDELINES

(reference Staff Report #128:21)

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

WHEREAS, Chapter 4 of the California Government Code, Sections 53600 and 53635 et seq. deals with the financial affairs of local government agencies, including cities; and

WHEREAS, NCPA's Investment Policy and Guidelines No. 200-100 sets forth the objectives, risk preference, authorized investments and other investment related priorities that serves as a guide for setting and achieving investment goals, defining rules, and reducing exposure to liability and loss; and

WHEREAS, staff has performed a review of policies related to the investment of NCPA funds and recommends making the following revisions: 1) revise Attachment 3 to increase the maximum percentage of the total portfolio that can be invested in municipal bonds from 20% to 30%; 2) add a footnote defining the parameters for Agency purchase of Members' municipal bonds; and 3) update Attachment 4 to include the Capital Facilities 2019 and Lodi Energy Center 2017 bond indentures; and

WHEREAS, the Finance Committee approved staff's recommended revisions to the Investment Policy and Guidelines No. 200-100 at their meeting on February 9, 2021; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts policy revisions including changes to Attachment 3 to increase the maximum percentage of the total portfolio that can be invested in municipal bonds from 20% to 30%, to add a footnote defining the parameters for Agency purchase of Members' municipal bonds, and an update to Attachment 4 to include the Capital Facilities 2019 and Lodi Energy Center 2017 bond indentures.

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

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

 DAVID HAGELE
 CHAIR

ATTEST: _____
 CARY A. PADGETT
 ASSISTANT SECRETARY

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

| | <u>Vote</u> | <u>Abstained</u> | <u>Absent</u> |
|--------------------|-------------|------------------|---------------|
| Alameda | _____ | _____ | _____ |
| San Francisco BART | _____ | _____ | _____ |
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| Truckee Donner | _____ | _____ | _____ |
| Ukiah | _____ | _____ | _____ |
| Plumas-Sierra | _____ | _____ | _____ |


DAVID HAGELE
CHAIR

ATTEST: _____
CARY A. PADGETT
ASSISTANT SECRETARY

| | | | |
|---|---|--|--|
|  | POLICIES & PROCEDURES MANUAL | No. 200-100 | Effective: 9-1993 Updated 02-2021 |
| | | Owner: Acctg. & Finance | |
| SUBJECT: | Investment Policy and Guidelines | APPROVED: RANDY S. HOWARD, GENERAL MANAGER | |

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POLICY

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

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

PURPOSE AND SCOPE

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

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

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

REFERENCE

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

RESPONSIBILITY

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

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

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PRUDENCE, PERSONAL RESPONSIBILITY, AND ETHICS

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

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

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

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

GENERAL OBJECTIVES

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

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

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PORTFOLIO RISK MANAGEMENT

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

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


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

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

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

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

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

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AUTHORIZED INVESTMENT SECURITIES

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

AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

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

To be eligible for approval all broker/dealer firms must qualify under SEC Rule 15C3-1 (Uniform Net Capital Rule), must be registered with the Financial Industry Regulatory Authority (FINRA) and must be licensed to do business in the State of California and institutions shall have one or more of the following attributes:

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


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

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

INTERNAL CONTROL AND ACCOUNTING

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

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

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

SAFEKEEPING AND COLLATERALIZATION

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

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

REPORTING REQUIREMENTS

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

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


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

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

INVESTMENT OPERATIONS GUIDELINES

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

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

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

Prohibited investment vehicles and practices:

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

ATTACHMENTS

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

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VERSION HISTORY

| No. | Explanation | Date | Author |
|------------|--|-------------|---------------|
| 8 | Increased maximum percentage of portfolio limit for municipal bonds to 30%. Added Attachment 3 footnote defining parameters for Agency purchase of Members' municipal bonds and updated Attachment 4 footnote to include recent bond issues. | 2/21 | SA |
| 7 | Revisions to permitted investments; update note on Credit Ratings Comparison attachment to reflect minimum rating category of A. | 2/20 | SA |
| 6 | Minor language clean-up; updates to the Permitted Investments; and changes to the Investment Fund Objectives | 8/17 | MH |
| 5 | Revised a resolution reference Updated maximum investment permitted by LAIF Added Authorized Financial Institution | 11/16 | SA |
| 4 | Annual review, no changes | 11/15 | SA |
| 3 | Annual review, no changes | 11/14 | KWW |
| 2 | Combined prior policies 200-97 and 200-98; updated to include more information on allowable investments, delegations, authorized financial institutions, and operations practices, Includes expanded attachments and glossary. | 11/13 | KWW |
| 1 | Updated | 9/95 | DBL |
| 0 | Original Policy | 9/93 | DBL |

GLOSSARY OF INVESTMENT TERMS

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

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

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

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

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

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

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

Commercial paper - Short-term unsecured debt of corporations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INVESTMENT FUND OBJECTIVES

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

Notes:

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

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

TABLE OF PERMITTED INVESTMENTS

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

- Includes any rating modifiers such as “+”/“-” or numbers to include equivalent ratings from NRSRO
- 1 An investment in a municipal bond may include a bond or other debt security of the Agency’s local agency members; provided, absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the municipal bond will not be adversely affected for federal income tax purposes, the following criteria are met:
 - a. The municipal bond has not been issued by or on behalf of Agency; and

- b. Any local agency members who are either the issuer of the municipal bond or are beneficiaries (e.g., a conduit borrower) of the proceeds of the municipal bond do not have greater than forty-nine percent voting power with respect to any action of Agency.

TABLE OF BOND INDENTURE PERMITTED INVESTMENTS

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

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

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

³ The Capital Facilities Project bond indenture dated December 1, 2019, the Lodi Energy Center Issues One and Two bond indenture, dated June 1, 2010, and the Lodi Energy Center Issue One, 2017 bond indenture dated December 1, 2017 have the same definition for investment securities.

CREDIT RATINGS COMPARISON

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

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

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

| | | | |
|---|---|--|--|
|  | POLICIES & PROCEDURES MANUAL | No. 200-100 | Effective: 9-1993 Updated 02-2021 |
| | | Owner: Acctg. & Finance | |
| SUBJECT: | Investment Policy and Guidelines | APPROVED: RANDY S. HOWARD, GENERAL MANAGER | |

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Attachments:

1. Glossary of Investment Terms
2. Investment Fund Objectives
3. Table of Authorized Investments
4. Table of Bond Indenture Permitted Investments
5. Credit Rating Comparison

| | | | |
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POLICY

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

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

PURPOSE AND SCOPE

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

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

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


REFERENCE

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

RESPONSIBILITY

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

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

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PRUDENCE, PERSONAL RESPONSIBILITY, AND ETHICS

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

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


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

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

GENERAL OBJECTIVES

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

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

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PORTFOLIO RISK MANAGEMENT

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

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

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

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

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

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

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

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AUTHORIZED INVESTMENT SECURITIES

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

AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

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

To be eligible for approval all broker/dealer firms must qualify under SEC Rule 15C3-1 (Uniform Net Capital Rule), must be registered with the Financial Industry Regulatory Authority (FINRA) and must be licensed to do business in the State of California and institutions shall have one or more of the following attributes:

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

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

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

INTERNAL CONTROL AND ACCOUNTING

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

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

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

SAFEKEEPING AND COLLATERALIZATION

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

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

REPORTING REQUIREMENTS

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

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


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

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

INVESTMENT OPERATIONS GUIDELINES

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

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

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

Prohibited investment vehicles and practices:

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

ATTACHMENTS

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

VERSION HISTORY

| No. | Explanation | Date | Author |
|-----|--|-------|--------|
| 8 | Increased maximum percentage of portfolio limit for municipal bonds to 30%. Added Attachment 3 footnote defining parameters for Agency purchase of Members' municipal bonds and updated Attachment 4 footnote to include recent bond issues. | 2/21 | SA |
| 7 | Revisions to permitted investments; update note on Credit Ratings Comparison attachment to reflect minimum rating category of A. | 2/20 | SA |
| 6 | Minor language clean-up; updates to the Permitted Investments; and changes to the Investment Fund Objectives | 8/17 | MH |
| 5 | Revised a resolution reference Updated maximum investment permitted by LAIF Added Authorized Financial Institution | 11/16 | SA |
| 4 | Annual review, no changes | 11/15 | SA |
| 3 | Annual review, no changes | 11/14 | KWW |
| 2 | Combined prior policies 200-97 and 200-98; updated to include more information on allowable investments, delegations, authorized financial institutions, and operations practices, Includes expanded attachments and glossary. | 11/13 | KWW |
| 1 | Updated | 9/95 | DBL |
| 0 | Original Policy | 9/93 | DBL |

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GLOSSARY OF INVESTMENT TERMS

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

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

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

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

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

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

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

Commercial paper - Short-term unsecured debt of corporations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INVESTMENT FUND OBJECTIVES

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

Notes:

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

¹ Investments shall mature not later than such times as shall be necessary to provide monies when reasonably expected to be needed for payments to be made from such fund.

² Proceeds of debt issuance and other funds held under a bond indenture shall be invested in accordance with the Agency's general investment philosophy as set forth in this policy; however, such moneys are to be invested in accordance with permitted investment provisions of their specific bond indentures.

TABLE OF PERMITTED INVESTMENTS

| Type of Investment | Maximum % of Portfolio | Rating Requirement | Maximum Maturity | Other Restrictions |
|--|---|--|------------------|---|
| US Treasury Securities | 100% | n/a | | |
| Federal Agencies | 100% | n/a | | |
| Local Agency Investment Fund (LAIF) | Up to maximum permitted by LAIF, currently \$75,000,000 | n/a | n/a | n/a |
| Medium-term Corporate Notes | 30% | By a NRSRO; Category A or its equivalent or better* | 5 years | No more than 5% per issuer |
| California Asset Management Program (CAMP) | 100% | n/a | n/a | n/a |
| Time Deposits (Non-negotiable CDs) | 20% | By a NRSRO; Long-term of Category A or short-term of A-1 or better | 5 years | No more than 5% per issuer |
| Negotiable CDs | 30% | By a NRSRO; Long-term of Category A or short-term of A-1 or better | 5 years | No more than 5% per issuer |
| Bankers Acceptances | 40% | By a NRSRO; Long-term of Category A or short-term of A-1 or better | 180 days | No more than 5% per issuer |
| Commercial Paper | 40% | By a NRSRO; Long-term of Category A or short-term of A-1 or better | 270 days | Assets >\$500MM No more than 5% per issuer |
| Money Market Funds | 20% | By a NRSRO; Highest ranking or highest letter/numerical rating | | Must be registered with SEC; Assets > \$500MM; No more than 5% per fund |
| Repurchase Agreements | 100% | | 1 year | Collateral of at least 102% of market value required |
| Municipal Bonds ¹ | 320% | By a NRSRO; Category A or its equivalent or better | | No more than 5% per issuer |

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

¹ An investment in a municipal bond may include a bond or other debt security of the Agency's local agency members; provided, absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the municipal bond will not be adversely affected for federal income tax purposes, the following criteria are met:

a. The municipal bond has not been issued by or on behalf of Agency; and

b. Any local agency members who are either the issuer of the municipal bond or are beneficiaries (e.g., a conduit borrower) of the proceeds of the municipal bond do not have greater than forty-nine percent voting power with respect to any action of Agency.

TABLE OF BOND INDENTURE PERMITTED INVESTMENTS

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

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

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

³ The Capital Facilities Project bond indenture dated ~~January-December 1, 2019~~ and the Lodi Energy Center Issues One and Two bond indenture, dated June 1, 2010, and the Lodi Energy Center Issue One, 2017 bond indenture dated December 1, 2017 have the same definition for investment securities.

CREDIT RATINGS COMPARISON

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

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

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



Item: 26

Commission Staff Report

February 19, 2021

COMMISSION MEETING DATE: February 25, 2021

SUBJECT: Facility Purchase Agreement and Loan Documents for the Disaster Recovery and Business Resiliency Operations

AGENDA CATEGORY: Discussion/Action

| | | |
|--------------|---|--|
| FROM: | Monty Hanks Assistant General Manager / CFO | METHOD OF SELECTION: N/A |
| Division: | Administrative Services | <i>If other, please describe:</i> |
| Department: | Accounting & Finance | |

A Staff Report is not included in the Commission Packet for Agenda item 26. Staff will provide a background and presentation at the meeting for discussion.