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# Minutes - DRAFT

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**Date:** July 26, 2019  
**To:** NCPA Commission  
**From:** Cary A. Padgett, Assistant Secretary to the Commission  
**Subject:** NCPA Commission Meeting

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

Chair Roger Frith called the meeting to order at 9:44 am at Ironstone Vineyards, 1894 Six Mile Road, Murphys, California. A quorum was present. Introductions were made. Those in attendance are shown on the attached attendance list.

## **2. Approve Minutes of the June 27, 2019, Regular Commission Meeting**

Motion: A motion was made by John Allard and seconded by Greg Scharff to approve the Minutes of the June 26, 2019, Regular Commission Meeting. The motion carried unanimously on a roll call vote. *San Francisco BART, Gridley, Plumas-Sierra, and Truckee Donner 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**

- Gave an update on NCPA's Support and Shared Services Agreements and provided a copy of the monthly status report.
- Handed out a letter dated July 1, 2019, from Bureau of Reclamation Commissioner Brenda Burman regarding the contributions to the CVPIA Restoration Fund by CVP water and power contractors.
- Provided a brief overview of the upcoming NCPA Annual Conference program being held at the Resort at Squaw Creek, September 25-27, 2019.
- Held member visits with the City of Shasta Lake and the City of Redding.

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

Committee Chair Frith reported the Committee met once since the last Commission meeting. The Committee heard reports from the General Manager and General Counsel, as well as approved the NCPA Member Travel Policy and Procedures and discussed closed session items that are on today's agenda.

The Committee appointed officers to the Legislative and Regulatory Affairs Committee (L&R Affairs Committee) and reappointment of Commissioner Mark Chandler as Chair and appointed Commissioner Kristen Schreder as Vice Chair. The L&R Affairs Committee officers will take office at the regular scheduled Committee meeting in September 2019.

The Committee also appointed the Chair of the NCPA Finance Committee, and appointed Commissioner Greg Scharff as Chair. Finance Chair will take office at the regular scheduled Commission meeting in September 2019.

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

Assistant General Manager Tony Zimmer reported the Committee met once since the last Commission meeting. The Committee met and discussed items 13-18 on today's agenda. The Committee did establish a quorum, and recommended Commission approval.

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

Committee Chair David Hagele reported the Committee did not meet since the last Commission meeting. The next Committee meeting is scheduled on August 13.

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

General Counsel Jane Luckhardt reported that the Committee met once since the last Commission meeting. The Committee discussed the closed session items on today's agenda.

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

Vice Chair Teresa O'Neill reported the Committee did not meet since the last Commission meeting, but gave an update on legislative and regulatory activities, as well as provide an update on upcoming events. The NCPA Annual Conference is being held at the Resort at Squaw Creek September 25-27, online registration is open and the early registration closes on July 31. An overview of the Annual Conference program was mentioned. An overview of the 2019 State Legislative Staff Tour was provided. The next Committee meeting is scheduled on August 28, 2019, at NCPA's office in Roseville. Also mentioned as a reminder to look to *This Week at NCPA* for updates and analysis on NCPA's priority policy issues.

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

No Member announcements were made.

## **CONSENT CALENDAR**

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

No items were pulled from the Consent Calendar for discussion.

**Motion:** A motion was made by Greg Scharff and seconded by Jerry Serventi to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, and 16. The motion carried by a majority of those members present on a roll call vote with the abstentions noted below for each item.

*San Francisco BART, Gridley, Plumas-Sierra, and Truckee Donner were absent.*

**10. NCPA's Financials for the Month Ended June 30, 2019** – approval by all Members.

**11. Treasurer's Report for the Month Ended June 30, 2019** – accept by all Members.

**12. Sale or Disposal of Surplus** – note and file report by all members for the disposal of several items from the Lodi Energy Center, Headquarters, and Hydroelectric facility. Below is a summary of items that were either sold, recycled or scrapped: Obsolete computer equipment including laptops, monitors, printers, PCs, and servers; Copy machine; Power supplies, scanner, converter, radio intercom, SCADA modules; Scrap metal and e-waste; Ford trucks; Polaris ranger; Crane motors; Compressor; and Filter press SF6 Gas Cart.

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

**13. Resolution 19-52, Airgas USA, LLC – Five Year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies for CEMS EPA gases purchases; Applicable to the following projects: All NCPA Plant 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 Airgas USA, LLC for CEMS EPA gas purchases, 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, to be used out of the NCPA approved budget.

*Redding and Shasta Lake abstained.*

**14. Resolution 19-53, Hudson Mechanical, Inc. – Five Year Multi-Task General Services Agreement for general maintenance services including welding, labor, and materials; Applicable to the following projects: All NCPA Plant Facilities (with the exception of NCPA's Lodi Energy Center), Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Hudson Mechanical, Inc. for general maintenance services which include but are not limited to welding, labor, and materials, 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 (with the exception of NCPA's Lodi Energy Center), its Members, by the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members.

**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years, to be used out of the NCPA approved budget.

**15. Resolution 19-54, Telstar Instruments – Five Year Multi-Task General Services Agreement for electrical services; Applicable to the following projects: All NCPA Facility Locations (with the exception of NCPA's Lodi Energy Center), Members, SCPPA, and SCPPA Members** – adopt resolution by all members authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Telstar Instruments for electrical services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed

\$2,000,000 over five years, for use at all facilities owned and/or operated by NCPA (with the exception NCPA's Lodi Energy Center), its Members, by the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members.

**Fiscal Impact:** Upon execution, the total cost of the agreement is not to exceed \$2,000,000 over five years, to be used out of the NCPA approved budget.

- 16. Resolution 19-57, Insurance Brokerage Services RFP Results and Recommendation on Broker Selection** – adopt resolution by all members approving the recommendation of an insurance broker and a Consulting Services Agreement with Aon Risk Insurance Services West, Inc., and authorizes the Agency's General Manager, or his designee, to execute the agreement on behalf of the Agency.
- Fiscal Impact:** NCPA's insurance programs premiums and brokerage fees are budgeted as part of the aggregate Property, Liability, and Workers' Compensation Insurance cost estimates, which are charged off proportionately at approximately 80% for Property Insurance and 20% for Liability Insurance based on total premiums paid. The fees and premiums in total are then allocated to projects based on insured values at each plant site, with the liability insurance charged to Administrative and General costs

## **DISCUSSION / ACTION ITEMS**

- 17. Resolution 19-55, NCPA Solar Project 1 – Redding Airport Site – CEQA Mitigated Negative Declaration for the Redding Airport Site** – adopt resolution by all members adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (IS&MND) for the Redding Airport Site, and directing staff to file a notice of Determination with the State Clearinghouse and Shasta County.
- Fiscal Impact:** The recommended actions have no direct budgetary impact at this time. Adopting Resolution 19-55 defines, for CEQA purposes, "NCPA Solar Project 1: Redding Airport Site" as a project and directs that specific actions be carried out to comply with CEQA. Implementation of the mitigation plan will be the responsibility of the project developer under the direction of NCPA.

Assistant General Manager Ken Speer give a presentation on the NCPA Solar Project 1.

**Motion:** A motion was made by Kirsten Schreder and seconded by Jerry Serventi to adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (IS&MND) for the Redding Airport Site, and directing staff to file a notice of Determination with the State Clearinghouse and Shasta County. The motion carried by a majority of those members present on a roll call vote.

*San Francisco BART, Gridley, Plumas-Sierra, and Truckee Donner were absent.*

- 18. Resolution 19-58, Amendment No. 1 to Services Agreement Between Northern California Power Agency and San Jose Clean Energy** – adopt resolution by all members approving Amendment No. 1 to the Services Agreement, and authorize the General Manager of NCPA to execute Amendment No. 1 to the Services Agreement, on behalf of NCPA, including any non-substantive modifications to Amendment No. 1 to the Services Agreement approved by NCPA's General Counsel.
- Fiscal Impact:** NCPA's administrative costs for development of Amendment No. 1 to the Services Agreement will be allocated in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Assistant General Manager Tony Zimmer gave a presentation on the amendment to the Services Agreement between NCPA and San Jose Clean Energy.

**Motion:** A motion was made by Jerry Serventi and seconded by Brad Wilkie to approve Amendment No. 1 to the Services Agreement, and authorize the General Manager of NCPA to execute Amendment No. 1 to the Services Agreement, on behalf of NCPA, including any non-substantive modifications to Amendment No. 1 to the Services Agreement approved by NCPA's General Counsel. The motion carried by a majority of those members present on a roll call vote.

*San Francisco BART, Gridley, Plumas-Sierra, and Truckee Donner were absent.*



**19. Election and Approval of Officers and Executive Committee Members** – election and approval of a chairman and vice chair of the Commission, and election and approval of five (5) at large representatives to the Executive Committee. The Nominating Committee nominations for the FY2019-20 Officers and Executive Committee members are:

Chairman	Roger Frith
Vice Chair	Teresa O'Neill
Executive Committee member	John Allard
Executive Committee member	Mark Chandler
Executive Committee member	David Hagele
Executive Committee member	Greg Scharff
Executive Committee member	Jerry Serventi

Chair Roger Frith reported that the NCPA Nominating Committee, appointed by Chair Frith consisted of Teresa O'Neill, Nico Procos, and himself, met and recommended Commission approval of the FY 2019-20 Slate of Officers and at large representatives as noted above. The Committee elected to increase the Executive Committee membership from 5 (five) to 7 (seven). Chair Frith opened the floor for nominations. No other nominations were given. Officers and at large representatives will take office at the regular scheduled meeting of the Commission in September 2019.

Motion: A motion was made by Kirsten Schreder and seconded by John Allard to approve the election of a chairman and vice chair of the Commission, and election and approval of five (5) at large representatives to the Executive Committee. The motion carried by a majority of those members present on a roll call vote.

*San Francisco BART, Gridley, Plumas-Sierra, and Truckee Donner were absent.*

Non-essential Members and NCPA staff left the meeting for Closed Session Items 20, 21 and 22 discussion.

## **CLOSED SESSION**

**20. 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.

**21. 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.

**22. Conference with Legal Counsel** – Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: Two cases.

## **RECONVENED TO OPEN SESSION**

All meeting attendees rejoined the meeting.

## **REPORT FROM CLOSED SESSION**

*Closed Session Disclosure:* General Counsel Jane Luckhardt stated there was no reportable action taken on Closed Session items 20, 21 and 22 (case one).

*Closed Session Disclosure:* General Counsel Jane Luckhardt stated reportable action was taken on Closed Session item 22 (case two) that NCPA agreed to and authorized General Manager Randy Howard to execute the Settlement and Release of Claims Agreement with Wylderidge Homeowners Association for damage to Wylderidge Road from heavy construction traffic during NCPA's repair of the spoils area from construction of the Hydroelectric Facility Adit 4. The agreed upon settlement amount is \$24,600.

## **NEW BUSINESS**

No new business was discussed.

## **ADJOURNMENT**

The July 26, 2019, Commission meeting was adjourned at 10:53 am.

Respectfully submitted,

ROGER FRITH  
Commission Chair



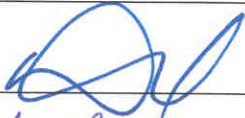







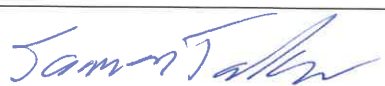

Prepared by,

CARY A. PADGETT  
Assistant Secretary to the Commission

Attachments

**Northern California Power Agency  
Commission Meeting of July 26, 2019  
COMMISSIONER  
Attendance List**

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

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

**Northern California Power Agency  
Commission Meeting July 26, 2019  
Attendance List**

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

[illegible]

## 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: **July 26, 2019**

Consent Items Listed on the Agenda: # 10 to # 16

Consent Items Removed from the Agenda and Approved Separately:

#                     

**ROLL-CALL VOTE BY MEMBERS:**

*PAI RSN*

Member	Item Numbers Abstained	Vote	Absent
Alameda		Y	
BART			X
Biggs		Y	
Gridley			Y
Healdsburg		Y	
Lodi		Y	
Lompoc		Y	
Palo Alto		Y	
Port of Oakland		Y	
Redding	13	Y	
Roseville		Y	
Santa Clara		Y	
Shasta Lake	13	Y	
Truckee Donner			X
Ukiah		Y	
Plumas-Sierra			Y

ATTEST:

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

**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:** Resolution 19-55

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

Passed and adopted this 26<sup>th</sup> day of July 2019, by the above vote on roll call.

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

ATTEST:

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

**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:** Resolution 19-58

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

Passed and adopted this 26<sup>th</sup> day of July 2019, by the above vote on roll call.

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

ATTEST:

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

**Northern California Power Agency  
ROLL CALL VOTE**


**Topic:** *item 19*

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

Passed and adopted this 26<sup>th</sup> day of July 2019, by the above vote on roll call.

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

ATTEST:

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





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# Commission Staff Report

AGENDA ITEM NO.: 5

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**Date:** August 29, 2019  
**To:** NCPA Commission  
**Subject:** August 7, 2019 Facilities Committee Meeting Minutes

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



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## Minutes – Draft

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**Date:** August 8, 2019  
**To:** NCPA Facilities Committee  
**From:** Carrie Pollo  
**Subject:** August 7, 2019 Facilities Committee Meeting Minutes

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1. **Call meeting to order & Roll Call** – The meeting was called to order by Committee Vice-Chair Bill Forsythe at 9:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Alex Smith (Alameda), Mark Sorensen (Biggs), Terry Crowley (Healdsburg), Shiva Swaminathan (Palo Alto), Basil Wong and Steve Hance (Santa Clara), and Willie Manual (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Lompoc, Plumas-Sierra, Port of Oakland, Redding, and Ukiah were absent. Introductions included Joel Ledesma, new Generations Services AGM, and Brian Schinstock, Electric Resource Analyst, with Roseville Electric. A quorum of the Committee was established.

### **PUBLIC FORUM**

No public comment.

2. **Approve Minutes from the July 3, 2019 Facilities Committee Meeting.**

Motion: A motion was made by Jiayo Chiang and seconded by Bill Forsythe recommending approval of the July 3, 2019 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Palo Alto, Roseville, Santa Clara, and TID. The motion passed.

3. **All Generation Services Facilities – Brenntag Pacific, Inc. MTS** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Agreement for Purchase of Supplies with Brenntag Pacific, Inc., for purchase of chemicals, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA. This is a renewal agreement with an existing vendor. It is an enabling agreement with no commitment of funds. This company is based in Santa Fe Springs, CA, but provides local delivery of supplies. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Shiva Swaminathan and seconded by Bill Forsythe recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Supplies with Brenntag Pacific, Inc. for bulk

now low on funds. Staff recommend increasing the amount to keep utilizing this agreement. This is an enabling agreement with no commitment of funds. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Bill Forsythe recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Aspen Environmental Group, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$240,000 to \$1,000,000, for use at any facilities owned and/or operated by Agency, its Members, SCPPA, or SCPPA Members, with the exception of NCPA's Lodi Energy Center. A vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Palo Alto, Roseville, and Santa Clara. ABSTAIN = TID. The motion passed.

7. **All Generation Services Facilities, Members, SCPPA – IEC Corporation MTPSA – Staff** provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Integrated Engineers & Contractors Corporation dba IEC Corporation, for energy related consulting services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. This is a renewal agreement with an existing vendor. It is an enabling agreement with no commitment of funds. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Bill Forsythe 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 Integrated Engineers and Contractors Corporation dba IEC Corporation for energy related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, its Members, the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Palo Alto, Roseville, and Santa Clara. ABSTAIN = TID. The motion passed.

8. **Generation Services 2020 Outage Schedule** – Staff reviewed the proposed draft 2020 Outage Schedule for NCPA's CT, Geo, and Hydro facilities and was seeking a recommendation for Facilities Committee approval. After discussing the proposed plant outages, it was decided to bring this item back for approval at the next meeting. Members expressed concern about the two outages for the Geo plants during two different months. This may cause conflicts with scheduling and/or substituting RA during this time. Staff will re-evaluate and try to reschedule both plant outages in April, proposing one at the beginning of the month, and one towards the end of the month.
9. **PG&E Negotiated Gas Transmission Rate Agreement** – Staff gave background information and was seeking a recommendation for Commission approval of the PG&E Negotiated Gas Transmissions Rate Agreement.

PG&E filed a gas transmission rate case in November 2017. This case is still moving through the approval process including CPUC hearings and is nearing a final decision. NCPA has been participating on the rate case through the Northern California Generation Coalition (NCGC) which includes Redding, Roseville, Silicon Valley Power, Modesto Irrigation District (MID), and Turlock Irrigation District (TID), as well as NCPA. The Administrative Law Judge issued a proposed decision late July 2019. The original proposal was \$1.65/MMBtu, and has dropped

PG&E, with support from NCPA and SVP, filed an amendment at FERC acknowledging CDWR's request for termination. CDWR is disputing the cost of removal for terminating the agreement. The amendment filed effectively rejected CDWR's request, pending resolution of the cost of removal in dispute. All other matters have been delayed until this issue is resolved. NCPA and SVP are planning to jointly file comments in support of PG&E's position. This should provide additional time and process to resolve the cost of removal dispute, and other outstanding matters between the parties. Pending FERC action, NCPA anticipates this matter will be set for a settlement hearing.

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

NCPA previously submitted a proposal to Nevada Irrigation District (NID) to supply scheduling and dispatch services for the Deer Creek Powerhouse. On behalf of Lompoc, NCPA augmented the proposal and also submitted an offer to purchase the output of the project for a period of two (2) years. NID has acknowledged receipt of NCPA's proposals, but indicated that due to staff vacations, they would provide a response to NCPA's proposal in August 2019.

NCPA submitted a draft proposal to South Feather Water and Power Agency (SFWPA). Power Management services would include scheduling and dispatch services, and/or purchasing the SFWPA hydroelectric output. The NCPA technical team toured SFWPA facilities on July 29, 2019, focusing on SCADA, communications, and control systems. Staff are taking integration steps, and have created a collaboration site on NCPA Connect to share information. Staff submitted an indicative offer to purchase the output of the project through a long-term PPA. SFWPA responded with questions and comments. Staff have scheduled a meeting with SFWPA to continue negotiations. The PG&E contract with SFWPA expires July 1, 2020.

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

- Staff have been working on a couple of major software upgrade projects, including an ADS system upgrade, and a new LEC Multi-Stage Generator Unit Model (MSG). The ADS upgrade will help with automation of CAISO dispatch instructions, and will increase efficiency and durability. The new MSG software will enable LEC to be dispatched in different operating modes which will be a key benefit enabling energy produced during the LEC start-up to be scheduled into the DAM.
- Staff have been working on an update to the staffing study and operational impacts regarding increasing provision of services to Members and customers. The study is focused on NCPA processes as well as staffing, plus the NERC low to medium impacts on operations. Staff will update the Committee when the final study is completed either in September or October.
- CAISO TAC – Due to transmission costs through the Scheduling Coordinator Agreement, Member collateral deposits in the GOR account have increased significantly. Staff is currently evaluating and developing a summary regarding this issue. When completed, staff will update the Committee.

## **14. Schedule next meeting date – the next regular Facilities Committee meeting is scheduled for September 4, 2019**

## **ADJOURNMENT**

The meeting was adjourned at 12:05 pm.

**Northern California Power Agency  
August 7, 2019 Facilities Committee Meeting  
Attendance List**

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

<u><b>MEMBER</b></u>	<u><b>NAME</b></u>
<b>ALAMEDA</b>	
<b>BART</b>	
<b>BIGGS</b>	
<b>GRIDLEY</b>	
<b>HEALDSBURG</b>	
<b>LODI</b>	<i>John Li'ang</i>
<b>LOMPOC</b>	
<b>PALO ALTO</b>	
<b>PLUMAS-SIERRA REC</b>	
<b>PORT OF OAKLAND</b>	
<b>REDDING</b>	
<b>ROSEVILLE</b>	<i>Bill Forsythe</i>
<b>SANTA CLARA</b>	
<b>TID</b>	
<b>UKIAH</b>	




# Commission Staff Report

August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

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

**AGENDA CATEGORY:** Consent

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

## IMPACTED MEMBERS:

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

*If other, please specify*

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**RECOMMENDATION:**

Approval by all members

**NOTICE:**

The disbursements of the Northern California Power Agency for the month reported herein, will be approved at the August 29, 2019 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 July 2019 financial reports are also included.

**FISCAL IMPACT:**

This report has no direct budget impact to the Agency.

**ENVIRONMENTAL ANALYSIS:**

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

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (1)

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

**Schedule of Disbursements  
(Unaudited)**

**For the Month of July 2019**

**Operations:**

<b>Geothermal</b>	<b>\$ 2,197,062</b>
<b>Hydroelectric</b>	<b>4,078,735</b>
<b>CT#1 Combustion Turbines</b>	<b>507,579</b>
<b>CT#2 STIG</b>	<b>586,070</b>
<b>Lodi Energy Center</b>	<b>3,528,994</b>
<b>NCPA Operating</b>	<b><u>28,640,056</u></b>
<b>Total</b>	<b><u><u>\$ 39,538,496</u></u></b>



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

PERCENT OF  
YEAR ELAPSED  
8%

	This Month	Actual Year To-Date	FY 2020 Budget	% Used	
<b>GENERATION RESOURCES</b>					
<b>NCPA Plants</b>					
Hydroelectric					
Other Plant Cost	\$ 1,447,040	\$ 1,447,040	\$ 20,767,239	7%	
Debt Service (Net)	2,775,572	2,775,572	33,306,862	8%	
Annual Budget Cost	4,222,612	4,222,612	54,074,101	8%	
Geothermal					
Other Plant Cost	2,188,634	2,188,634	30,365,288	7%	
Debt Service (Net)	412,144	412,144	4,945,723	8%	
Annual Budget Cost	2,600,778	2,600,778	35,311,011	7%	
Combustion Turbine No. 1	381,991	381,991	6,169,530	6%	
Combustion Turbine No. 2 (Stig)					
Fuel and Pipeline Transport Charges	69,659	69,659	1,089,118	6%	
Other Plant Cost	179,958	179,958	2,552,870	7%	
Debt Service (Net)	483,035	483,035	5,796,421	8%	
Annual Budget Cost	732,652	732,652	9,438,409	8%	
Lodi Energy Center					
Fuel	2,182,156	2,182,156	33,092,116	7%	
Other Plant Cost	1,255,328	1,255,328	33,813,617	4%	
Debt Service (Net)	2,171,202	2,171,202	26,054,428	8%	
Annual Budget Cost	5,608,686	5,608,686	92,960,161	6%	
Member Resources - Energy	6,529,247	6,529,247	56,228,967	12%	(a)
Member Resources - Natural Gas	267,168	267,168	3,540,898	8%	
Western Resources	3,518,793	3,518,793	23,325,119	15%	(b)
Market Power Purchases	2,238,048	2,238,048	15,123,482	15%	(c)
Load Aggregation Costs - CAISO	34,171,387	34,171,387	256,029,593	13%	(d)
Net GHG Obligations	-	-	496,955	0%	
	60,271,362	60,271,362	552,698,226	11%	
<b>TRANSMISSION</b>					
<b>Independent System Operator</b>					
Grid Management Charge	639,212	639,212	2,813,086	23%	(e)
Wheeling Access Charge	10,988,940	10,988,940	110,581,940	10%	
Ancillary Services	555,353	555,353	2,372,540	23%	(f)
Other ISO Charges/(Credits)	4,027,572	4,027,572	1,321,289	305%	(g)
	16,211,077	16,211,077	117,088,855	14%	
<b>MANAGEMENT SERVICES</b>					
<b>Legislative &amp; Regulatory</b>					
Legislative Representation	131,204	131,204	2,132,130	6%	
Regulatory Representation	53,233	53,233	748,387	7%	
Western Representation	37,398	37,398	745,117	5%	
Customer Programs	14,632	14,632	423,678	3%	
Judicial Action	-	-	625,000	0%	
<b>Power Management</b>					
System Control & Load Dispatch	541,249	541,249	6,082,417	9%	
Forecasting, Planning, Prescheduling & Trading	210,432	210,432	2,934,143	7%	
Industry Restructuring & Regulatory Affairs	28,671	28,671	414,479	7%	
Contract Admin, Interconnection Svcs & External Affairs	74,660	74,660	953,716	8%	
Gas Purchase Program	5,792	5,792	77,386	7%	
Market Purchase Project	8,203	8,203	111,270	7%	

Management Services continued on next page

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

<b>PERCENT OF YEAR ELAPSED</b> 8%
--

	This Month	Actual Year To-Date	FY 2020 Budget	% Used
Energy Risk Management	12,502	12,502	211,744	6%
Settlements	60,404	60,404	979,916	6%
Integrated Systems Support	8,386	8,386	243,161	3%
Participant Pass Through Costs	91,308	91,308	1,560,447	6%
Support Services	7,794	7,794	-	N/A
	<b>1,285,868</b>	<b>1,285,868</b>	<b>18,242,991</b>	<b>7%</b>
<b>TOTAL ANNUAL BUDGET COST</b>	<b>77,768,307</b>	<b>77,768,307</b>	<b>688,030,072</b>	<b>11%</b>
<b>LESS: THIRD PARTY REVENUE</b>				
Plant ISO Energy Sales	7,598,914	7,598,914	127,623,712	6%
Member Resource ISO Energy Sales	-	-	29,156,411	0%
Member Owned Generation ISO Energy Sales	2,693,183	2,693,183	67,107,648	4%
NCPA Contracts ISO Energy Sales	1,880,272	1,880,272	15,623,339	12% (h)
Western Resource Energy Sales	2,878,285	2,878,285	18,304,471	16% (i)
Load Aggregation Energy Sales	13,530,054	13,530,054	-	N/A
Ancillary Services Sales	1,574,877	1,574,877	4,196,879	38% (j)
Transmission Sales	9,198	9,198	110,376	8%
Western Credits, Interest and Other Income	10,052,739	10,052,739	19,227,470	52% (k)
	<b>40,217,522</b>	<b>40,217,522</b>	<b>281,350,306</b>	<b>14%</b>
<b>NET ANNUAL BUDGET COST TO PARTICIPANTS</b>	<b>\$ 37,550,785</b>	<b>\$ 37,550,785</b>	<b>\$ 406,679,766</b>	<b>9%</b>

- (a) Variance caused by greater than anticipated member contracts for Palo Alto.
- (b) Variance due to higher than anticipated price per MWh for Base Resource and higher Western O&M costs.
- (c) Variance due to unbudgeted market purchases and NCPA contracts. Unbudgeted deals made after the FY20 budget including certain NextEra and Exelon deals.
- (d) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (e) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (f) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (g) Increase due to unbudgeted costs related to East Bay Community Energy and San Jose Community Energy.
- (h) Variance due to higher than anticipated ISO energy sales related to unbudgeted deals made after the FY 20 budget including certain NextEra and Exelon deals.
- (i) Increase is due to higher than anticipated energy prices in energy sales to CAISO
- (j) Increase due to greater than projected MWhs of generation.
- (k) Variance caused by greater than anticipated Western O&M revenue credits, fuel and pipeline transport credits, and member contract sales.

# COMBINED STATEMENTS OF NET POSITION

## NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

### UNAUDITED

	July 31,	
	2019	2018
	(in thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 46,386	\$ 20,267
Investments	52,446	67,625
Accounts receivable		
Participants	3,310	179
Other	2,491	10,029
Interest receivable	479	258
Inventory and supplies	8,891	9,746
Prepaid expenses	1,186	1,341
TOTAL CURRENT ASSETS	115,189	109,445
RESTRICTED ASSETS		
Cash and cash equivalents	38,571	38,035
Investments	159,654	158,613
Interest receivable	535	389
TOTAL RESTRICTED ASSETS	198,760	197,037
ELECTRIC PLANT		
Electric plant in service	1,506,614	1,504,636
Less: accumulated depreciation	(1,006,654)	(976,049)
	499,960	528,587
Construction work-in-progress	182	182
TOTAL ELECTRIC PLANT	500,142	528,769
OTHER ASSETS		
Regulatory assets	225,239	230,845
Preliminary survey and investigation costs	553	39
Investment in associated company	265	265
TOTAL ASSETS	1,040,148	1,066,400
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	32,664	41,086
Pension deferrals	16,835	19,200
TOTAL DEFERRED OUTFLOWS OF RESOURCES	49,499	60,286
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,089,647	\$ 1,126,686

# COMBINED STATEMENTS OF NET POSITION

## NORTHERN CALIFORNIA POWER AGENCY AND ASSOCIATED POWER CORPORATIONS

### UNAUDITED

	July 31,	
	2019	2018
	(in thousands)	
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 45,240	\$ 17,230
Accounts and retentions payable - restricted for construction	10	50
Member advances	1,424	1,077
Operating reserves	22,001	21,724
Current portion of long-term debt	42,250	41,750
Accrued interest payable	4,716	4,489
TOTAL CURRENT LIABILITIES	115,641	86,320
NON-CURRENT LIABILITIES		
Net pension and OPEB liability	68,575	76,002
Operating reserves and other deposits	150,563	146,547
Interest rate swap liability	14,613	11,109
Long-term debt, net	621,707	668,791
TOTAL NON-CURRENT LIABILITIES	855,458	902,449
TOTAL LIABILITIES	971,099	988,769
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	67,384	70,618
Pension and OPEB deferrals	5,749	3,195
TOTAL DEFERRED INFLOWS OF RESOURCES	73,133	73,813
NET POSITION		
Net investment in capital assets	(33,996)	(40,008)
Restricted	33,581	39,946
Unrestricted	45,830	64,166
TOTAL NET POSITION	45,415	64,104
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,089,647	\$ 1,126,686

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

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

**UNAUDITED**

	One Month Ended July 31,	
	2019	2018
	(in thousands)	
OPERATING REVENUES		
Participants	\$ 41,290	\$ 40,193
Other Third-Party	21,533	31,878
TOTAL OPERATING REVENUES	62,823	72,071
OPERATING EXPENSES		
Purchased power	24,436	19,499
Operations	5,221	7,561
Transmission	18,844	14,052
Depreciation	2,586	2,583
Maintenance	1,719	1,326
Administrative and general	834	(148)
TOTAL OPERATING EXPENSES	53,640	44,873
NET OPERATING REVENUES	9,183	27,198
NON OPERATING (EXPENSES) REVENUES		
Interest expense	(2,965)	(3,133)
Interest income	(900)	3,838
Other	491	431
TOTAL NON OPERATING EXPENSES	(3,374)	1,136
FUTURE RECOVERABLE AMOUNTS	(692)	(302)
REFUNDS TO PARTICIPANTS	444	(1,996)
INCREASE (DECREASE) IN NET POSITION	5,561	26,036
NET POSITION, Beginning of year	39,854	38,068
NET POSITION, Period ended	\$ 45,415	\$ 64,104

# OTHER FINANCIAL INFORMATION

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

July 31, 2019

	GENERATING & TRANSMISSION RESOURCES										
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined	
<b>ASSETS</b>											
<b>CURRENT ASSETS</b>											
Cash and cash equivalents	\$ 1	\$ -	\$ 1	\$ 1	\$ 75	\$ -	\$ 19	\$ 662	\$ 45,627	\$ 46,386	
Investments	-	-	-	-	-	-	-	-	52,446	52,446	
Accounts receivable	-	-	-	-	-	-	-	-	-	-	
Participants	-	-	-	-	-	-	-	-	-	-	
Other	5	-	-	-	-	-	2,068	-	418	3,310	
Interest receivable	-	-	-	-	-	-	200	1	278	2,491	
Inventory and supplies	4,509	1,574	246	359	2,203	-	-	-	-	479	
Prepaid expenses	211	320	24	36	221	-	-	4	-	8,891	
Due from Agency and other programs*	12,952	13,617	2,318	1,789	21,995	-	34,612	8,685	(95,968)	1,186	
<b>TOTAL CURRENT ASSETS</b>	<b>17,678</b>	<b>15,511</b>	<b>2,589</b>	<b>2,185</b>	<b>24,494</b>	<b>-</b>	<b>36,899</b>	<b>9,352</b>	<b>6,481</b>	<b>115,189</b>	
<b>RESTRICTED ASSETS</b>											
Cash and cash equivalents	3,436	5,921	4,117	-	796	-	3,243	-	21,058	38,571	
Investments	24,868	25,713	2,512	-	26,232	-	25,849	-	54,480	159,654	
Interest receivable	113	109	2	-	77	-	-	-	234	535	
<b>TOTAL RESTRICTED ASSETS</b>	<b>28,417</b>	<b>31,743</b>	<b>6,631</b>	<b>-</b>	<b>27,105</b>	<b>-</b>	<b>29,092</b>	<b>-</b>	<b>75,772</b>	<b>198,760</b>	
<b>ELECTRIC PLANT</b>											
Electric plant in service	571,500	395,080	64,852	36,552	423,853	7,736	-	894	6,147	1,506,614	
Less: accumulated depreciation	(539,669)	(272,480)	(50,751)	(34,687)	(97,389)	(7,736)	-	(512)	(3,430)	(1,006,654)	
	31,831	122,600	14,101	1,865	326,464	-	-	382	2,717	499,960	
Construction work-in-progress	-	-	-	-	182	-	-	-	-	182	
<b>TOTAL ELECTRIC PLANT</b>	<b>31,831</b>	<b>122,600</b>	<b>14,101</b>	<b>1,865</b>	<b>326,646</b>	<b>-</b>	<b>-</b>	<b>382</b>	<b>2,717</b>	<b>500,142</b>	
<b>OTHER ASSETS</b>											
Regulatory assets	(804)	132,235	8,693	-	24,785	-	-	-	60,330	225,239	
Preliminary survey and investigation costs	-	-	-	-	-	-	-	553	-	553	
Investment in associated company	-	-	-	-	-	-	-	-	265	265	
<b>TOTAL ASSETS</b>	<b>77,122</b>	<b>302,089</b>	<b>32,014</b>	<b>4,050</b>	<b>403,030</b>	<b>-</b>	<b>65,991</b>	<b>10,287</b>	<b>145,565</b>	<b>1,040,148</b>	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>											
Excess cost on refunding of debt	1,564	28,532	772	-	1,796	-	-	-	-	32,664	
Pension deferrals	-	-	-	-	-	-	-	-	-	16,835	
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>1,564</b>	<b>28,532</b>	<b>772</b>	<b>-</b>	<b>1,796</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,835</b>	<b>49,499</b>	
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 78,686</b>	<b>\$ 330,621</b>	<b>\$ 32,786</b>	<b>\$ 4,050</b>	<b>\$ 404,826</b>	<b>\$ -</b>	<b>\$ 65,991</b>	<b>\$ 10,287</b>	<b>\$ 162,400</b>	<b>\$ 1,089,647</b>	

\* Eliminated in Combination

# OTHER FINANCIAL INFORMATION

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

July 31, 2019

	GENERATING & TRANSMISSION RESOURCES									
	Multiple Capital Facilities						Associated Member Services			
	Geothermal	Hydroelectric	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Other Agency	Combined		
LIABILITIES										
CURRENT LIABILITIES										
Accounts payable and accrued expenses	\$ 239	\$ 1,069	\$ -	\$ 517	\$ 2,234	\$ -	\$ 35,213	\$ -	\$ 5,968	\$ 45,240
Accounts and retentions payable - restricted for construction	-	10	-	-	-	-	-	-	-	10
Member advances	791	-	-	-	-	-	-	633	-	1,421
Operating reserves	5,043	250	542	2,777	13,389	-	-	-	-	22,001
Current portion of long-term debt	5,290	20,725	4,195	12,040	-	-	-	-	-	42,250
Accrued interest payable	30	1,607	746	2,333	-	-	-	-	-	4,716
TOTAL CURRENT LIABILITIES	11,393	23,661	5,483	3,294	29,996	-	35,213	633	5,968	115,641
NON-CURRENT LIABILITIES										
Net pension and OPEB liability	-	-	-	-	-	-	-	-	-	68,575
Operating reserves and other deposits	21,921	15,422	-	-	1,159	-	32,751	3,609	75,701	150,563
Interest rate swap liability	-	14,613	-	-	-	-	-	-	-	14,613
Long-term debt, net	15,505	261,293	25,859	-	319,050	-	-	-	-	621,707
TOTAL NON-CURRENT LIABILITIES	37,426	291,328	25,859	-	320,209	-	32,751	3,609	144,276	855,458
TOTAL LIABILITIES	48,819	314,989	31,342	3,294	350,205	-	67,964	4,242	150,244	971,099
DEFERRED INFLOWS OF RESOURCES										
Regulatory credits	18,652	3,606	858	2,037	38,542	-	-	382	3,307	67,384
Pension and OPEB deferrals	-	-	-	-	-	-	-	-	5,749	5,749
TOTAL DEFERRED INFLOWS OF RESOURCES	18,652	3,606	858	2,037	38,542	-	-	382	9,056	73,133
NET POSITION										
Net investment in capital assets	(1,191)	(11,560)	(7,317)	-	(13,928)	-	-	-	-	(33,996)
Restricted	5,570	10,557	5,885	-	14,738	-	(3,459)	219	71	33,581
Unrestricted	6,836	13,029	2,018	(1,281)	15,269	-	1,486	5,444	3,029	45,830
TOTAL NET POSITION	11,215	12,026	586	(1,281)	16,079	-	(1,973)	5,663	3,100	45,415
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 78,686	\$ 330,621	\$ 32,786	\$ 4,050	\$ 404,826	\$ -	\$ 65,991	\$ 10,287	\$ 162,400	\$ 1,089,647

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 One Month Ended July 31, 2019

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
OPERATING REVENUES										
Participants	\$ 2,094	\$ (360)	\$ 606	\$ 592	\$ 10,235	\$ -	\$ 26,285	\$ 1,956	\$ (118)	\$ 41,290
Other Third-Party	2,034	3,007	59	83	3,941	-	12,108	301	-	21,533
TOTAL OPERATING REVENUES	4,128	2,647	665	675	14,176	-	38,393	2,257	(118)	62,823
OPERATING EXPENSES										
Purchased power	48	207	1	37	99	-	24,044	-	-	24,436
Operations	1,160	243	113	108	2,627	-	267	703	-	5,221
Transmission	21	81	-	-	73	-	18,669	-	-	18,844
Depreciation	343	783	185	17	1,218	-	-	10	30	2,586
Maintenance	467	605	101	140	399	-	-	7	-	1,719
Administrative and general	509	285	48	88	383	-	-	519	(998)	834
Intercompany (sales) purchases, net*	(64)	26	5	9	28	-	-	(4)	-	-
TOTAL OPERATING EXPENSES	2,484	2,230	453	399	4,827	-	42,980	1,235	(968)	53,640
NET OPERATING REVENUES	1,644	417	212	276	9,349	-	(4,587)	1,022	850	9,183
NON OPERATING (EXPENSES) REVENUES										
Interest expense	(52)	(1,614)	(109)	-	(1,190)	-	-	-	-	(2,965)
Interest income	(130)	(171)	(8)	2	133	-	(222)	8	(512)	(900)
Other	-	-	207	-	185	-	-	-	99	491
TOTAL NON OPERATING (EXPENSES) REVENUES	(182)	(1,785)	90	2	(872)	-	(222)	8	(413)	(3,374)
FUTURE RECOVERABLE AMOUNTS										
REFUNDS TO PARTICIPANTS	(207)	(390)	(196)	-	101	-	-	-	-	(692)
INCREASE (DECREASE) IN NET POSITION	6	102	57	194	-	-	270	(180)	(5)	444
NET POSITION, Beginning of year	1,261	(1,656)	163	472	8,578	-	(4,539)	850	432	5,561
NET POSITION, Period ended	9,954	13,682	423	(1,753)	7,501	-	2,566	4,813	2,668	39,854
	\$ 11,215	\$ 12,026	\$ 586	\$ (1,281)	\$ 16,079	\$ -	\$ (1,973)	\$ 5,663	\$ 3,100	\$ 45,415

\* Eliminated in Combination



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

<u>Status</u>	<u>Participant / Customer</u>	<u>Description</u>	<u>Amount</u>
CURRENT			\$ 5,800,341
PAST DUE:			
1 - 30	Lodi	Training	150 *
31 - 60			
61 - 90	CDWR	Training	72
91 - 120			
Over 120 Days			
PARTICIPANT and OTHER RECEIVABLES (net)			<u>\$ 5,800,564</u>

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

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



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# Commission Staff Report

August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

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

**AGENDA CATEGORY:** Consent

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

## IMPACTED MEMBERS:

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

*If other, please specify*

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## **RECOMMENDATION:**

Approval by all members.

## **BACKGROUND:**

In compliance with Agency policy and State of California Government Code Sections 53601 and 53646(b), the following monthly report is submitted for your information and acceptance.

Cash – At month end cash totaled \$7,684,964 of which approximately \$314,470 was applicable to Special and Reserve Fund Deposits, \$3,569,655 to Debt Service and \$3,800,839 to Operations and other.

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

Investments – The carrying value of NCPA's investment portfolio totaled \$289,191,722 at month end. The current market value of the portfolio totaled \$290,206,451.

The overall portfolio had a combined weighted average interest rate of 2.296% with a bond equivalent yield (yield to maturity) of 2.328%. Investments with a maturity greater than one year totaled \$166,090,000. July maturities totaled \$36 million and monthly receipts totaled \$55 million. During the month \$42 million was invested.

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

Interest Rates – During the month, rates on 90-day T-Bills decreased 4 basis points (from 2.13% to 2.09%) and rates on one year T-Bills increased 5 basis points (from 1.93% to 1.98%).

To the best of my knowledge and belief, all securities held by NCPA as of July 31, 2019 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

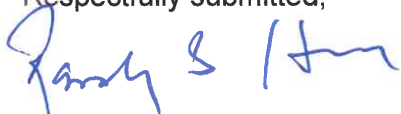
## **FISCAL IMPACT:**

This report has no direct budget impact to 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

Attachment

**SR: 190:19**

# **NORTHERN CALIFORNIA POWER AGENCY**

## **TREASURER'S REPORT**

**JULY 31, 2019**

### **TABLE OF CONTENTS**

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

	CASH	INVESTMENTS	TOTAL	PERCENT
<b>NCPA FUNDS</b>				
Operating	\$ 2,251,710	\$ 124,361,631	\$ 126,613,341	42.65%
Special Deposits	1,348,228	-	1,348,228	0.46%
Construction	200,901	4,852,054	5,052,955	1.70%
Debt Service	3,569,655	11,683,291	15,252,946	5.14%
Special & Reserve	314,470	148,294,746	148,609,216	50.06%
	<u>\$ 7,684,964</u>	<u>\$ 289,191,722</u>	<u>\$ 296,876,686</u>	<u>100.00%</u>

Portfolio Investments at Market Value

\$ 290,206,451

NOTE A -Investment amounts shown at book carrying value.

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

	RECEIPTS			EXPENDITURES			CASH
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>							
Operating	\$ 51,706,445	\$ 299,685	\$ 7,483,621	\$ (19,564,171)	\$ (21,350,778)	\$ (18,430,436)	\$ 144,366
Special Deposits	2,425,273	10	-	(14,166,749)	-	11,741,605	139
Construction	-	-	1,693,000	-	(2,387,526)	-	(694,526)
Debt Service	541,641	1,578	20,285,634	(21,513,429)	(9,803,079)	5,801,929	(4,685,726)
Special & Reserve	161,087	502,545	6,219,504	-	(8,824,833)	886,902	(1,054,795)
	<u>\$ 54,834,446</u>	<u>\$ 803,818</u>	<u>\$ 35,681,759</u>	<u>\$ (55,244,349)</u>	<u>\$ (42,366,216)</u>	<u>\$ -</u>	<u>\$ (6,290,542)</u>

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

**Northern California Power Agency  
Treasurer's Report  
Investment Activity Summary  
July 31, 2019**

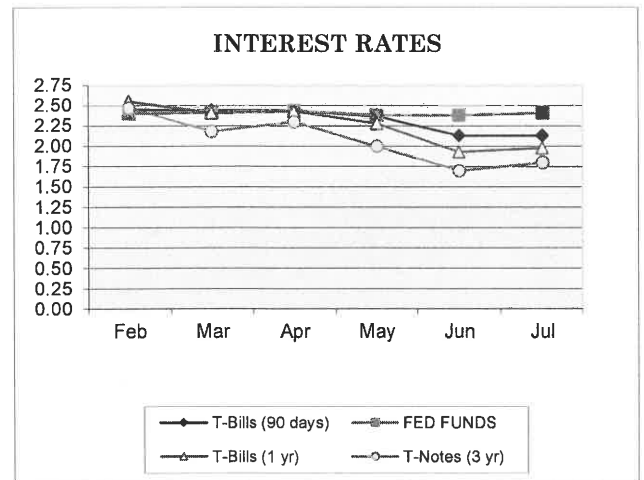
			(NON-CASH)	(NON-CASH)	INVESTMENTS	
	PURCHASED	SOLD OR MATURED	DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>						
Operating	\$ 21,350,778	\$ (7,483,621)	\$ 13,935	\$ -	\$ -	\$ 13,881,092
Special Deposits	-	-	-	-	-	-
Construction	2,387,526	(1,693,000)	225	-	-	694,751
Debt Service	9,803,079	(20,285,634)	10,630	-	-	(10,471,925)
Special & Reserve	8,824,833	(6,219,504)	1,269	-	-	2,606,598
	<u>\$ 42,366,216</u>	<u>\$ (35,681,759)</u>	<u>\$ 26,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,710,516</u>
 Less Non- Cash Activity						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(26,059)</u>
 Net Change in Investment --Before Non-Cash Activity						<u><u>\$ 6,684,457</u></u>

NOTE A -Investment amounts shown at book carrying value.

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

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<b>2.296%</b>	<b>2.328%</b>
<b>OPERATING FUNDS:</b>	<b>2.259%</b>	<b>2.362%</b>
<b>PROJECTS:</b>		
Geothermal	2.250%	2.361%
Capital Facilities	2.348%	2.356%
Hydroelectric	2.409%	2.499%
Lodi Energy Center	1.991%	1.814%

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Fds (Overnight)	2.41%	1.91%
T-Bills (90da.)	2.09%	2.00%
Agency Disc (90da.)	1.98%	2.02%
T-Bills (1yr.)	1.98%	2.42%
Agency Disc (1yr.)	1.75%	2.20%
T-Notes (3yr.)	1.80%	2.75%





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

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$ 1,440	\$ 3,554	\$13,589	\$ 2,464	\$ 14,594	\$ 100,544	\$ 2,000	\$ 138,185	47.31%
Corporate Bonds (MTN)	-	-	-	-	1,000	61,900	-	62,900	21.53%
US Bank Trust Money Market	439	-	-	-	-	-	-	439	0.15%
Commercial Paper	12,616	-	-	-	-	-	-	12,616	4.33%
Investment Trusts (LAIF)	63,683	-	-	-	-	-	-	63,683	21.80%
Investment Trusts (CAMP)	5,099	-	-	-	-	-	-	5,099	1.76%
U.S.Treasury Market Acct. *	4,817	-	-	-	-	-	-	4,817	1.65%
U.S.Treasury Bill/Note	-	48	2,658	-	-	146	-	2,852	0.98%
Certificates of Deposit	-	10	-	-	-	1,500	-	1,510	0.52%
Total Dollars	\$ 88,094	\$3,612	\$16,247	\$2,464	\$15,594	\$164,090	\$2,000	\$ 292,101	100.00%
Total Percents	30.15%	1.24%	5.56%	0.84%	5.34%	56.18%	0.68%	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  
07/31/2019

Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank, N.A.	USB	10,025,000	1.850	11/26/2014	10,025,000		1	1.850	10,025,000	SYS70101	70101	10,025,000
Local Agency Investm	LAIF	40,642,592	2.565	07/01/2013	40,642,592		1	2.565	40,642,592	SYS70000	70000	40,642,592
California Asset Mgm	CMP	4,465	2.640	10/19/2018	4,465		1	2.640	4,465	SYS70070	70070	4,465
Union Bank of Califo	UBOC	135,540	0.002	07/01/2013	135,540		1	0.002	135,540	SYS70014	70014	135,540
US Bank	USB	2,251,710	0.001	06/30/2013	2,251,710		1	0.001	2,251,710	SYS70050	70050	2,251,710
US Bank	USB	2,590,760	0.850	08/24/2017	2,590,760		1	0.850	2,590,760	SYS70056	70056	2,590,760
US Bank	USB	10,000	0.050	07/07/2019	10,000	10/07/2019	67	0.050	10,000	SYS30318	30318	10,000
General Dynamics	UBOC	1,000,000	2.875	09/20/2018	998,980	05/11/2020	284	2.937	1,005,640	369550BA5	26668	999,517
Federal Home Loan Ba	UBOC	4,975,000	1.600	08/28/2017	4,990,373	07/17/2020	351	1.490	4,954,901	3130ABTW6	26466	4,980,119
Walmart, Inc.	UBOC	1,000,000	1.900	09/20/2018	979,580	12/15/2020	502	2.848	996,620	931142EA7	26674	987,469
John Deere Capital C	UBOC	500,000	2.350	09/21/2018	492,195	01/08/2021	526	3.057	501,615	24422ETZ2	26676	495,121
Federal Home Loan Ba	UBOC	2,785,000	1.400	07/19/2016	2,783,608	01/19/2021	537	1.411	2,753,975	3130A8P80	26355	2,784,546
Cisco Systems Inc.	UBOC	1,000,000	2.200	09/20/2018	982,020	02/28/2021	577	2.969	1,001,400	17275RBD3	26667	988,389
NATIONAL RURAL UTIL	UBOC	500,000	2.900	07/31/2019	506,370	03/15/2021	592	2.096	505,815	63743JHER9	26847	506,370
Home Depot Inc.	UBOC	500,000	2.000	03/21/2018	487,800	04/01/2021	609	2.846	498,470	437076BL5	26558	493,284
Intel Corp	UBOC	1,000,000	1.700	09/20/2018	968,960	05/19/2021	657	2.919	991,470	458140AW0	26670	979,026
Pfizer Inc	UBOC	500,000	1.950	06/12/2018	487,130	06/03/2021	672	2.858	497,960	717081DX8	26617	492,045
Federal Farm Credit	UBOC	2,602,000	1.720	08/28/2017	2,611,784	07/26/2021	725	1.620	2,588,678	3133EHSR5	26465	2,606,968
Federal Home Loan Mt	UBOC	3,500,000	1.500	11/23/2016	3,500,000	08/23/2021	753	1.500	3,463,635	313AGAVH4	26385	3,500,000
American Honda Finan	UBOC	1,000,000	1.700	09/20/2018	959,220	09/09/2021	770	3.149	986,760	02665WBG5	26669	971,064
3M Company	UBOC	1,000,000	3.000	09/21/2018	999,480	09/14/2021	775	3.018	1,015,690	88579YBA8	26675	999,630
Federal Home Loan Mt	UBOC	202,000	2.200	01/30/2017	202,000	01/26/2022	909	2.200	202,091	3134GAV92	26403	202,000
Procter & Gamble	UBOC	1,000,000	2.300	09/20/2018	975,770	02/06/2022	920	3.060	1,004,660	742718DY2	26673	981,967
Johnson & Johnson	UBOC	1,000,000	2.250	09/20/2018	976,140	03/03/2022	945	2.982	1,004,480	478160CD4	26671	982,110
TD Ameritrade	UBOC	500,000	2.950	05/15/2018	493,385	04/01/2022	974	3.315	507,870	87236YAE8	26601	495,451
PepsiCo Inc.	UBOC	500,000	2.250	03/21/2018	487,005	05/02/2022	1,005	2.924	501,530	713448DT2	26557	491,304
Apple Inc.	UBOC	1,123,337	2.300	02/01/2018	1,121,966	05/11/2022	1,014	2.329	1,129,302	037833CQ1	26525	1,122,446
Boeing Co.	UBOC	500,000	2.200	06/12/2018	482,180	10/30/2022	1,186	3.074	496,510	097023BN4	26612	486,799
American Honda Finan	UBOC	500,000	2.600	06/12/2018	488,550	11/16/2022	1,203	3.157	504,290	02665WCA7	26614	491,488
Chevron Corp.	UBOC	500,000	2.355	03/21/2018	485,760	12/05/2022	1,222	3.008	503,330	166764AB6	26555	489,879
Visa Inc.	UBOC	400,000	2.800	08/03/2018	394,552	12/14/2022	1,231	3.135	407,532	92826CAC6	26647	395,793
Toyota Motor Credit	UBOC	1,000,000	2.700	08/03/2018	974,760	01/11/2023	1,259	3.315	1,012,880	89236TEL5	26645	980,415
Simon Property Group	UBOC	500,000	2.750	05/15/2018	484,585	02/01/2023	1,280	3.464	505,455	828807CN5	26603	488,548
Oracle Corp.	UBOC	500,000	2.625	03/21/2018	488,010	02/15/2023	1,294	3.154	506,215	66389XBR5	26556	491,341
Exxon Mobil Corporat	UBOC	1,000,000	2.726	08/03/2018	985,450	03/01/2023	1,308	3.068	1,018,780	30231GAR3	26648	988,611
John Deere Capital C	UBOC	500,000	2.800	06/12/2018	489,875	03/06/2023	1,313	3.264	508,790	24422ETG4	26613	492,305
Berkshire Hathaway I	UBOC	500,000	2.750	03/21/2018	492,280	03/15/2023	1,322	3.086	509,630	084670BR8	26554	494,369
United Parcel Servic	UBOC	500,000	2.500	05/15/2018	483,225	04/01/2023	1,339	3.248	504,260	911312BK1	26600	487,390
United Parcel Servic	UBOC	500,000	2.500	09/21/2018	483,120	04/01/2023	1,339	3.308	504,260	911312BK1	26677	486,330
Walmart, Inc.	UBOC	500,000	2.550	07/31/2019	507,870	04/11/2023	1,349	2.104	505,850	931142DH3	26848	507,870

07/31/2019

### Operating

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Bank of NY Mellon Co	UBOC	500,000	3.500	05/15/2018	501,265	04/28/2023	1,366	3.443	519,775	06406RAG2	26602	500,956
Hershey Company	UBOC	500,000	3.375	08/12/2018	503,125	05/15/2023	1,383	3.236	520,870	427866AZ1	26615	502,404
US Bank	UBOC	1,000,000	3.400	09/03/2018	1,000,000	07/24/2023	1,453	3.399	1,040,160	90331HNV1	26646	1,000,000
Microsoft Corp.	UBOC	1,000,000	2.000	09/20/2018	947,350	08/08/2023	1,468	3.172	997,530	594918B06	26672	956,664
Oracle Corp.	UBOC	4,145,000	2.400	05/31/2019	4,106,452	09/15/2023	1,506	2.630	4,160,875	68389XBL8	26820	4,107,950
Federal Farm Credit	UBOC	1,500,000	3.340	11/21/2018	1,500,000	10/04/2023	1,525	3.339	1,503,180	31133EJ39	26714	1,500,000
JP Morgan	UBOC	500,000	3.875	02/15/2019	514,550	02/01/2024	1,645	3.561	529,340	4662SHJ78	26760	513,198
Fund Total and Average		\$ 98,392,404	2.235		\$ 97,976,792		403	2.356	\$ 98,532,141			\$ 98,081,243

### MPP GHG Auction Acct

Local Agency Investm		662,107	2.565	07/01/2013	662,107		1	2.565	662,107	SYS70045	70045	662,107
Fund Total and Average		\$ 662,107	2.566		\$ 662,107		1	2.566	\$ 662,107			\$ 662,107

### SCPA Balancing Account

Local Agency Investm	LAIF	1,270,902	2.565	07/01/2013	1,270,902		1	2.565	1,270,902	SYS70022	70022	1,270,902
Union Bank of Calif	UBOC	675,496	0.002	07/01/2013	675,496		1	0.002	675,496	SYS70023	70023	675,496
Federal Home Loan Ba	UBOC	750,000	2.875	11/27/2018	750,045	09/11/2020	407	2.870	756,698	313370US5	26717	750,028
Federal National Mtg	UBOC	1,150,000	1.630	12/20/2018	1,128,369	10/30/2020	456	2.672	1,144,262	3135GORM7	26734	1,135,504
Bank of NY Mellon Co	UBOC	500,000	2.050	04/03/2018	486,105	05/03/2021	641	3.000	498,195	06406FAB9	26570	492,089
Microsoft Corp.	UBOC	500,000	2.375	04/04/2018	492,295	03/12/2022	926	2.798	503,655	594918BA1	26574	494,943
Walt Disney Company/	UBOC	500,000	2.450	07/24/2018	487,520	03/04/2022	946	3.186	503,475	25468PDQ6	26630	491,043
TD Ameritrade	UBOC	500,000	2.950	04/03/2018	497,200	04/01/2022	974	3.100	507,870	87236YAE8	26571	498,131
Home Depot Inc.	UBOC	500,000	2.625	04/04/2018	494,290	06/01/2022	1,035	2.918	506,990	437076B06	26572	496,109
Public Storage	UBOC	500,000	2.370	04/04/2018	483,705	09/15/2022	1,141	3.161	501,815	74460DAB5	26573	488,560
Visa Inc.	UBOC	250,000	2.800	07/24/2018	246,975	12/14/2022	1,231	3.096	254,708	92826CAC6	26632	247,678
Intel Corp	UBOC	500,000	2.700	06/22/2018	492,300	12/15/2022	1,232	3.070	507,800	458140AM2	26625	494,205
Toyota Motor Credit	UBOC	550,000	2.625	05/09/2018	536,294	01/10/2023	1,258	3.203	555,792	89233P7F7	26598	539,898
Cisco Systems Inc.	UBOC	500,000	2.600	06/22/2018	487,655	02/28/2023	1,307	3.170	508,415	17275RBE1	26624	490,577
Exxon Mobil Corporat	UBOC	500,000	2.726	05/09/2018	492,670	03/01/2023	1,308	3.055	509,390	30231GAR3	26599	494,541
Berkshire Hathaway I	UBOC	500,000	2.750	05/09/2018	490,280	03/15/2023	1,322	3.185	509,630	084670BR8	26596	492,741
United Parcel Servis	UBOC	500,000	2.500	06/22/2018	484,780	04/01/2023	1,339	3.191	504,260	911312BK1	26627	488,313
Nike Inc	UBOC	500,000	2.250	05/09/2018	480,350	05/01/2023	1,369	3.108	502,035	654106AC7	26597	485,197
Simon Property Group	UBOC	500,000	2.750	07/24/2018	484,725	06/01/2023	1,400	3.438	505,815	828807DD6	26631	487,934
Federal Home Loan Mt	UBOC	2,600,000	2.750	08/17/2018	2,603,900	08/15/2023	1,414	3.467	2,620,020	3134GSMY8	26653	2,603,128
Pfizer Inc	UBOC	500,000	3.000	06/22/2018	496,550	08/15/2023	1,414	3.150	514,025	717081DH3	26626	497,318
Federal Home Loan Mt	UBOC	2,500,000	3.050	09/28/2018	2,501,250	08/28/2023	1,488	3.039	2,522,450	3134GSUZ6	26654	2,501,019
Federal Home Loan Ba	UBOC	2,000,000	3.100	12/28/2018	2,000,000	12/28/2023	1,610	3.100	2,023,380	3130AFK77	26736	2,000,000
Federal Home Loan Mt	UBOC	2,500,000	2.875	02/28/2019	2,500,000	02/28/2024	1,672	2.875	2,507,350	3134GS3G8	26759	2,500,000
Federal Home Loan Mt	UBOC	2,000,000	2.760	04/01/2019	2,000,000	04/01/2024	1,705	2.760	2,005,880	3134GS7J8	26797	2,000,000



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SCPA Balancing Account

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Mt	UBOC	2,000,000	2.650	04/01/2019	2,000,000	04/01/2024	1,705	2.853	2,005,300	3134GS7H2	26798	2,000,000
Federal Home Loan Mt	UBOC	2,180,000	2.700	04/30/2019	2,180,000	04/30/2024	1,734	2.700	2,185,864	3134GTCQ4	26799	2,180,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,820	2.410	495,965	89236TGD1	26831	500,000
Fund Total and Average		\$ 27,926,398	2.635		\$ 27,743,656		1301	2.904	\$ 28,107,437			\$ 27,795,354

General Operating Reserve

Local Agency Investm	LAIF	15,962,640	2.565	07/01/2013	15,962,640		1	2.565	15,962,640	SYS70000	70002	15,962,640
California Asset Mgm	CMP	5,094,586	2.640	12/14/2018	5,094,586		1	2.640	5,094,586	SYS70071	70071	5,094,586
Union Bank of Califo	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70019	70019	0
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70051	70051	0
Federal National Mtg	UBOC	2,000,000	1.750	08/28/2015	2,026,240	11/26/2019	117	1.430	1,997,240	3135G0ZY2	26246	2,001,975
Federal Farm Credit	UBOC	4,285,000	1.440	07/20/2016	4,280,715	01/19/2021	537	1.463	4,246,435	3133EGMP7	26356	4,283,603
Federal Home Loan Ba	UBOC	9,720,000	1.400	07/19/2016	9,715,140	01/19/2021	537	1.411	9,611,719	3130A8P80	26354	9,718,416
Federal National Mtg	UBOC	5,162,000	1.625	05/25/2016	5,162,000	05/25/2021	663	1.625	5,105,870	3136G3NL5	26332	5,162,000
Federal National Mtg	UBOC	1,300,000	1.500	08/30/2016	1,300,000	05/28/2021	666	1.500	1,286,467	3136G33W8	26368	1,300,000
Federal Farm Credit	UBOC	10,629,000	1.690	06/02/2016	10,629,000	06/02/2021	671	1.690	10,574,473	3133EGDH5	26335	10,629,000
Federal Home Loan Mt	UBOC	467,000	2.200	01/30/2017	467,000	01/26/2022	909	2.200	467,210	3134GAV92	26402	467,000
Microsoft Corp.	UBOC	400,000	2.375	04/26/2018	391,480	02/12/2022	926	2.972	402,924	594918BA1	26578	394,318
TD Ameritrade	UBOC	500,000	2.950	04/26/2018	492,950	04/01/2022	974	3.335	507,870	87236YAE8	26582	495,217
Apple Inc.	UBOC	4,025,452	2.300	02/01/2018	4,020,538	05/11/2022	1,014	2.329	4,046,827	037833CQ1	26524	4,022,261
Federal Home Loan Ba	UBOC	3,575,000	2.125	08/28/2017	3,634,560	06/10/2022	1,044	1.760	3,594,448	313379Q89	26467	3,610,590
PepsiCo Inc.	UBOC	500,000	3.100	04/26/2018	500,310	07/17/2022	1,081	3.083	512,710	713448CX4	26580	500,217
Walt Disney Company/	UBOC	500,000	2.350	01/30/2019	489,400	12/01/2022	1,218	2.937	502,290	25468FCW4	26739	490,789
Visa Inc.	UBOC	500,000	2.800	04/26/2018	492,600	12/14/2022	1,231	3.145	509,415	92826CAC6	26584	494,619
US Bank, N.A.	UBOC	750,000	2.850	01/30/2019	741,900	01/23/2023	1,271	3.140	763,515	90331HNL3	26737	742,923
Bank of NY Mellon Co	UBOC	500,000	2.950	04/26/2018	491,790	01/29/2023	1,277	3.325	509,685	06406RAE7	26575	493,971
Oracle Corp.	UBOC	500,000	2.625	04/26/2018	487,350	02/15/2023	1,294	3.195	506,215	68389XBR5	26579	490,679
Praxair Inc	UBOC	500,000	2.700	04/26/2018	488,350	02/21/2023	1,300	3.225	505,935	74005PBF0	26581	491,405
Berkshire Hathway I	UBOC	500,000	2.750	04/26/2018	488,920	03/15/2023	1,322	3.243	509,630	084670BR8	26576	491,766
United Parcel Servic	UBOC	500,000	2.500	04/26/2018	483,135	04/01/2023	1,339	3.245	504,260	911312BK1	26583	487,458
Chevron Corp.	UBOC	750,000	2.566	01/30/2019	738,750	05/16/2023	1,384	2.939	760,305	166764BK5	26740	740,067
Boeing Co.	UBOC	500,000	1.875	01/30/2019	477,500	06/15/2023	1,414	2.979	490,485	097023BQ7	26741	480,086
Chevron Corp.	UBOC	500,000	3.191	02/07/2019	507,025	06/24/2023	1,423	2.847	518,250	166764AH3	26755	506,250
Walmart, Inc.	UBOC	500,000	3.400	02/07/2019	510,960	06/26/2023	1,425	2.864	522,725	931142EK5	26758	509,752
Pfizer Inc	UBOC	500,000	3.200	01/30/2019	506,250	09/15/2023	1,506	2.908	518,975	717081EN9	26738	505,571
Federal Farm Credit	UBOC	1,000,000	3.340	11/21/2018	1,000,000	10/04/2023	1,525	3.339	1,002,120	3133EJES9	26715	1,000,000
Citibank NA	UBOC	500,000	3.650	02/07/2019	507,490	01/23/2024	1,636	3.319	523,940	17325FA57	26756	506,760
JP Morgan	UBOC	500,000	3.875	02/07/2019	515,120	02/01/2024	1,645	3.535	529,340	46625HJ78	26757	513,654
HSBC USA INC	UBOC	1,700,000	3.000	02/20/2019	1,700,000	02/20/2024	1,664	3.503	1,703,400	40435UGC2	26754	1,700,000
Federal Home Loan Mt	UBOC	500,000	2.700	04/30/2019	500,000	04/30/2024	1,734	2.700	501,345	3134GTCQ4	26816	500,000
Toyota Motor Credit	UBOC	750,000	2.410	07/25/2019	750,000	07/25/2024	1,820	2.410	743,948	89236TGD1	26841	750,000

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General Operating Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
	Fund Total and Average	\$ 75,570,678	2.150		\$ 75,553,699		614	2.170	\$ 75,538,197			\$ 75,537,593
	GRAND TOTALS:	\$ 202,551,587	2.259		\$ 201,936,264		604	2.362	\$ 202,839,882			\$ 202,076,297
<p>*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.</p> <p>Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 07/31/2019</p>												
Investment #26332 FNMA	Callable quarterly			Investment #26715 FFCB	Callable on 10/4/2019							
Investment #26335 FFCB	Callable anytime			Investment #26736 FHLB	Callable on 12/28/2020							
Investment #26354 FHLB	Callable anytime			Investment #26754 HSBC	Callable on 2/20/2020							
Investment #26355 FHLB	Callable anytime			Investment #26797 FHLMC	Callable on 4/01/2020							
Investment #26356 FFCB	Callable anytime			Investment #26798 FHLMC	Callable on 4/01/2020							
Investment #26368 FNMA	Callable quarterly			Investment #26799 FHLMC	Callable on 4/30/2020							
Investment #26385 FHLMC	Callable quarterly			Investment #26816 FHLMC	Callable on 4/30/2020							
Investment #26402 FHLMC	Callable quarterly			Investment #26820 ORCL	Callable on 7/15/2023							
Investment #26403 FHLMC	Callable quarterly			Investment #26831 TOYOTA	Callable semi-annually starting 7/25/2021							
Investment #26646 USB	Callable on 6/23/2023			Investment #26841 TOYOTA	Callable semi-annually starting 7/25/2021							
Investment #26653 FHLMC	Callable on 6/15/2020			Investment# 26848 WMT	Callable on 01/11/2023							
Investment #26714 FFCB	Callable on 10/4/2019											



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GEO 2012 Construction Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Ba	USB	709,000	1.940	07/30/2019	695,131	07/27/2020	361	1.996	695,210	313384ZX0	26850	695,207
Fund Total and Average		\$ 709,000	1.940		\$ 695,131		361	1.996	\$ 695,210			\$ 695,207

Geo 2012A Debt Service

Federal Home Loan Mt	USBT	127,000	1.960	07/25/2019	125,887	01/02/2020	154	2.004	125,898	313396RG0	26832	125,935
Fund Total and Average		\$ 127,000	1.960		\$ 125,887		154	2.005	\$ 125,898			\$ 125,935

Geo 2016A Debt Service

Federal Home Loan Mt	USBT	293,000	1.960	07/25/2019	290,432	01/02/2020	154	2.004	290,457	313396RG0	26833	290,543
Fund Total and Average		\$ 293,000	1.960		\$ 290,432		154	2.005	\$ 290,457			\$ 290,543

Geothermal Special Reserve

Union Bank of Califo	UBOC	23,472	0.002	07/01/2013	23,472		1	0.002	23,472	SYS70015	70015	23,472
Federal Home Loan Ba	UBOC	1,500,000	2.100	07/30/2019	1,500,000	04/29/2021	637	2.100	1,497,015	3130AGT54	26853	1,500,000
Fund Total and Average		\$ 1,523,472	2.068		\$ 1,523,472		627	2.068	\$ 1,520,487			\$ 1,523,472

Geo Decommissioning Reserve

Local Agency Investm	LAIF	483,064	2.565	07/01/2013	483,064		1	2.565	483,064	SYS70027	70027	483,064
Union Bank of Califo	UBOC	1,626,993	0.002	07/01/2013	1,626,993		1	0.002	1,626,993	SYS70034	70034	1,626,993
American Honda Finan	UBOC	500,000	2.650	11/30/2018	493,500	02/12/2021	561	3.265	502,270	02665WCD1	26726	495,478
Toyota Motor Credit	UBOC	500,000	2.950	11/30/2018	496,300	04/13/2021	621	3.276	506,190	89236TEU5	26727	497,345
Federal National Mtg	UBOC	2,000,000	1.500	08/30/2016	2,000,000	05/28/2021	666	1.500	1,979,180	3136G33W3	26369	2,000,000
Ally Bank	UBOC	250,000	3.000	08/30/2018	250,000	08/30/2021	760	3.002	254,708	02007GEQ2A	30312	250,000
PNC Bank NA	UBOC	750,000	2.550	03/15/2018	735,450	12/09/2021	861	3.103	753,458	69353REY0	26553	740,820
Federal Home Loan Mt	UBOC	941,000	2.200	01/30/2017	941,000	01/26/2022	909	2.200	941,423	3134GA92	26404	941,000
Apple Inc.	UBOC	861,211	2.300	11/29/2017	860,117	05/11/2022	1,014	2.329	865,784	03783CCQ1	26499	860,528
Wells Fargo Bank	UBOC	250,000	3.150	08/30/2018	250,000	08/30/2022	1,125	3.154	257,335	949763TL0A	30311	250,000
Great North Bank	UBOC	250,000	3.050	08/31/2018	250,000	08/31/2022	1,126	3.061	256,738	39103QAF3A	30310	250,000
Discover Bank	UBOC	250,000	3.150	09/06/2018	250,000	09/06/2022	1,132	3.152	257,455	254673TM8A	30313	250,000
Walt Disney Company/	UBOC	750,000	2.350	03/15/2018	728,580	12/01/2022	1,218	3.004	753,435	25468PCW4	26551	734,844
John Deere Capital C	UBOC	750,000	2.800	03/15/2018	739,748	01/27/2023	1,275	3.104	764,085	24422ERT8	26550	742,650
Bank of NY Mellon Co	UBOC	750,000	2.950	03/15/2018	740,610	01/29/2023	1,277	3.229	764,528	06406RAE7	26549	743,265
IBM Credit LLC	UBOC	500,000	3.000	03/15/2018	498,820	02/06/2023	1,285	3.140	509,665	44932HAH6	26548	497,716
Enerbank USA	UBOC	250,000	3.200	08/30/2018	250,000	08/30/2023	1,490	3.203	257,843	29278TCP3A	30309	250,000



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Geo Decommissioning Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Chubbank NA	UBOC	250,000	3.300	09/07/2018	250,000	09/07/2023	1,498	3.301	258,800	17312QS34A	30314	250,000
Federal Farm Credit	UBOC	1,000,000	3.340	11/21/2018	1,000,000	10/04/2023	1,525	3.339	1,002,120	3133EJE39	26716	1,000,000
Federal Home Loan Mt	UBOC	1,000,000	2.760	04/01/2019	1,000,000	04/01/2024	1,705	2.760	1,002,940	3134GS7J8	26817	1,000,000
Federal Home Loan Mt	UBOC	2,000,000	2.650	04/01/2019	2,000,000	04/01/2024	1,705	2.853	2,005,300	3134GS7H2	26818	2,000,000
Federal Home Loan Mt	UBOC	1,960,000	2.700	04/30/2019	1,960,000	04/30/2024	1,734	2.700	1,965,272	3134GTCQ4	26819	1,960,000
Toyota Motor Credit	UBOC	500,000	2.410	07/25/2019	500,000	07/25/2024	1,820	2.410	495,965	89236TGD1	26842	500,000
Federal Farm Credit	UBOC	2,000,000	3.450	07/27/2018	1,999,300	07/23/2025	2,183	3.455	2,044,460	3133EJUT4	26644	1,999,401
Fund Total and Average		\$ 20,372,268	2.458		\$ 20,301,482		1221	2.572	\$ 20,509,011			\$ 20,323,104

GEO Debt Service Reserve Acct

Federal Home Loan Mt	USBT	2,515,000	1.250	02/27/2015	2,483,839	10/02/2019	62	1.530	2,511,026	3137EADM8	26197	2,513,851
Federal Home Loan Ba	USB	1,039,000	2.090	07/25/2019	1,034,838	10/02/2019	62	2.127	1,035,239	313384ML0A	26843	1,035,260
Fund Total and Average		\$ 3,554,000	1.495		\$ 3,518,677		62	1.704	\$ 3,546,265			\$ 3,549,111

Geo 2012A DSR Account

U.S. Treasury	USB	12,000	2.394	10/17/2018	11,714	10/10/2019	70	2.472	11,952	912796RF8	26693	11,944
Federal National Mtg	USBT	1,517,000	1.625	05/25/2016	1,517,000	05/25/2021	663	1.625	1,500,798	3136G3NL5	26333	1,517,000
Fund Total and Average		\$ 1,529,000	1.631		\$ 1,528,714		658	1.632	\$ 1,512,750			\$ 1,528,944
GRAND TOTALS:		\$ 28,107,740	2.250		\$ 27,983,795		974	2.361	\$ 28,200,078.			\$ 28,036,316

\*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 07/31/2019

Investment #26333 FNMA Callable quarterly  
Investment #26369 FNMA Callable quarterly  
Investment #26404 FHLMC Callable anytime starting 7/23/2021  
Investment #26644 FFCB Callable on 10/4/2019  
Investment #26716 FFCB Callable on 4/01/2020  
Investment #26817 FHLMC Callable on 4/01/2020  
Investment #26818 FHLMC Callable on 4/30/2020  
Investment #26819 FHLMC Callable semi-annually starting 7/25/2021  
Investment #26842 TOYOTA Callable quarterly starting 01/29/2020  
Investment #26853 FHLB





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Cap Facilities Debt Service

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Federal Home Loan Ba	USBT	481,000	2.410	03/19/2019	476,653	08/01/2019	0	2.465	481,000	313384JWO	26785	481,000
Federal Home Loan Ba	USBT	480,000	2.380	03/28/2019	476,002	08/01/2019	0	2.433	480,000	313384JWO	26786	480,000
Federal Home Loan Ba	USBT	479,000	2.289	05/29/2019	477,050	08/01/2019	0	2.331	479,000	313384JWO	26830	479,000
Fund Total and Average		\$ 1,440,000	2.360		\$ 1,429,705		0	2.410	\$ 1,440,000			\$ 1,440,000

Cap. Fac. Debt Svc Reserve

U.S. Treasury	USB	36,000	2.397	10/17/2018	35,142	10/10/2019	70	2.475	35,857	912796RF8	26697	35,832
Federal National Mtg	USB	71,000	1.530	07/28/2016	71,000	07/28/2021	727	1.530	70,453	3136G3S97	26358	71,000
Federal Home Loan Mt	USB	1,443,000	2.375	02/13/2012	1,447,430	01/13/2022	896	2.340	1,457,805	3137EADB2	25845	1,444,094
Fund Total and Average		\$ 1,550,000	2.337		\$ 1,553,572		869	2.306	\$ 1,564,115			\$ 1,550,926
GRAND TOTALS:		\$ 2,990,000	2.348		\$ 2,983,277		461	2.356	\$ 3,004,115.			\$ 2,990,926

\*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 07/31/2019 Investment #26358 FNMA Callable quarterly



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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	4,328,339	2.565	07/01/2013	4,328,339		1	2.565	4,328,339	SYS70028	70028	4,328,339
Union Bank of Calif	UBOC	32,086	0.002	07/01/2013	32,086		1	0.002	32,086	SYS70031	70031	32,086
U.S. Treasury	UBOC	1,189,841	2.000	07/31/2019	1,189,887	10/31/2019	91	2.038	1,189,841	912796SQ3	26849	1,189,954
Branch Banking & Tru	UBOC	500,000	2.625	06/13/2018	488,420	01/15/2022	898	3.314	502,890	07330NAQ8	26618	492,077
Exxon Mobil Corporat	UBOC	500,000	2.397	06/13/2018	490,350	03/06/2022	948	2.946	503,340	30231GAJ1	26621	493,282
US Bank	UBOC	550,000	3.000	08/10/2018	546,607	03/15/2022	957	3.182	559,598	91159HHC7	26651	547,526
Public Storage	UBOC	500,000	2.370	03/14/2018	485,770	09/15/2022	1,141	3.051	501,815	74460DAB5	26546	490,133
Visa Inc.	UBOC	500,000	2.800	03/14/2018	494,470	12/14/2022	1,231	3.051	509,415	92826CAC6	26547	496,077
Toyota Motor Credit	UBOC	500,000	2.700	06/13/2018	489,100	01/11/2023	1,259	3.215	506,440	89236TEL5	26619	491,799
Oracle Corp.	UBOC	500,000	2.625	03/14/2018	488,715	02/15/2023	1,294	3.121	506,215	68389XBR5	26545	491,882
Federal Farm Credit	UBOC	1,284,000	2.590	05/30/2019	1,284,000	02/22/2023	1,301	2.590	1,284,218	3133EKMK9	26821	1,284,000
Boeing Co.	UBOC	500,000	2.800	03/14/2018	496,070	03/01/2023	1,308	2.971	505,460	097023BW4	26544	497,163
United Parcel Serv	UBOC	500,000	2.500	06/13/2018	484,900	04/01/2023	1,339	3.182	504,280	911312BK1	26620	488,465
Colgate-Palmolive Co	UBOC	550,000	2.100	08/08/2018	528,860	05/01/2023	1,369	2.985	549,032	19416QEC0	26652	533,073
Federal Home Loan Ba	UBOC	1,500,000	3.250	10/19/2018	1,500,000	10/19/2023	1,540	3.250	1,519,065	3130AEYR5	26701	1,500,000
Federal Home Loan Ba	UBOC	2,000,000	3.100	01/29/2019	2,000,000	01/29/2024	1,642	3.100	2,006,120	3130AFRR0	26742	2,000,000
Fund Total and Average		\$ 15,440,425	2.664		\$ 15,327,374		864	2.833	\$ 15,508,134			\$ 15,355,856

Hydro Initial Facilities

Federal Home Loan Mt	USB	1,707,000	2.000	07/30/2019	1,692,396	12/31/2019	152	2.045	1,692,217	313396RE5	26851	1,692,585
Federal Farm Credit	USB	2,464,000	2.540	02/12/2019	2,464,493	02/12/2020	195	2.519	2,470,332	3133EKAFF3	26761	2,464,261
Fund Total and Average		\$ 4,171,000	2.320		\$ 4,156,889		177	2.326	\$ 4,162,549			\$ 4,156,846

Hydro Debt Service

Federal Home Loan Mt	USBT	547,000	2.000	07/30/2019	542,320	12/31/2019	152	2.045	542,263	313396RE5	26852	542,381
Federal Home Loan Mt	USBT	2,821,000	1.960	07/25/2019	2,796,272	01/02/2020	154	2.004	2,796,514	313396RGO	26834	2,797,347
Fund Total and Average		\$ 3,368,000	1.966		\$ 3,338,592		154	2.011	\$ 3,338,777			\$ 3,339,728

Hydro 2018A Debt Service

Federal Home Loan Mt	USBT	1,156,000	1.960	07/25/2019	1,145,867	01/02/2020	154	2.004	1,145,966	313396RGO	26835	1,146,308
Fund Total and Average		\$ 1,156,000	1.960		\$ 1,145,867		154	2.005	\$ 1,145,966			\$ 1,146,308

Hydro 2019A Debt Service

Federal Home Loan Mt	USBT	814,000	1.959	07/25/2019	806,865	01/02/2020	154	2.004	806,934	313396RGO	26836	807,175
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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
Fund Total and Average		\$ 814,000	1.960		\$ 806,865		154	2.005	\$ 805,934			\$ 807,175

Hydro 2012A Rebate Account

Federal Home Loan Mt	USB	689,000	1.875	04/28/2017	691,391	08/09/2021	739	1.790	688,890	3134G93A3	26432	690,129
Fund Total and Average		\$ 689,000	1.875		\$ 691,391		739	1.790	\$ 688,890			\$ 690,129

Hydro Special Reserve

Local Agency Investm	LAIF	0	0.377	07/01/2013	0		1	0.377	0	SYS70000	70003	0
Union Bank of Calif	UBOC	23,472	0.002	07/01/2013	23,472		1	0.002	23,472	SYS70016	70016	23,472
Federal Home Loan Ba	UBOC	1,500,000	2.100	07/30/2019	1,500,000	04/29/2021	637	2.100	1,497,015	3130AGT54	26854	1,500,000
Fund Total and Average		\$ 1,523,472	2.068		\$ 1,523,472		627	2.068	\$ 1,520,487			\$ 1,523,472

Hydro 2012 Cost of Issuance

US Bank	USB	0	0.040	07/01/2013	0		1	0.040	0	SYS79061	79061	0
Fund Total and Average		\$ 0	*** ***		\$ 0		****	****	\$ 0			\$ 0

Hydro 2012 DSRA

Federal Farm Credit	USB	100,000	1.750	08/28/2015	100,329	08/04/2020	369	1.680	99,739	3133EE5Z9	26244	100,067
U.S. Treasury	USB	146,000	2.250	02/27/2018	145,992	02/15/2021	564	2.251	146,599	9128283X6	26539	145,996
Federal National Mtg	USB	94,000	1.530	07/28/2016	94,000	07/28/2021	727	1.530	93,276	3136G3S97	26359	94,000
Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	896	2.380	3,968,301	3137EADB2	25852	3,927,564
Fund Total and Average		\$ 4,268,000	2.337		\$ 4,266,553		869	2.340	\$ 4,307,915			\$ 4,267,627
GRAND TOTALS:		\$ 31,429,897	2.409		\$ 31,257,003		639	2.499	\$ 31,479,652			\$ 31,287,141

\*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 07/31/2019  
Investment #26359 FNMA Callable quarterly  
Investment #26701 FHLB Callable until 10/19/2020  
Investment #26742 FHLB Callable quarterly  
Investment #26821 FFCB Callable on and anytime after 8/22/19  
Investment #26854 FHLB Callable quarterly starting 01/29/2020



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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		74,643	2.565	07/01/2013	74,643		1	2.565	74,643	SYS70046	70046	74,643
Fund Total and Average		\$ 74,643	2.566		\$ 74,643		1	2.566	\$ 74,643			\$ 74,643

LEC Issue#1 2010A DS Fund

US Bank Trust	USB	677	0.600	07/01/2013	677		1	0.600	677	SYS79003	79003	677
Federal Home Loan Ba	USBT	1,120,000	1.940	07/25/2019	1,112,154	12/02/2019	123	1.980	1,112,160	313384PZ6A	26837	1,112,576
Fund Total and Average		\$ 1,120,677	1.939		\$ 1,112,831		123	1.980	\$ 1,112,837			\$ 1,113,253

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	843	0.600	07/01/2013	843		1	0.600	843	SYS79004	79004	843
Federal Home Loan Ba	USBT	1,520,000	1.939	07/25/2019	1,509,352	12/02/2019	123	1.980	1,509,360	313384PZ6A	26838	1,509,925
Fund Total and Average		\$ 1,520,843	1.939		\$ 1,510,195		123	1.980	\$ 1,510,203			\$ 1,510,768

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	434,675	0.600	07/01/2013	434,675		1	0.600	434,675	SYS79011	79011	434,675
Fund Total and Average		\$ 434,675	0.600		\$ 434,675		1	0.600	\$ 434,675			\$ 434,675

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	742	0.600	07/01/2013	742		1	0.600	742	SYS79012	79012	742
Federal Home Loan Ba	USBT	1,181,000	1.940	07/25/2019	1,172,726	12/02/2019	123	1.980	1,172,733	313384PZ6A	26839	1,173,172
Fund Total and Average		\$ 1,181,742	1.939		\$ 1,173,468		123	1.980	\$ 1,173,475			\$ 1,173,914

LEC Issue#1 2017A DS Fund

Federal Home Loan Ba	USBT	303,000	1.939	07/25/2019	300,877	12/02/2019	123	1.980	300,879	313384PZ6A	26840	300,992
Fund Total and Average		\$ 303,000	1.940		\$ 300,877		123	1.981	\$ 300,879			\$ 300,992

LEC Issue #1 2010 DSR Fund

US Bank Trust	USB	469	0.600	07/01/2013	469		1	0.600	469	SYS79005	79005	469
U.S. Treasury	USB	333,000	2.000	07/25/2019	329,633	01/23/2020	175	2.048	329,713	912796TC3	26844	329,763
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	663	1.659	4,303,669	3133EGBZ7	26337	4,360,000
Federal Home Loan Mt	USB	150,000	1.125	07/28/2017	146,648	08/12/2021	742	1.699	147,590	3137EAC9	26454	148,315



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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
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	1,044	1.760	4,122,304	313379Q69	26463	4,140,817
Fund Total and Average		\$ 8,943,469	1.878		\$ 9,006,056		822	1.721	\$ 8,903,745			\$ 8,979,364

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	898	0.600	07/01/2013	898		1	0.600	898	SYS79006	79006	898
Federal Home Loan Ba	USB	2,145,000	3.375	07/28/2017	2,255,146	06/12/2020	316	1.540	2,169,625	313370E38	26455	2,178,129
Federal Home Loan Ba	UBOC	150,000	1.920	07/25/2019	147,080	07/24/2020	358	1.980	147,107	313384ZU6	26845	147,136
Fund Total and Average		\$ 2,295,898	3.282		\$ 2,403,124		319	1.568	\$ 2,317,630			\$ 2,326,163

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	895	0.600	07/01/2013	895		1	0.600	895	SYS79013	79013	895
U.S. Treasury	USB	1,129,000	1.999	07/25/2019	1,117,585	01/23/2020	175	2.048	1,117,857	912796TC3	26846	1,118,024
Fund Total and Average		\$ 1,129,895	1.999		\$ 1,118,480		175	2.047	\$ 1,118,752			\$ 1,118,919

LEC O & M Reserve

Local Agency Investm		258,954	2.565	07/01/2013	258,954		1	2.565	258,954	SYS70047	70047	258,954
Union Bank of Calif	UBOC	48,307	0.002	07/18/2013	48,307		1	0.002	48,307	SYS70041	70041	48,307
Federal Home Loan Ba	UBOC	3,615,000	1.540	06/30/2017	3,613,952	06/05/2020	309	1.550	3,600,323	3130ABJQ0	26440	3,614,698
Federal National Mtg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	334	1.300	2,977,170	3136G3UJ2	26341	3,000,000
US Bank, N.A.	UBOC	595,000	2.650	05/31/2019	598,290	05/23/2022	1,026	2.456	600,772	90331HPC1	26822	598,106
Federal Home Loan Mt	UBOC	2,500,000	2.800	03/20/2019	2,500,000	03/20/2024	1,693	2.990	2,502,075	3134GSR2	26774	2,500,000
Fund Total and Average		\$ 10,017,261	1.868		\$ 10,019,503		695	1.908	\$ 9,987,601			\$ 10,020,065
GRAND TOTALS:		\$ 27,022,103	1.991		\$ 27,152,852		584	1.814	\$ 26,934,440.			\$ 27,052,756

\*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 07/31/2019

Investment #26337 FFCB Callable anytime

Investment #26822 USB Callable on and anytime after 4/22/2022




# Commission Staff Report

August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Debt and Interest Rate Management Report ending June 30, 2019

**AGENDA CATEGORY:** Consent

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

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

It is recommended the Commission accept the Debt and Interest Rate Management Report for the period ending June 30, 2019.

## **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 June 30, 2019, is attached for your information and acceptance. Listed below is a summary of the report.

### Fixed Rate Debt

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

- Net Present Value (NPV) savings: \$3.6 million through final maturity of 2024
- Percentage savings of refunded bonds: 6.84%
- Average annual savings: approx. \$1.6 million per year

Other highlights are included in the attached report.

### Variable Rate Debt

The Agency has a total of \$85.2 million of outstanding variable rate debt regarding the Hydroelectric 2008 Series A bonds. The Agency's variable rate debt is structured with a Letter of Credit that was substituted with the Bank of America (from the Bank of Montreal) in June 2019. On average, the reset rates continue to trade at or better than the Securities Industry and Financial Markets Association (SIFMA) for the Series A bonds (tax-exempt). The 2008 Series B bonds were called for redemption in May 2019. The reset rates and index comparisons are included in the attached report.

### Interest Rate Swaps

As of June 30, 2019, NCPA had \$85.2 million of an outstanding swap, all related to the Hydroelectric Project bonds, which act as a hedge against the variable rate debt. On April 30th, staff terminated the 2008 Hydroelectric, Series B swap with Citigroup and received a termination payment of \$169,400 leaving the 2008A swap in place. The total market value of the interest rate swap was a net liability of \$15.8 million (negative). This amount has deteriorated since the December 31, 2018 net liability of \$14.2 million (negative) due to a decrease in interest rates. No new swaps or defaults have occurred in the last six months. The interest rate swap make up approximately 30% 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, respective. There have been no changes since the last report.

#### Rating Changes

In May 2019, Moody's notified NCPA they upgraded the Capital Facility Project to A1 from A2 with an outlook of stable. Ratings on all other projects remained the same.

#### **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 June 30, 2019 was \$6.5 million with actual results at \$11.4 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 \$4.9 million. Staff continues to monitor the potential for refinancing these bonds and terminating the swaps, however, the large mark-to-market payment due to Citibank, N.A. of over \$15.8 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 August 13, 2019 and was recommended for Commission acceptance.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

#### **Attachments:**

- Debt and Interest Rate Management Report as of 6-30-2019





# **Debt and Interest Rate Management Report**

## ***As of June 30, 2019***

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# Key Highlights

January 2019 – June 2019

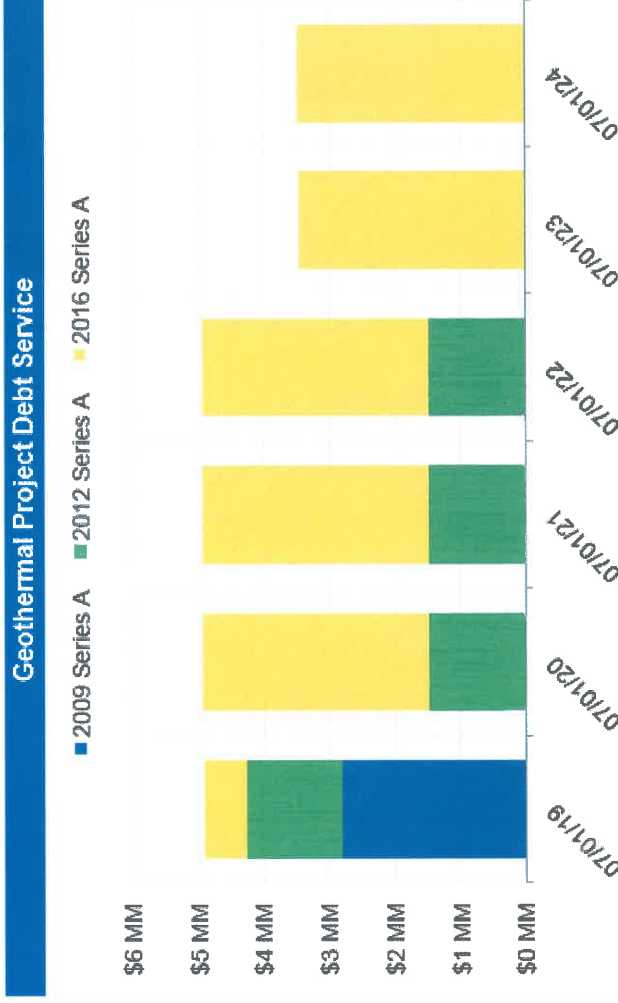
- In March. (April 2<sup>nd</sup> closing), staff refunded the 2010 Hydroelectric, Series A bonds with the 2019 Hydroelectric, Series A bonds generating \$3.6 million of Net Present Value savings (approx. \$1.6 million annually) for project participants.
- On April 30<sup>th</sup>, staff terminated the 2008 Hydroelectric, Series B swap with Citigroup and received a termination payment of \$169,400. On May 14<sup>th</sup>, the outstanding principal, \$910,000, on the 2008 Hydroelectric, Series B bonds was called for redemption.
- In June, staff completed the Letter of Credit substitution for the 2008 Hydroelectric, Series A bonds replacing Bank of Montreal with Bank of America.
- No negative material changes to any fixed or variable rate debt or outstanding swap agreements occurred since the last report.
- On May 30<sup>th</sup>, Moody's upgraded the rating on NCPA's Capital Facility Project to A1 from A2 with an outlook of stable. Ratings on all other projects remained the same.
- No defaults under the above swap agreements, fixed rate or variable rate debt have occurred.
- Counterparty ratings remained the same; no collateral posting by the counterparty has been required and the counterparty remains highly rated.
- The MTM\* on the outstanding swaps changed from a negative value of \$14.2 million on December 31, 2018 to a negative value of \$15.8 million on June 28, 2019.

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

# DEBT OVERVIEW BY PROJECT

# Geothermal Project Debt Overview

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



## Summary of Outstanding Geothermal Project Debt

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

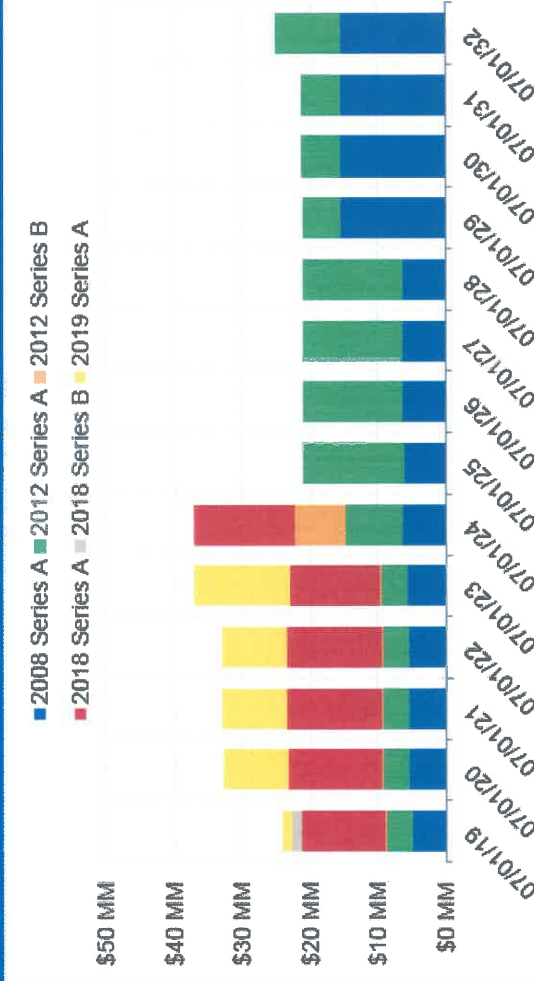
Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2009 Series A	Tax-Exempt	Fixed-Rate	\$35,610,000	\$2,675,000	5.000%	-	7/1/2019
2012 Series A	Tax-Exempt	Fixed-Rate	\$12,910,000	\$4,945,000	2.289%	7/1/2017	7/1/2022
2016 Series A	Tax-Exempt	Fixed-Rate	\$17,530,000	\$16,900,000	1.670%	-	7/1/2024

# Hydroelectric Project Debt Overview

## Hydroelectric Project Participation Percentages

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

## Hydroelectric Project Debt Service



## Summary of Outstanding Hydroelectric Project Debt

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

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2008 Series A	Tax-Exempt	Variable-Rate	\$85,160,000	\$85,160,000	Var. (3.819%) (S)	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	\$68,875,000	5.000%	Non-Callable	7/1/2024
2018 Series B	Taxable	Fixed-Rate	\$1,340,000	\$1,340,000	2.350%	Non-Callable	7/1/2019
2019 Series A	Tax-Exempt	Fixed-Rate	\$39,250,000	\$39,250,000	4.000%-5.000%	Non-Callable	7/1/2023

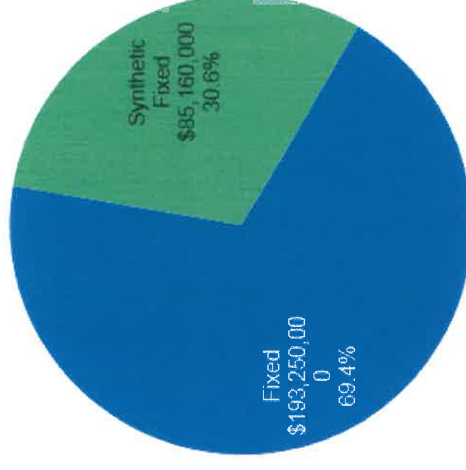
# Hydroelectric Project Debt Overview

## Hydroelectric Project Debt Overview (Cont'd)

Hydroelectric Project Swap Summary						
Series	NCPA Pays	NCPA Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 6/28/19)
2008 Series A	3.8190%	54% of USD-LIBOR + 0.54%	11/24/04	11/24/04	7/1/32	(\$15,800,973)
						Initial Notional
						\$85,160,000
						Current Notional
						\$85,160,000
						Bank Counterparty
						Citibank, N.A., New York (Aa3/A+/A+)

Hydroelectric Project Liquidity Summary				
Series	LOC Provider	LOC Expiry	Reset (as of 07/30/18)	
2008 Series A	Bank of America, N.A. (Aa2/A+/AA-)	June 21, 2024	1.32%	

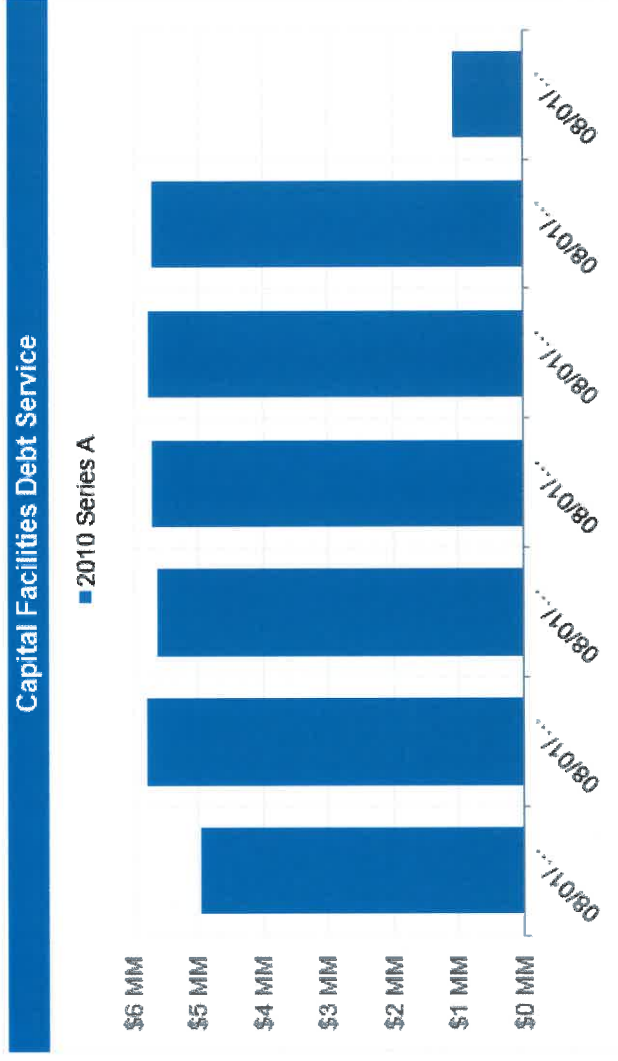
Breakdown of Hydroelectric Project Debt Type





# Capital Facilities Debt Overview

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



## Summary of Outstanding Capital Facilities Debt

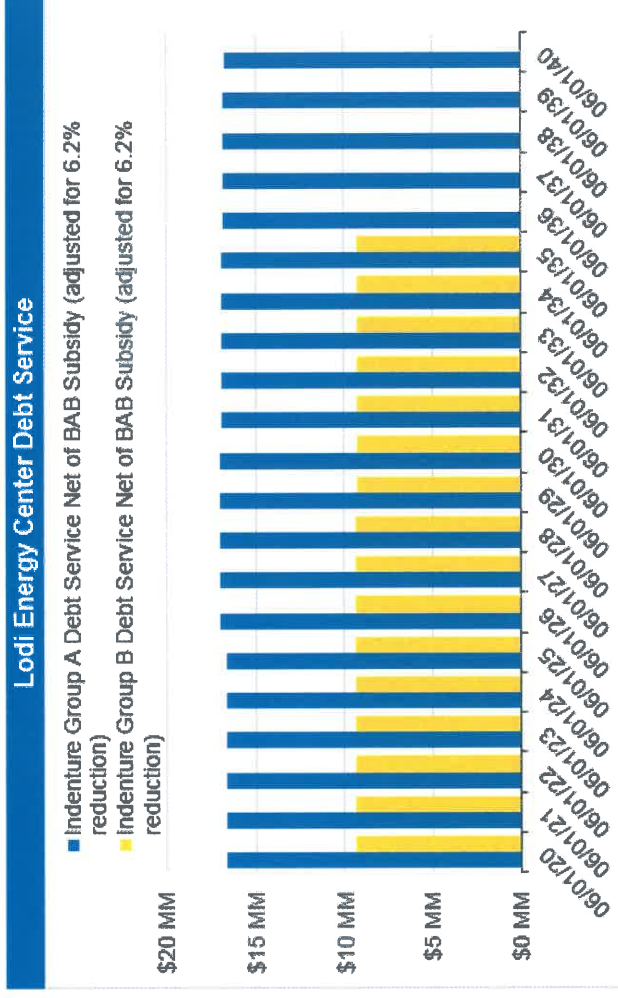
Ratings (M/S/F): A2/A-1, Stable Outlooks

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2010 Series A	Tax-Exempt	Fixed-Rate	\$55,120,000	\$29,645,000	5.000% - 5.250%	2/1/2020	8/1/2025



# Lodi Energy Center Debt Overview

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



Summary of Outstanding Lodi Energy Center Debt						
Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Next Call / Final Maturity
<b>Indenture Group A   Ratings (M/S/F): A1/A-/A-, Stable Outlooks</b>						
2010 Series A	Tax-Exempt	Fixed-Rate	\$78,330,000	\$6,210,000	5.000%	6/1/2020
2010 Series B	Taxable BABs	Fixed-Rate	\$176,625,000	\$176,625,000	7.311% <sup>(1)</sup>	Make-Whole / 6/1/2040
2017 Series A	Tax-Exempt	Fixed-Rate	\$38,970,000	\$38,030,000	2.270%	- / 6/1/2025
<b>Indenture Group B—CADWR   Ratings (M/S/F): Aa2/AA+, Stable Outlooks</b>						
2010 Series B	Taxable BABs	Fixed-Rate	\$110,225,000	\$110,225,000	4.630%-5.679% <sup>(1)</sup>	Make-Whole / 6/1/2035

<sup>(1)</sup> Taxable Build America Bonds; Interest rate gross of BAB subsidy

# FIXED RATE DEBT OVERVIEW

# Fixed Rate Debt Overview

- Fixed Rate Debt
  - While no new fixed rate debt was issued, staff refunded the 2010 Hydroelectric Series A bonds with the 2019 Hydroelectric Series A bonds. Final numbers for the project participants include the following:
    - NPV Savings: \$3.6 million through final maturity of 2024
    - Percentage savings of refunded bonds: 6.84%
    - Average annual savings: approx. \$1.6 million per year
- Ratings
  - Moody's upgraded the rating on NCPA's Capital Facility Project to A1 from A2 with an outlook of stable

# VARIABLE RATE DEBT OVERVIEW

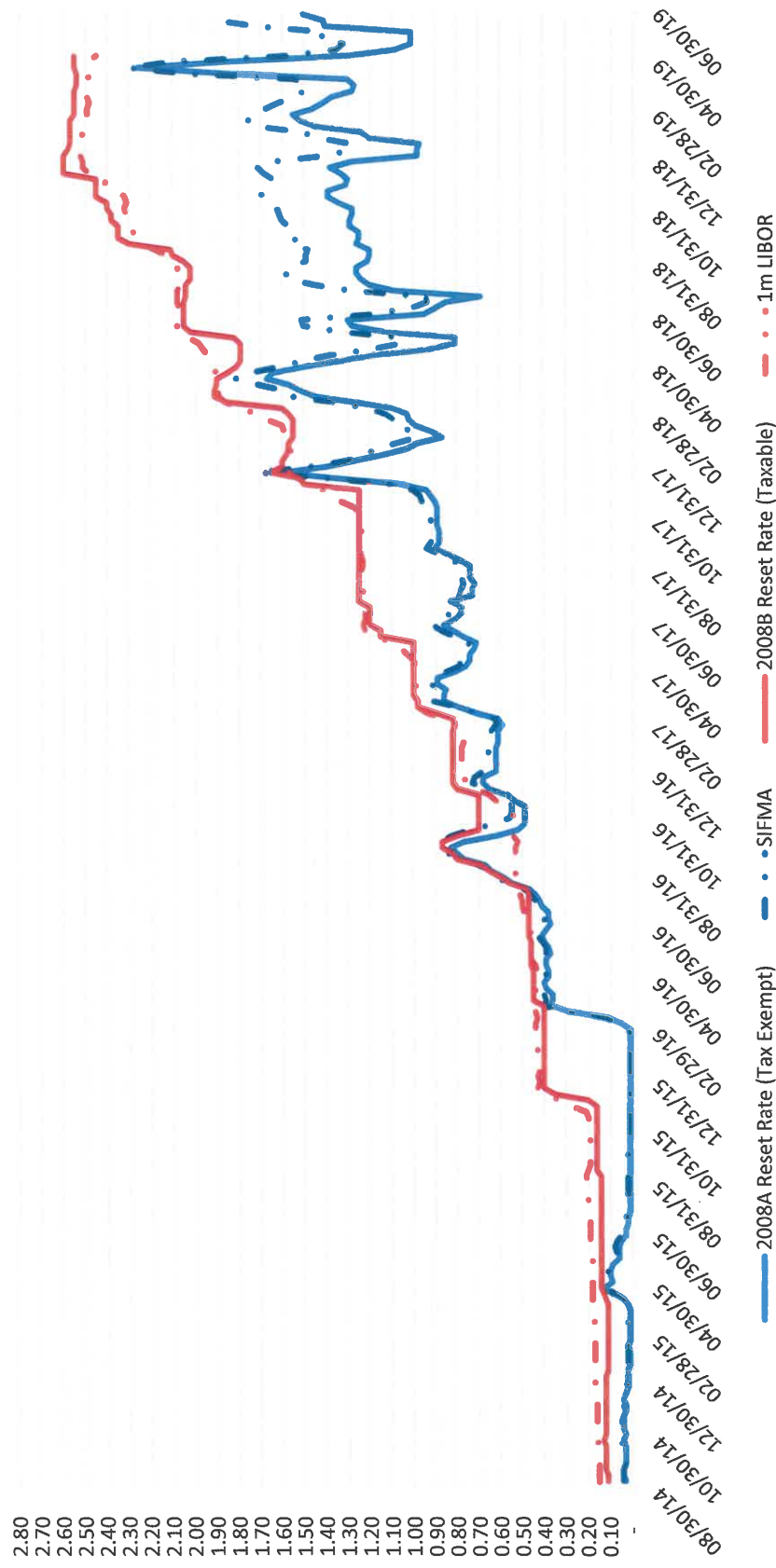
# Variable Rate Debt Overview

	Hydro 2008A	Hydro 2008B
Variable Rate Debt Amount Priced Payment		<b>TERMINATED - APRIL 30TH</b> \$910,000 Weekly Monthly
Swap Counter-party:	Citigroup	Citigroup
Payments	<b>NCPA Pays</b> Fixed @ 3.819%	<b>NCPA Receives</b> Floating rate (based on 54% of monthly Libor+.54%)
From/To: Counterparty		
Payment terms:	Semi-Annual (net) Semi-Annual (net)	Semi-Annual (net) Semi-Annual (net)
Liquidity/Letter of Credit Provider <sup>1</sup> Annual Fee Expiration Date Credit Ratings	Bank of America 35.0 bp 6/21/2024 Aa2/A+/AA-	Bank of Montreal 39.0 bp 9/9/2019 A1/A+/AA-

<sup>1</sup> Effective 6/24/19 Bank of Montreal was replaced as the LOC provider with Bank of America.

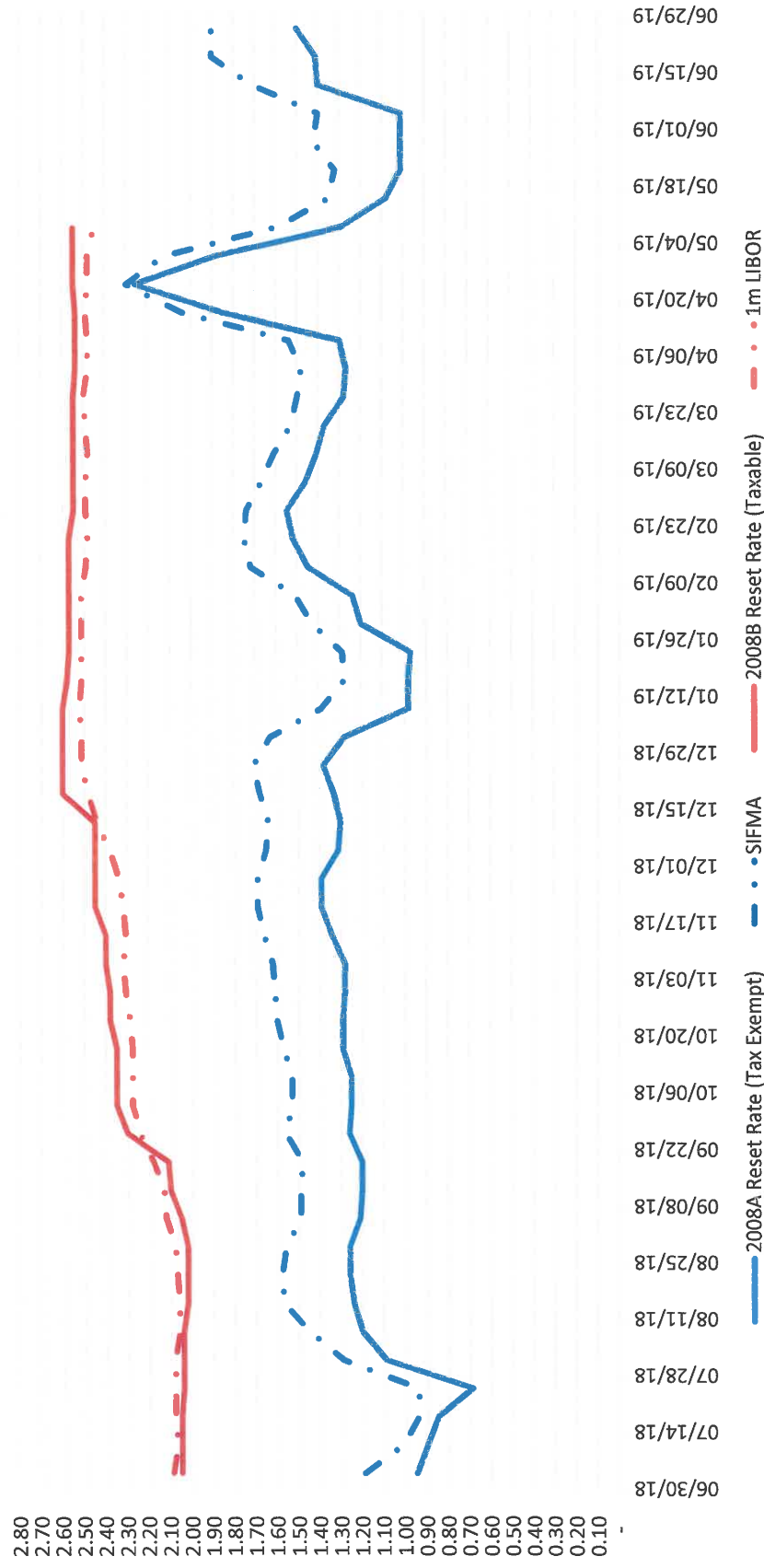
# Variable Rate Debt Overview

## NCPA Variable Rate Debt Performance Versus Indices



# Variable Rate Debt Overview

## NCPA Variable Rate Debt Performance Versus Indices



# INTEREST RATE SWAPS OVERVIEW



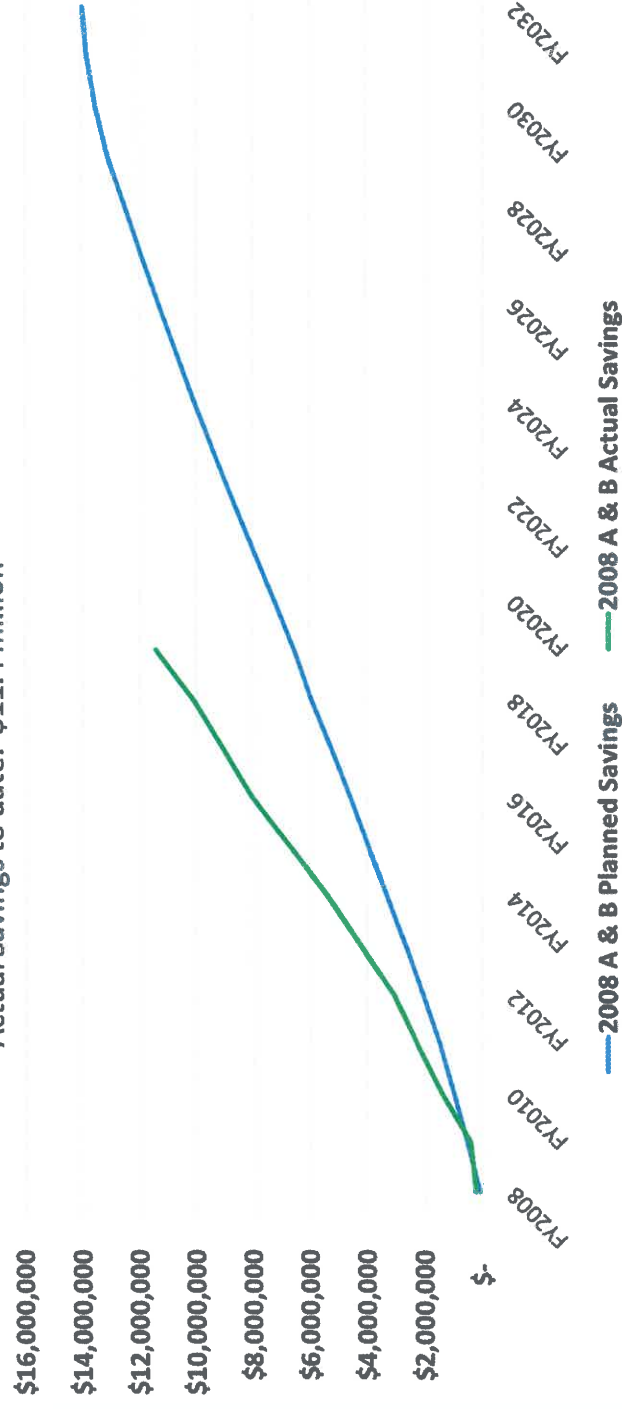
# Interest Rate Swaps Overview

## Northern California Power Agency Hydroelectric Project Swaps Performance to Date June 30, 2019

Total Projected Savings over life of bonds: \$13.9 million

Total Projected Savings to date: \$6.5 million

Actual Savings to date: \$11.4 million



# Interest Rate Swaps 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 6/30/2019			
\$85,160,000	\$85,160,000	Citibank, N.A., New York	A1 / A+ / A+	(\$15,800,973)			

# Interest Rate Swaps Overview



Phone: 215 567 6100  
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	\$85,160,000
							<u>\$85,160,000</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%
(\$15,800,973)	(\$1,580,097)	(\$262,296)	(\$1,638,561)	(\$363,422)	(\$3,621,583)	(\$267,036)	(\$1,896,117)	(\$5,849,520)	(\$322,340)

# Interest Rate Swaps Overview

2008A&B Swap MTM Fair Value





# Commission Staff Report

August 9, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Amendment to NCPA's Personnel Policies and Procedures Manual and Policy 401 General Definitions and Policy 411 Employee Retention: Severance Benefits for Involuntary Separation

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Vicki Cichocki Human Resources Manager	<b>METHOD OF SELECTION:</b>	N/A
<b>Division:</b>	Administrative Services	<i>If other, please describe:</i>	
<b>Department:</b>	Human Resources		

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

It is recommended the Commission approve an amendment to NCPA's Personnel Policies and Procedures Manual language by revising *Policy 401, General Definitions* and *Policy 411, Employee Retention: Severance Benefits for Involuntary Separation* to stabilize the Agency's workforce. This is due to conditions of uncertainty within the electric industry and is meant to recruit and retain employees whom are needed to carry out NCPA's future mission and strategic plan.

## **BACKGROUND:**

The Agency's Personnel Policy 411 provides Severance Benefits when an employee is involuntarily terminated, without cause, excluding "At Will" employees. The Agency's definition of an "At Will" employee in Policy 401 also stipulates that "At Will" employees are not covered under Policy 411. Agency employees who are currently in an "At Will" position are senior managers and other managerial staff.

Given the continued uncertainty within the electric industry, the need to attract and retain managerial talent and ensure that managerial employees who are involuntarily terminated in situations beyond the control of NCPA are treated equitably in accordance with good business practices. NCPA staff recommends modifying the policy language to include the "At Will" employees. Regular and At-Will employees will be eligible for the following benefit upon involuntary separation:

- A lump sum payment equal to two (2) weeks base salary for each continuous year of service to a maximum payment of twenty six (26) weeks (6 months) base salary. Minimum payment, regardless of length of service, is 4 weeks base salary. Partial years of service will be prorated.

Employees in salary grades 31 and above (e.g. Assistant General Managers, General Counsel, and General Manager) will be eligible for a minimum payout of 3 months base salary with a maximum of 6 months including time during a probationary period.

Modifying the policy language will remove a potential barrier attracting key talent and will provide a level of assurance to current staff amidst on-going change in the industry. Probationary employees, provisional, part-time, limited term, or casual, and any employee terminated for cause are not eligible for severance benefits under this plan.

## **FISCAL IMPACT:**

The fiscal impact of approving this Policy change is difficult to quantify due to unknown timing, frequency, or the number of employees that could be included. In the last five years, no "At Will" employee has been terminated without cause.

## **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:**

Staff will seek Executive Committee approval at the Committee's meeting on August 29, 2019.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 19-59
- Policy 401
- Policy 411

## RESOLUTION 19-59

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY AMENDMENT TO NCPA'S PERSONNEL POLICIES AND PROCEDURES MANUAL POLICY 401, GENERAL DEFINITIONS AND POLICY 411, EMPLOYEE RETENTION

#### (Reference Staff Report #182:19)

WHEREAS, NCPA's Personnel Policies and Procedures Manual ("Manual") does not address severance benefits for Agency Managers and Senior Managers currently deemed "At-Will" employees; and

WHEREAS, the Agency wishes to provide severance benefits to Senior Managers and other Managerial Staff who may be involuntarily separated from the Agency due to situations beyond their or NCPA's control; and

WHEREAS, "At-Will" employees will receive the same benefit as Regular employees with the exception of Grade 31 and higher employees (e.g. Assistant General Managers, General Counsel, and General Manager) receiving a minimum of 3 months base salary (as opposed to 4 weeks) and be eligible for the benefit during a probationary period; and

WHEREAS, amending Policy 401, General Definitions and Policy 411, Employee Retention: Severance Benefits for Involuntary Separation will assist in stabilizing the Agency's workforce and assist its ability to recruit and retain key managerial talent during uncertain conditions in the electric industry; 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 an amendment to NCPA's Personnel Policies and Procedures Manual language by revising Policy 401, General Definitions and Policy 411, Employee Retention: Severance Benefits for Involuntary Separation.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote on roll call:

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

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

ATTEST:

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



## PERSONNEL POLICIES AND PROCEDURES

### 401. GENERAL DEFINITIONS

Definitions of general terms used throughout the manual:

#### **Agency**

Northern California Power Agency (NCPA), a joint powers agency formed under the laws of the State of California.

#### **Appointing Authority**

The Commission, General Manager or Assistant General Manager lawfully authorized to make appointments or to remove persons from positions in NCPA service, or persons designated by such appointing authority to perform those duties that legally may be delegated.

#### **“At Will” Employees**

“At Will” employees serve at the pleasure of the Appointing Authority and may be terminated without cause at any time. “At Will” employees include, but are not limited to, employees serving at the pleasure of the Commission or General Manager, Probationary employees, Provisional, Limited-term, Part-time, and Casual employees or any employee whose contract for employment makes him or her an at-will employee. Such employees have no right of appeal except as provided by law, ~~and are not covered under Policy 411 Employee Retention: Severance Benefits for Involuntary Separation.~~

“At-Will” employees who are full-time and not classified as casual, part-time shall acquire service and rights with respect to leave of absence, sick leave, holidays, vacation, benefit programs, etc.

#### **Assistant General Manager**

An executive manager, reporting directly to the General Manager, assigned responsibility for a major department of the Agency.

#### **Casual Employee**

A casual employee receives only salary. No fringe benefits are paid a casual employee however; casual employees shall be afforded Sick Leave in accordance with the California “Healthy Families, Healthy Workplace Act”. In represented classes a casual employee is usually hired for six months or less to fill the immediate needs of the Agency.

#### **Classic Member**

NCPA employees hired prior to January 1, 2013 and who were participating in the California Public Employees Retirement System (CalPERS) prior to January 1, 2013.

#### **Commission**

The NCPA governing body.

Date Issued: August 6, 2019

Date Revised:

## 411. EMPLOYEE RETENTION: SEVERANCE BENEFITS FOR INVOLUNTARY SEPARATION

The purpose of the employee retention severance benefits is:

- To stabilize NCPA's work force under conditions of uncertainty in the electric industry.
- To retain employees needed in carrying out NCPA's future mission and business plan as outlined by its Commission members.
- To assure that employees who are involuntarily terminated in situations beyond the reasonable control of NCPA are treated equitably in accordance with good business practices.

### Eligibility

Regular Agency employees and at-will regular employees; who are not otherwise rendered ineligible by the terms of this paragraph, are eligible to participate in this severance plan, contingent upon the employee relinquishing in writing to the right to pursue litigation against NCPA related to termination (hereinafter, Eligible Employees). Probationary employees, except for employees in pay grades 31 or above, provisional, part-time, limited term, or casual or at-will employees, and any employee terminated for cause are not eligible for severance benefits under this plan. Exceptions to this policy will be at the discretion of the General Manager.

If involuntary severance is required, it may be in NCPA's best interest to provide the potentially affected employees the opportunity to volunteer for severance. If NCPA, in its sole determination, decides to offer voluntary severance to a group of employees, the voluntary severance benefits will be the same as the involuntary severance benefits defined herein.

### Policy

NCPA operates efficiently and effectively, and follows good business practices. Depending upon business conditions, it may become necessary to terminate employees who would prefer to remain employed by the Agency.

NCPA's policy is to provide transition assistance through severance benefits to Eligible Employees who are involuntarily terminated without cause, or who are affected by a change in control. Constructive termination includes a material reduction in pay, benefits, duties or responsibilities, or an unreasonable mandatory relocation.

### Benefits

Benefits upon involuntary separation for Eligible Employees are as follows:

- A lump sum payment equal to two (2) weeks base salary for each continuous year of service to a maximum payment of twenty—six (26) weeks (6 months) base salary. Minimum payment, regardless of length of service, is 4 weeks base salary. Partial years of

service will be prorated.

- For employees in Salary Grade 31 or above who are eligible for a lump sum payment equal to two (2) weeks base salary for each continuous year of service to a maximum payment of twenty-six (26) weeks (6 months) base salary. Minimum payment, regardless of length of service is three (3) months. Partial years of service will be prorated.
- Continuation of Health and Welfare benefits (medical, dental and vision insurance): Current benefits levels will be provided at the Agency's expense to employees who are terminated involuntarily (and eligible dependents) for six (6) months under COBRA. Thereafter, the employee may continue medical coverage at his/her own expense under COBRA following termination, until employment with benefits is obtained with another employer, or COBRA ends, whichever occurs first.

Payment will be made for accrued vacation at the time of termination.

A lump sum payment for half the employee's accrued sick leave will be made. If an employee who is eligible for severance benefits, elects retirement under CalPERS, his or her sick leave and medical benefits will be handled as retirement benefits under CalPERS rules.

### **Change in Control**

In the event of a change of control of NCPA, involuntary severance benefits will apply. A change in control is defined as any reorganization, joint venture, privatization plan, sale merger, affiliation, or contract that results in final decision-making authority with respect to workforce size, composition, wages, hours of work, or working conditions being vested in any entity, person or persons other than NCPA.



# Commission Staff Report

Date: August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Aspen Environmental Group – First Amendment to Five Year Multi-Task Consulting Services Agreement; Applicable to the following Projects: All NCPA Facilities (except NCPA's Lodi Energy Center), NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members.

**AGENDA CATEGORY:** Consent

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

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

Approval of Resolution 19-60 authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Aspen Environmental Group, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$240,000 to \$1,000,000, for continued use at any facilities owned and/or operated by Agency, its Members, SCPPA, or SCPPA Members, with the exception of NCPA's Lodi Energy Center.

## **BACKGROUND:**

Various consulting services, including integrated energy analysis and planning services, are required at NCPA, Member, SCPPA, and SCPPA Member locations from time to time.

NCPA entered into a five year Multi-Task Consulting Services Agreement with Aspen Environmental Group effective December 21, 2018 for an amount not to exceed \$240,000. This agreement has been used by multiple NCPA Members through NCPA's Support Services Program and this agreement is now running low on funds. This amendment will increase the not to exceed amount from \$240,000 to \$1,000,000. This agreement is still available for use at any facility owned and/or operated by the Agency, its Members, SCPPA, or SCPPA Members, with the exception of NCPA's Lodi Energy Center.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years, to be used out of NCPA approved annual operating budgets as services are rendered. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

## **SELECTION PROCESS:**

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has agreements in place with Burns & McDonnell and WorleyParsons for similar services and seeks bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

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

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on August 7, 2019 and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution
- Multi-Task Consulting Services Agreement between NCPA and Aspen Environmental Group
- First Amendment to Multi-Task Consulting Services Agreement between NCPA and Aspen Environmental Group

## RESOLUTION 19-60

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT WITH ASPEN ENVIRONMENTAL GROUP

(reference Staff Report #183:19)

WHEREAS, consulting services, including integrated energy analysis and planning services, are required from time to time at facilities owned and/or operated by Northern California Power Agency (NCPA), its Members, Southern California Public Power Authority (SCPPA), and SCPPA Members, with the exception of NCPA's Lodi Energy Center; and

WHEREAS, Aspen Environmental Group is a provider of these services; and

WHEREAS, NCPA entered into a five-year Multi-Task Consulting Services Agreement with Aspen Environmental Group on December 21, 2018; and

WHEREAS, this agreement has been used multiple times by NCPA Members via the NCPA Shared Services Program, and the agreement is now running low on funds; and

WHEREAS, NCPA seeks to increase the not to exceed amount of the current agreement from \$240,000 to \$1,000,000; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Aspen Environmental Group, with any non-substantial changes as approved by the NCPA General Counsel, increasing the not to exceed amount from \$240,000 to \$1,000,000, for use at all facilities owned and/or operated by NCPA (with the exception of the Lodi Energy Center), its Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

ATTEST:

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



## FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND ASPEN ENVIRONMENTAL GROUP

This First Amendment ("Amendment") to the Multi-Task Consulting Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Aspen Environmental Group ("Consultant") (collectively referred to as "the Parties") as of \_\_\_\_\_, 2019.

WHEREAS, the Parties entered into a Multi-Task Consulting Services Agreement dated effective December 21, 2018, (the "Agreement") for Aspen Environmental Group to provide energy analysis and planning services at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members, with the exception of NCPA's Lodi Energy Center facility; 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 \$240,000.00 to a 'NOT TO EXCEED amount of \$1,000,000.00; and

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

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

NOW, THEREFORE, the Parties agree as follows:

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

Agency hereby agrees to pay 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.

The remainder of Section 2 of the Agreement is unchanged.

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

///

///



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

NORTHERN CALIFORNIA POWER AGENCY

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

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

ASPEN ENVIRONMENTAL GROUP

\_\_\_\_\_  
**HAMID RASTEGAR, President**

Attest:

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

Approved as to Form:

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



# Commission Staff Report

Date: August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Brenntag Pacific, Inc. – Five Year Multi-Task Agreement for Purchase of Supplies for bulk chemical purchases; Applicable to the following projects: All NCPA Facility Locations

**AGENDA CATEGORY:** Consent

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

<b>IMPACTED MEMBERS:</b>		
All Members <input 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 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>		Azusa, CDWR, Modesto
		PWRPA, Turlock

## **RECOMMENDATION:**

Approval of Resolution 19-61 authorizing the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Supplies with Brenntag Pacific, Inc. for bulk 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.

## **BACKGROUND:**

Bulk chemical purchases are required from time to time related to project support at 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, to be used out of the NCPA approved annual operating budgets. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

## **SELECTION PROCESS:**

This enabling agreement does not commit NCPA to any expenditure of funds. At the time purchases are required, NCPA will bid the specific purchases consistent with NCPA procurement policies and procedures. NCPA has agreements in place with Hill Brothers, Northstar Chemical, Thatcher Company of CA and Univar USA for similar services and seeks bids from multiple qualified providers whenever purchases are needed. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the chemicals needed at the time the purchase 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 August 7, 2019, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on August 12, 2019, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task Agreement for Purchase of Supplies with Brenntag Pacific, Inc.

RESOLUTION 19-61

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK AGREEMENT FOR PURCHASE OF SUPPLIES WITH  
BRENNTAG PACIFIC, INC.

(reference Staff Report #184:19)

WHEREAS, bulk chemical purchases are periodically required at facilities owned and/or operated by Northern California Power Agency (NCPA); and

WHEREAS, Brenntag Pacific, Inc. is a provider of these chemicals; and

WHEREAS, NCPA seeks to enter into a Multi-Task Agreement for Purchase of Supplies with Brenntag Pacific, Inc. to provide such materials as needed at all NCPA Generation facility locations 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 Agreement for Purchase of Supplies with Brenntag Pacific, Inc. with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$2,500,000 for bulk chemical purchases, for use at all facilities owned and/or operated by NCPA.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

ATTEST:

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



**MULTI-TASK  
AGREEMENT FOR PURCHASE OF SUPPLIES  
BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
BRENNTAG PACIFIC, INC.**

This Agreement for Purchase of Supplies ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency, with its main offices located at 651 Commerce Drive, Roseville, CA, 95678-6420 ("Agency") and Brenntag Pacific, Inc., ("Supplier"), whose principal office is located at 10747 Patterson Place, Santa Fe Springs, CA 90670 (individually, a "Party" and together referred to as the "Parties") as of \_\_\_\_\_, 2019 (the "Effective Date").

**Section 1. SCOPE.** In accordance with the terms and conditions set forth in this Agreement, Supplier is willing to use commercially reasonable efforts to deliver the supplies ("Goods") described in Exhibit A, attached hereto and incorporated herein to the designated Project Site, DDP, on or before the Agency's requested delivery date. Supplier shall be responsible at its sole expense for delivering the Goods to the designated Project Site and title and risk of loss shall pass as provided in Section 9.3 of this Agreement. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

**Section 2. PROJECT SITE.** Goods provided under this Agreement by Supplier may include Goods delivered directly to the Agency. The "designated Project Site", as that term is used herein, shall mean the site for delivery, DDP.

**Section 3. TERM AND TERMINATION OF AGREEMENT.**

- 3.1** This Agreement shall begin upon the Effective Date and shall end on the later of five (5) years after the Effective Date or when Supplier has provided to Agency the Goods described in Exhibit A pursuant to a Purchase Order issued within five (5) years of the Effective Date.
- 3.2** If at any time either Party files a petition seeking to take the benefit of any bankruptcy or insolvency proceeding, or becomes subject to such a proceeding, the other Party shall have the right, by written notice, to immediately terminate this Agreement.
- 3.3** Either Party may terminate this Agreement upon one hundred and eighty (180) calendar days prior written notice to the other Party.

**Section 4. REQUEST FOR GOODS.** At such time that Agency determines to request Supplier provide Goods under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Goods to be provided ("Requested Goods"), may include a not-to-exceed cap or monetary cap on the Requested Goods and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Goods are requested to be delivered. Each Purchase Order is subject to Supplier's acceptance, provided, however, that Supplier shall have seven (7) calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Supplier

chooses not to provide the Requested Goods. If Supplier agrees in writing to provide the Requested Goods or does not respond within the seven day period specified, then Supplier will have agreed to provide the Requested Goods on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 5.** Any claim for shortage in quantity of the Goods that was reasonably discoverable upon visual inspection shall be deemed to be waived by Agency unless made in writing within thirty (30) days from the date of delivery; provided, however, that this Section 5 shall not be deemed to waive any other claims regarding a defect in the quality or identity of the Goods, which claims shall be governed by Section 8 (Warranty) of this Agreement. No action, regardless of form, arising out of the sale or delivery of Goods hereunder, may be commenced by Agency more than one (1) year after the occurrence and Agency discovery of the event giving rise to such cause of action.

**Section 6. COMPENSATION.** Agency hereby agrees to pay Supplier for the Goods an amount not to exceed TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00) as total compensation under this Agreement, which includes all shipping, taxes (if applicable), insurance, delivery charges, and any other fees, costs or charges. This dollar amount is not a guarantee that Agency will pay that full amount to the Supplier, but is merely a limit of potential Agency expenditures under this Agreement.

- 6.1 Invoices.** Supplier shall have ninety (90) days after the delivery of Goods to invoice Agency for all amounts due and outstanding under this Agreement. Supplier shall include the number of the Purchase Order which authorized the Goods for which Supplier is seeking payment. In the event Supplier fails to invoice Agency for all amounts due within such ninety (90) day period, Supplier waives its right to collect payment from Agency for such amounts. All invoices shall be submitted to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

- 6.2 Payment.** Agency shall pay all invoices within thirty (30) days of the receipt of any invoice for Goods satisfactorily received.

- 6.3 Financial Responsibility.** If, in the reasonable judgment of Supplier, the financial responsibility of Agency shall at any time become impaired, Supplier may suspend credit, cancel any unfilled orders, and/or decline to make further deliveries under this Agreement except upon receipt, before shipment, of payment in cash or satisfactory security for such payment.

- 6.4 Timing for Submittal of Final Invoice.** Supplier shall have ninety (90) days after delivery of the Requested Goods to submit its final invoice for the Requested Goods. In the event Supplier fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Supplier is deemed to have

waived its right to collect its final payment for the Requested Goods from Agency.

**Section 7. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Supplier, at its own cost and expense, shall procure the types and amounts of insurance listed below for the period covered by the Agreement.

- 7.1 Workers' Compensation.** If Supplier employs any person, Supplier shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Supplier with limits of not less than one million dollars (\$1,000,000) per accident.
- 7.2 Automobile Liability.** Supplier shall maintain automobile liability insurance for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle, whether or not owned by the Supplier, on or off Agency premises. The policy shall provide a minimum limit of \$3,000,000 per each accident, with \$5,000,000 aggregate. This insurance shall provide contractual liability covering all motor vehicles utilized in the transport of the Goods to the Agency's Project Site.
- 7.3 Commercial General Liability (CGL).** Supplier shall maintain commercial general liability coverage covering Goods, including product liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury, sudden and accidental release and broad form property damage which may arise out of the operations of Supplier in regard to this Agreement with not less than \$3,000,000/\$5,000,000 aggregate for bodily injury and property damage, on an occurrence basis. No endorsement shall be attached limiting the coverage required hereunder.
- 7.4 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.
- 7.5 All Policies Requirements.**
- 7.5.1 Verification of Coverage.** Prior to beginning any work under this Agreement, Supplier shall, at the sole option of the Agency, provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the automobile liability policy and the CGL policy including the Northern California Power Agency as an Additional Insured and declaring such insurance primary to the extent of Supplier's indemnification obligations in regard to work performed pursuant to this Agreement and that Agency's insurance is excess and non-contributing.
- 7.5.2 Notice of Reduction in or Cancellation of Coverage.** With regard to any insurance policies required under this Agreement, Supplier agrees to provide at least thirty (30) days prior written notice of any cancellation



where such policies will not be replaced with like coverage or materially adverse reduction in scope or amount of the insurance required under this Agreement.

**7.5.3 Waiver of Subrogation.** Supplier agrees to waive subrogation which any insurer of Supplier may acquire from Supplier by virtue of the payment of any loss. Supplier agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

**7.5.4 Self-Insured Retention.** Supplier shall declare the amount of the self-insured retention, if any, to the Agency; the amount shall be not more than \$100,000.

**Section 8. WARRANTY.** Upon delivery, Supplier warrants that all Goods are free from defects in design and workmanship; comply with applicable federal, state and local laws and regulations; are new, of good quality and workmanship, and free from defects; are not subject to any liens or encumbrances; and meet the specifications of Agency, and, if none, then the manufacturer's specifications. Supplier shall provide all Goods in accordance with all applicable engineering, construction and other applicable codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all within industry standards expected from purveyors engaged in the practice of providing materials and supplies of a similar nature. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING CONTAINED HEREIN SHALL BE CONSTRUED AS A WARRANTY WITH RESPECT TO THE RESULTS OBTAINED OR OBTAINABLE FROM THE USE OF ANY GOODS SUPPLIED BY SUPPLIER HEREUNDER. Moreover, if, during the period (i) twelve (12) months from delivery or (ii) the shelf life of the Goods, if stated in writing to be less than twelve (12) months, the Goods provided by Supplier under this Agreement fail to comply with this Section 8, Supplier shall, upon any reasonable written notice from Agency, and provided that (a) Agency's account with Supplier is current and in good standing, as provided under Section 6.2 of this Agreement (ii) Agency has properly stored the Goods in accordance with Supplier's or manufacturer's written instructions, (iii) provided Supplier a sample for testing and (iv) subject to Section 5, replace or repair the same to Agency's reasonable satisfaction.

**Section 9. INDEMNIFICATION AND SUPPLIER'S RESPONSIBILITIES.**

**9.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Supplier 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, Supplier acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

**9.2 Scope.** Subject to the limitations of liability set forth elsewhere herein, Supplier 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 to the extent directly and proximately caused by: (i) any negligent acts or omissions or willful misconduct by Supplier, its officers, officials, agents, and employees, (ii) Supplier's violation of law, or (iii) Supplier's breach of this Agreement.

- 9.3 Transfer of Title and Risk of Loss.** Supplier shall be deemed to be in exclusive possession and control of the Goods and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of any Goods, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Supplier or its agents complete transfer of the Goods into appropriate containers, machinery, storage tanks or other storage apparatus identified by Agency. In the event a spill, leak, discharge or release directly and proximately caused by Supplier or results from Supplier's transfer to but excluding the integrity of Agency's storage tanks requires notification to a federal, state or local regulatory agency, Supplier shall be responsible for all such notifications. Should Supplier or Agency be required to remedy or remove Goods as a result of a leak, spill, release or discharge of Goods into the environment at Agency's Site, Supplier agrees to remediate, remove or cleanup Agency's Site to the extent the leak, spill or release was directly and proximately caused by Supplier or resulted from the Supplier's transfer operation to Agency storage tanks to the standard required by and may include receiving a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

**Section 10. LIMITATION OF LIABILITY.** IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY EXEMPLARY, PUNITIVE, INDIRECT, MULTIPLE, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.

**Section 11. FORCE MAJEURE.** Neither Party shall be liable in damages or otherwise, for delay or impairment or failure of performance (other than a failure to pay any monies due) by reason of causes beyond that Party's reasonable control. Notwithstanding anything contained or implied in this Agreement, neither Party shall be required to perform at an economic loss to overcome a force majeure or settle a labor dispute against its will in the performance of its obligations hereunder. If any force majeure event continues for more than thirty (30) days, then either Party may terminate this Agreement upon written notice to the other Party.

**Section 12. MISCELLANEOUS PROVISIONS.**

- 12.1 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Supplier and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein. No provision of any Purchase Order or other document issued by either Party will alter or add to the terms of this Agreement (other than general commercial terms that vary from Purchase Order to Purchase Order such as

quantity, price, desired delivery date and delivery location), and any such provision or modification will be void and of no effect. No modification of this Agreement shall be effected by the Parties' course of dealing, usage, or trade custom.

- 12.2 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.
- 12.3 Compliance with Applicable Law.** Both Parties shall comply with all applicable federal, state, and local laws, rules and regulations in regard to this Agreement and the Goods supplied hereunder.
- 12.4 Construction of Agreement.** The Parties agree that the usual construction of an agreement against the drafting party shall not apply here.
- 12.5 Supplier's Status.** Supplier is an independent contractor and not an employee or agent of NCPA.
- 12.6 Non-assignment.** Supplier may not assign this Agreement without the prior written consent of NCPA, which shall not be unreasonably withheld, conditioned or delayed. Agency may not assign this Agreement without Supplier's prior credit approval, which approval shall not be unreasonably withheld, conditioned or delayed.
- 12.7 Governing Law.** This Agreement and all matters pertaining to it, shall be governed by the laws of the State of California, without reference to its conflict of laws rules, and venue shall lie in the state or federal courts or both located in Placer County or in the county to which the Goods are delivered.
- 12.8 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.
- 12.9 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.
- 12.10 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. No waiver shall be effective unless it is in writing and signed by the Party against whom the waiver is sought to be enforced.

**12.11 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and permitted assigns of the Parties.

**12.12 Conflict of Interest.** Supplier may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Supplier in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Supplier 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.*

**12.13 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his designee or successor, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

**12.14 Notices.** Any notices required or given in connection with this Agreement shall be sent or delivered in writing and be made by (i) certified or registered mail, return receipt requested, (ii) nationally recognized overnight delivery service, or (iii) personal delivery. For any notice relating to a breach or termination hereof to be effective against Supplier, a copy of such notice shall be sent to Brenntag North America, Inc., 5083 Pottsville Pike, Reading, PA 19605, Attention: General Counsel. Notice shall be effective on the date on which it is actually received or refused by the addressee. Notices shall be sent to the addresses specified below, which the Parties agree to promptly update as necessary.

Any written notice to Supplier shall be sent to:

Brenntag Pacific, Inc.  
10747 Patterson Place  
Santa Fe Springs, CA 90670

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

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

**12.15.1** Each party shall designate a senior management or executive level representative to negotiate any dispute.

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

**12.15.3** 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 after thirty (30) days of legal counsel's involvement, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

**12.15.4** The mediation process shall provide for the selection by both Parties within fifteen (15) days of the failure of resolution by legal counsel of a disinterested third person as mediator, shall be commenced within thirty (30) days of selection of a mediator and shall be concluded within fifteen (15) days from the commencement of the mediation. The mediator shall be knowledgeable in either the chemical or distribution industry and knowledgeable regarding public agencies. Mediation shall take place in Placer County, California or such other location as the Parties mutually agree.

**12.15.5** Each Party shall bear its own costs relating to the mediation irrespective of its outcome, provided, however that the Parties shall equally bear all other costs of mediation, including the costs of any third party mediator.

**12.15.6** The mediator shall be empowered to award money damages, but shall not be empowered to award any damages precluded by this Agreement, or injunctive or any other equitable relief. Nothing in this Agreement shall preclude either Party from seeking injunctive or equitable relief in accordance with applicable law or seeking redress from the courts for any dispute involving a third party.

**12.15.7** 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.*

- 12.16 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Supplier's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Supplier's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Supplier's Proposal (if any), the Purchase Order shall control.
- 12.17 Certification as to California Energy Commission.** If requested by the Agency, Supplier shall, at the same time it executes this Agreement, execute Exhibit B.
- 12.18 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Supplier shall, at the same time it executes this Agreement, execute Exhibit C.
- 12.19 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.
- 12.20 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

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

NORTHERN CALIFORNIA POWER AGENCY

BRENNTAG PACIFIC, INC.

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

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

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

\_\_\_\_\_  
**TIM DEAL,**  
Vice President

Attest:

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

Approved as to Form:

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

## EXHIBIT A

### PURCHASE LIST

As requested by Agency, Supplier shall provide supplies ("Goods") including, but not limited to the following:

Anhydrous Ammonia (R Grade)	No Quote
Aqueous Ammonia 19%	\$ 0.49 / Lb
Hydrated Lime 90%	\$ 420.00 / Ton
MagOx 93	\$ 672.00 / Ton
Magnesium Sulfate 30%	No Quote
Sodium Bisulfite 40%	\$ 0.37 / Lb
Sodium Hydroxide 15% (Caustic Soda)	No Quote
Sodium Hypochlorite 12.5% (Bleach)	\$ 0.136 / Lb
Sulfuric Acid 93%	No Quote

All delivery vehicles shall be labeled and constructed to meet all requirements of the California State Highway Patrol, the Interstate Commerce Commission and any and all jurisdictions having control over said delivery truck operations.

NCPA acknowledges that Supplier's chemical pricing may be subject to change every six to twelve (6 -12) months. NCPA shall compensate Supplier in accordance with such price list revisions, provided, however, that (1) Supplier shall provide NCPA with written notice of such bi-annual revisions thirty (30) days in advance; and (2) regardless of such price list revisions, total compensation for all tasks, including all chemicals delivered under this Agreement, shall not exceed the amount set forth in Section 6 (Compensation) of this Agreement.

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

**EXHIBIT B**

**CERTIFICATION**

**Affidavit of Compliance for Suppliers**

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

BRENNTAG PACIFIC, 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.



**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

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

BRENNTAG PACIFIC, INC.

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

\_\_\_\_\_  
(Signature of officer or agent)

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

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



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# Commission Staff Report

Date August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Integrated Engineers and Contractors Corporation dba IEC Corporation – Five Year Multi-Task Professional Services Agreement for energy related consulting services; Applicable to the following projects: All NCPA Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

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

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

Approval of Resolution 19-62 authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Integrated Engineers and Contractors Corporation dba IEC Corporation for energy related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, its Members, the Southern California Public Power Authority (SCPPA), or by SCPPA Members.

## **BACKGROUND:**

Energy related consulting services, including those related to renewable energy, power generation and delivery, and energy storage, are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (SCPPA), and by SCPPA Members.

## **FISCAL IMPACT:**

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

## **SELECTION PROCESS:**

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has agreements in place with Worley Parsons and CH2M Hill for similar services and seeks bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

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

## **COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on August 7, 2019, and was recommended for Commission approval on Consent Calendar.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on August 12, 2019, and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement with Integrated Engineers and Contractors Corporation dba IEC Corporation

RESOLUTION 19-62

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH  
INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION DBA IEC  
CORPORATION

(reference Staff Report #185:19)

WHEREAS, energy related consulting services, including those related to renewable energy, power generation and delivery, and energy storage, are periodically required at the facilities owned and/or operated by the Northern California Power Agency (NCPA), its Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Integrated Engineers and Contractors Corporation dba IEC Corporation is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task Professional Services Agreement with Integrated Engineers and Contractors Corporation dba IEC Corporation to provide such services as needed at all NCPA facilities, Member, SCPPA, and SCPPA Member facilities 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 Integrated Engineers and Contractors Corporation dba IEC Corporation, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for energy related consulting services, for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (SCPPA), or by SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

ATTEST:

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



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
INTEGRATED ENGINEERS AND CONTRACTORS CORPORATION DBA IEC  
CORPORATION**

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 Integrated Engineers and Contractors Corporation dba IEC Corporation, a corporation with its office located at 8795 Folsom Blvd. Suite 206, Sacramento CA 95826 ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 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](mailto: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 \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

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



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

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

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

**4.4 All Policies Requirements.**

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

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

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

**4.4.4 Additional Certificates and Endorsements.** If Consultant provides services to Agency members, SCPPA and/or SCPPA members, 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 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 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:

Eric Quintero  
President  
IEC Corporation  
8795 Folsom Blvd. Suite 205  
Sacramento, CA 95826

Any written notice to Agency shall be sent to:

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

With a copy to:

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

- 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, SPPA or SPPA 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

INTEGRATED ENGINEERS AND  
CONTRACTORS CORPORATION dba IEC  
CORPORATION

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
**ERIC QUINTERO, President**

Attest:

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

Approved as to Form:

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

**EXHIBIT A**  
**SCOPE OF SERVICES**

Integrated Engineers and Contractors Corporation dba IEC Corporation ("Consultant") shall provide consulting services related to Renewable Energy, Power Generation, Power Delivery, and Energy Storage to the Northern California Power Agency ("Agency"), its Members, Southern California Public Power Authority ("SCPPA") or SCPPA Members.

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

- Engineering and technical support
- Design review
- Project management support
- Feasibility studies
- Cost Estimating
- Cyber security compliance
- Security projects
- Renewable Portfolio Standard (RPS) Projects
- Energy consulting services
- Energy Management services
- Power studies and analysis
- Substation design and technical support

No services under this Agreement shall include work that would qualify as a Public Works Project under guidelines established by the State of California.

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,000,000 subject to Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

#### **Professional and Technical Services**

Project Manager II/Principal Engineer II	\$195
Project Manager I/Principal Engineer I	\$175
Senior Engineer II	\$165
Senior Engineer I	\$140
Associate Engineer II	\$120
Associate Engineer I	\$95
Project Professional	\$95
Designer/Drafter	\$110
Project Assistant	\$85

#### **Other Costs**

1. Direct Expenses (non-equipment) will be billed at cost.
2. Mileage will be billed at the published IRS mileage rates in effect.
3. Travel time to and from client sites will be billed at hourly rates shown above.
4. Federal Published per diem rates (GSA) will apply, if applicable.
5. An annual escalation rate of 3% will apply.

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: August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** CT1 Facilities Generator Circuit Breaker Replacement Project; Applicable to the following projects: CT1 Alameda and CT1 Lodi Facilities

**AGENDA CATEGORY:** Consent

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

<b>IMPACTED MEMBERS:</b>					
All Members	<input type="checkbox"/>	City of Lodi	<input checked="" type="checkbox"/>	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 type="checkbox"/>
<i>If other, please specify</i>					
<hr/>					
<hr/>					

## **RECOMMENDATION:**

Approval of Resolution 19-63 authorizing the replacement of the generator circuit breakers at NCPA's CT1 Alameda and CT1 Lodi facilities and authorizing the General Manager or his designee to enter into agreements and to issue purchase orders to complete this work without further approval by the Commission, with a total cost not to exceed \$510,000.

## **BACKGROUND:**

The generator circuit breakers at CT1 Alameda and CT1 Lodi are inspected annually. During recent annual maintenance, tests indicated breaker timing response issues with the generator circuit breakers at both CT1 Alameda and CT1 Lodi. As the generator circuit breakers are at the end of life and spare parts are no longer available, they will need to be replaced. This is usual generator breaker maintenance for NCPA's CT1 facilities, which includes electrical and engineering work. This maintenance ensures the plants continue to operate in a safe, efficient, usable condition as designed.

## **FISCAL IMPACT:**

Total cost of the work is estimated up to \$510,000. This project is included in the current fiscal year budget for \$750,000. Cost allocation will be based on project participation percentages.

## **SELECTION PROCESS:**

In accordance with NCPA's procurement policies and procedures, NCPA will bid the needed work to carry out this Project. Bids will be solicited from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time services are requested.

## **ENVIRONMENTAL ANALYSIS:**

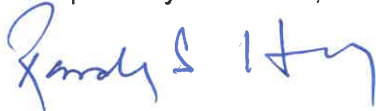
Work associated with this Project is categorically exempt under a Class 1 Exemption under CEQA guidelines 15301(b) and is therefore categorically exempt from CEQA. Class 1 is the "existing facilities" exemption which includes the repair, maintenance, or minor alteration of existing public structures, facilities, mechanical equipment, involving negligible or no expansion of use. All necessary Federal, State and County notifications will be made prior to commencing the work.

A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in Alameda County and San Joaquin County.

## **COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on August 7, 2019, and was recommended for Commission approval on Consent Calendar.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard", is written over the typed name.

RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution



## RESOLUTION 19-63

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE CT1 FACILITIES GENERATOR CIRCUIT BREAKER REPLACEMENT PROJECT

(reference Staff Report #186:19)

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains the CT1 Alameda and CT1 Lodi facilities on behalf of the project participants; and

WHEREAS, recent tests performed during annual maintenance of the CT1 generator circuit breakers indicate breaker timing response issues; and

WHEREAS the generator circuit breakers have reached end of life and spare parts are no longer available. In order to continue plant operations, they will need to be replaced; and

WHEREAS, this is usual generator breaker maintenance for NCPA's CT1 facilities, which includes electrical and engineering work. This maintenance ensures the plants continue to operate in a safe, efficient, usable condition as designed; and

WHEREAS, NCPA now seeks approval for replacement of the generator circuit breakers at both the CT1 Alameda and CT1 Lodi facilities; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency approves the replacement of the generator circuit breakers at NCPA's CT1 Alameda and CT1 Lodi facilities, and authorizes the General Manager or his designee to enter into agreements and issue purchase orders to complete this work without further approval by the Commission, with a total cost not to exceed \$510,000.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

ATTEST:

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



# Commission Staff Report

Date August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** Geothermal Q-Site Drilling Project

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b> Joel Ledesma <i>J-L</i> Assistant General Manager	<b>METHOD OF SELECTION:</b> <i>Competitive Pricing Process</i>
<b>Division:</b> Generation Services	<i>If other, please describe:</i>
<b>Department:</b> Geothermal	

## IMPACTED MEMBERS:

All Members <input type="checkbox"/>	City of Lodi <input checked="" type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input checked="" type="checkbox"/>	City of Lompoc <input checked="" type="checkbox"/>	City of Ukiah <input checked="" type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input 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 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"/>

*If other, please specify*

Turlock

## **RECOMMENDATION:**

Approval of Resolution 19-64 expanding the scope of the current P-Site Drilling Project to include additional work on Q-Site wells using excess funds from the P-Site Drilling Project, and authorizing the General Manager or his designee to issue purchase orders for the additional work on the Q-Site wells.

## **BACKGROUND:**

NCPA's current drilling project at the P-Site is nearing completion, and it appears the total cost of that project will come in under the initial estimated budgeted amount. NCPA staff estimates that the current drilling should be completed by the end of September 2019, and that the total cost of current drilling work will likely come in under \$6 million, leaving \$3 million in the drilling budget. Staff had planned to complete work on Q-Site wells in 2020. Staff would instead like to use the remaining funds from the P-Site Drilling Project to complete work on wells Q10 and Q3 this year. Initiating work on these wells immediately after completing the current P-Site drilling will save roughly \$350,000 in mobilization fees for the drill rig and other required equipment. Staff also anticipates additional operational savings resulting from the ability to continue utilizing crews that are already well versed in the operation and have been on-site for the current P-Site Drilling Project.

## **FISCAL IMPACT:**

Total cost of the P-Site Drilling Project is not to exceed \$9,000,000, as previously approved in the November 28, 2018 Commission meeting. Work on the additional Q-Site wells will be covered using excess funds from the P-Site Drilling Project. The P-Site Drilling Project was included in the current fiscal year budget. Funds for this project are available in the Generation Services GEO account (accounting code 265-023-000-634-044-001). Cost allocation will be based on project participation percentages.

## **SELECTION PROCESS:**

In conjunction with the Well Workovers Project for the P-Site wells, on January 28, 2019, NCPA issued its RFP for provision of the drill rig, supervision, labor, and equipment required to perform work on the four specified P-Site wells. NCPA also bid the additional work necessary for the Project. Bids were awarded to the lowest cost providers in accordance with NCPA's procurement policies and procedures. NCPA will utilize the results of these procurement activities for the expanded Q-Site well work. NCPA will issue purchase orders based on cost and availability at the time the services are required.

## **ENVIRONMENTAL ANALYSIS:**

Work associated with this Project is categorically exempt under a Class 1 Exemption under CEQA guidelines 15301(b) and is therefore categorically exempt from CEQA. Class 1 is the "existing facilities" exemption which includes the repair, maintenance, or minor alteration of existing public structures, facilities, mechanical equipment, involving negligible or no expansion of use. All necessary Federal, State and County notifications will be made prior to commencing the work.

A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in Lake County.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on August 7, 2019, and was recommended for Commission approval on Consent Calendar.

1  
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Randy S. Howard", is written over the typed name.

RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution

**RESOLUTION 19-64**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
GEOTHERMAL Q-SITE DRILLING PROJECT**

**(reference Staff Report #187:19)**

WHEREAS, NCPA operates and maintains a Geothermal facility consisting of two power plants and 80 steam production and injection wells on behalf of project participants; and

WHEREAS, NCPA is currently undergoing a Drilling Project of P-Site wells at its Geothermal facility; and

WHEREAS, the current Drilling Project of the P-Site wells is expected to be completed ahead of schedule and under budget, leaving approximately \$3 million budgeted dollars still available to use on drilling operations; and

WHEREAS, NCPA is proposing to add two additional well sites, Q10 and Q3, to the current Drilling Project scope of work, utilizing the remaining project funds; and

WHEREAS, adding sites Q10 and Q3 to the current scope and commencing work on these sites upon immediate completion of work on P-sites will save over \$350,000 in mobilization fees; and

WHEREAS, work associated with this Project is categorically exempt under a Class 1 Exemption under CEQA guidelines 15301(b) and is therefore categorically exempt from CEQA. Class 1 is the "existing facilities" exemption which includes the repair, maintenance, or minor alteration of existing public structures, facilities, mechanical equipment, involving negligible or no expansion of use. All necessary Federal, State and County notifications will be made prior to commencing the work. A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in Lake County; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency recommends expanding the scope of the current P-Site Drilling Project to include additional work on Q-Site wells using excess funds from the P-Site Drilling, and authorizes the General Manager or his designee to issue purchase orders for the additional work on the Q-Site wells.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

ATTEST:

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



# Commission Staff Report

Date August 19, 2019

**COMMISSION MEETING DATE:** August 29, 2019

**SUBJECT:** PG&E Negotiated Gas Transmission Rate Agreement

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b>	Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Generation Services	

## IMPACTED MEMBERS:

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

*If other, please specify*

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## RECOMMENDATION:

Approval of Resolution 19-65 authorizing the General Manager or his designee to execute a Negotiated Rate Contract with PG&E for gas transmission service. The agreement will not be finalized until after the CPUC approval of the Gas Rate case. Commission approval is subject to final numbers being no greater than 10% higher than the estimate provided below. The final agreement will be subject to NCPA General Counsel review to ensure it is consistent with the information provided.

## BACKGROUND:

In November 2017, PG&E filed a new Gas Rate case with the CPUC. NCPA, working through the NCGC, participated in the rate case. NCPA has also been working on a new negotiated rate with PG&E that would be available to all market responsible EG-LT customers. The proposed negotiated rate is a fixed fee/variable rate agreement.

### Estimated Negotiated Rate Costs

Plant	2019		2020		2021		2022	
	Volumetric	<b>Fixed Fee</b>	Volumetric	<b>Fixed Fee</b>	Volumetric	<b>Fixed Fee</b>	Volumetric	<b>Fixed Fee</b>
CT1	\$0.7356	<b>\$26,767</b>	\$0.6854	<b>\$30,006</b>	\$0.7341	<b>\$30,964</b>	\$0.7339	<b>\$33,409</b>
CT2	\$0.2306	<b>\$11,127</b>	\$0.1805	<b>\$12,474</b>	\$0.2292	<b>\$12,872</b>	\$0.2290	<b>\$13,889</b>
LEC	\$0.2306	<b>\$1,367,867</b>	\$0.1805	<b>\$1,533,421</b>	\$0.2292	<b>\$1,582,364</b>	\$0.2290	<b>\$1,707,314</b>

This agreement will be a pro forma agreement PG&E has for negotiated rates, with the following special provisions:

1. NCPA has the right to cancel the agreement if the electric generation plant is to be permanently closed or if a regulatory change occurs that will substantially reduce the electric generation plant output or the number of hours per year it operates.
2. PG&E has the right to cancel the agreement if agreements of other customers covering more than 15% of the total fixed charges have been cancelled by customers who have similar agreements with PG&E. Before such cancelation, PG&E will meet and confer with customers who have similar agreements that have not canceled.
3. If PG&E is unable to deliver gas to NCPA due to an outage or maintenance on the local transmission system, PG&E will prorate the fixed fee for the duration of the event.

4. After the first 12 months of the agreement, if NCPA has an event that would cause the plant to cease operations for more than 12 months, the fixed fee will be suspended starting the first month after the event.

The final numbers are subject to change by the CPUC as they review and approve the proposed decision for the Gas Rate case.

Staff is asking that the Commission authorize approval of the negotiated rate agreement, with the understanding that the rates could be as much as 10% higher than estimated, or could be any amount lower.

The CPUC is expected to have a hearing on the proposed decision in mid-September. If approved, PG&E is expected to file and implement the new rates on 11/01/2019. The negotiated rate, if approved, would also go into effect on 11/01/2019.

#### **FISCAL IMPACT:**

The reduced rate will allow NCPA's CT units to be more competitive in the market, which in turn will allow for a higher capacity factor and increased margins.

#### **SELECTION PROCESS:**

Agency recommends approval of a sole source purchase agreement due to PG&E being the only provider for natural gas delivery.

#### **ENVIRONMENTAL ANALYSIS:**

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

#### **COMMITTEE REVIEW:**

The recommendation was reviewed by the Facilities Committee on August 7, 2019 and was recommended for Commission approval.

The recommendation was presented at the Lodi Energy Center Project Participant Committee meeting on August 12, 2019 and was recommended for approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution



**RESOLUTION 19-65**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE NEGOTIATED GAS TRANSMISSION RATE AGREEMENT WITH PACIFIC  
GAS & ELECTRIC**

**(reference Staff Report #188:19)**

WHEREAS, NCPA, working through the NCGC, participated in discussions with Pacific Gas & Electric for a new Negotiated Gas Rate that would be available to all market responsible EG-LT customers; and

WHEREAS, the proposed negotiated rate is a fixed fee/variable rate agreement; and

WHEREAS, this reduced rate will allow NCPA's CT units to be more competitive in the market, which in turn will allow for a higher capacity factor and increased margins; 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 execute the Gas Transmission Rate Agreement between NCPA and Pacific Gas & Electric for a fixed fee/variable gas rate.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019 by the following vote on roll call:

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

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

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



## Agenda Item: 20

### Commission Staff Report

**COMMISSION MEETING DATE:** August 29, 2019

**AGENDA CATEGORY:** Discussion/Action

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Pursuant to Government Code Section 54957.6: Conference with Labor Negotiators: Unrepresented Public Employee: General Manager; and Pursuant to Government Code Section 54957: Continue Prior Appointment of Public Employee: Public Employee: General Manager.

**Item 20** is being considered in Closed Session.

Contingent upon action taken during **Closed Session Items 23a and 23b**, the Staff Report, Resolution and Amended Agreement will be provided to the Full Commission in Open Session for final consideration.