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# Minutes - Draft

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**To:** NCPA Commission  
**From:** Cary A. Padgett, Assistant Secretary to the Commission  
**Subject:** February 23, 2017, NCPA Commission Meeting and via Teleconference

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## ***Item #1 – Call Meeting to Order and Introductions***

Chair Bob Lingl called the meeting to order at 9:34 am at NCPA's Roseville Office, 651 Commerce Drive, Roseville, California. A quorum was present. Introductions were made. Those in attendance are shown on the attached attendance list. Commissioner Madeline Deaton (Alameda) and Barry Leska (Alameda) attended via teleconference.

## ***Item #2 – Approve Minutes of the January 19, 2017, Commission Meeting***

Motion: A motion was made by Gary Plass and seconded by Roger Frith to approve the Minutes of the January 19 2017, Commission Meeting. The motion carried unanimously on a roll call vote of those members present.

## **PUBLIC FORUM**

Chair Lingl asked if any members of the public were present who would like to address the Commission on the agenda items. No members of the public were present.

## **REPORTS AND COMMITTEE UPDATES**

### ***Item #3 – General Manager's Business Progress Report and Update***

General Manager Randy Howard reported:

- Update on unfunded liability.
- Update on the impacts from the recent storms at NCPA's facilities.
- Update on the recent visit to Washington, DC, and noted the upcoming APPA Legislative Rally.
- Held first joint meeting with CMUA's and SCPPA's new directors. Plan to hold monthly meetings to discuss potential joint projects.
- Update on the status of NCPA's complaint filed at FERC regarding the TO18 rate case.
- Gave an updated on NCPA's Support and Shared Services agreements and provided a copy of the monthly status report.
- Signed a Non-Disclosure Agreement, along with 13 other Joint Power Agencies, regarding providing AMI solutions at Joint Action Agencies.

#### ***Item #4 – Executive Committee***

Committee Chair Bob Lingl reported that the Committee met twice since the last Commission meeting, and discussed the hiring of in-house general counsel, potential amendments to the Agency's Bylaws and heard a report from the General Manager.

#### ***Item #5 – Facilities Committee***

Assistant General Manager Dave Dockham reported the Committee met twice since the last Commission meeting. The Committee met and discussed items 15, 17 and 21 on today's Agenda. The Committee recommended Commission approval of all items. The Committee also reviewed and discussed the proposed FY18 Power Management budget. The Committee did not take action on the budget.

#### ***Item #6 – Finance Committee***

Committee Chair Madeline Deaton reported that the Committee met and discussed item 13 on today's Agenda. The Committee also heard a report from PFM on banking proposals, current market conditions and rating agency issues. A special Committee meeting is scheduled on April 5 to review the budget and further discuss the long-term funding plan. The next regular scheduled meeting is on May 10.

#### ***Item #7 – Legal Committee***

General Counsel Michael Dean reported the Committee did not meet.

#### ***Item #8 – Legislative & Regulatory Affairs Committee***

Committee Chair Gary Plass reported the Committee met yesterday and discussed and reviewed the FY 18 Legislative and Regulatory Program budget. The Committee recommended approval of the budget. The Committee also heard reports on new state legislative initiatives, and a number of ongoing proceedings in the regulatory arena. In addition, staff reported there is potential for major issues at the federal level, such as threats to tax-exempt financing. APPA's Legislative Rally and Winter Workshop is scheduled on February 27-March 2. The NCPA/NWPPA Federal Policy Conference in Washington, DC will be held on April 23-27 - registration is now open and NCPA will pay for one elected official from each membership to attend. The next regular scheduled Committee meeting is on April 19, which was moved from May 24.

#### ***Item #9 – Members' Announcements & Meeting Reporting***

Basil Wong, **Port of Oakland**, presented a video highlighting the Port of Oakland's 90<sup>th</sup> Birthday.

Teresa O'Neill, **Santa Clara**, reported that Fitch Rating increased Santa Clara's rating to A+.

Barry Tippin, **Redding**, announced that Elizabeth Hadley accepted a position with the Bureau of Reclamation as their Deputy Area Manager for the Northern California Area office.

## CONSENT CALENDAR

Prior to the roll call vote to approve the Consent Calendar, the Commissioners were polled to determine if any member wished to pull an item or abstain from one or more items on the Consent Calendar. No items were pulled from Consent.

**Motion:** A motion was made by Gary Plass and seconded by Basil Wong to approve the Consent Calendar consisting of Items 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19. The motion carried by a majority of those members present on a roll call vote with the abstentions noted below for each item.

*BART and Truckee Donner were absent.*

**Item #10 – NCPA’s Financials for the Months Ended January 31, 2017** – approval by all members.

**Item #11 – Treasurer’s Report for the Months Ended January 31, 2017** – accept by all members.

**Item #12 – Sale or Disposal of Surplus Property** – note and file report by all members on the disposal of electronic waste, including microwaves, monitors, printers, keyboards, cables, and hard drives. **Fiscal Impact:** no direct budget impact.

**Item #13 – December 31, 2016, Debt and Interest Rate Management Report** – receive and file report by all members the December 31, 2016, Debt and Interest Rate Management Report.

**Fiscal Impact:** Total projected savings over the life of the related bonds (23 years) was \$13.9 million at the inception of these agreements. Total savings projected to occur through December 31, 2016 was \$4,937,309 with actual results at \$8,555,814. The difference between expected savings and actual savings is due to “basis risk”, or the difference between what NCPA pays for underlying variable rate bonds and the index rate used in the swap transaction. Total basis risk to date is positive, resulting in additional savings over those expected of \$3,618,505. Staff continues to monitor the potential for refinancing these bonds and terminating the swaps, however, with current low treasury rates causing a large mark to market payment due to Citigroup of over \$18.7 million, refunding is not feasible at this time.

**Item #14 – Review of NCPA’s Commercial Compliance Program** – accept and file by all members the report of “Commercial Compliance Policy Review” by Moss Adams LLP, October 2016.

**Fiscal Impact:** The audit fee was \$3,000. This activity has minimal budget impact on NCPA and the costs were absorbed in the FY 2017 budget for Risk Management activities.

**Item #15 – Resolution 17-08, Adopt the Modifications to the Nexant Cost Allocation Model for FY 2018** – adopt resolution by all members adopting the modifications to the Nexant Model as proposed by staff in order to allocate budgeted costs to members for Fiscal Year 2018.

**Fiscal Impact:** The recommended adjustments will result in a change to all members’ allocated share of Power Management costs by varying amounts. Table 2 of Appendix A provides indicative changes in allocated Nexant Power Management costs to members based on current Fiscal Year 2017 budget related to items 1 and 2 as presented at the January 25, 2017, Facilities Committee meeting.

**Item #16 – Resolution 17-12, Approval of Special Counsel for FERC Regulatory Services** – adopt resolution by all members approving the retainer of Spiegel & McDiarmid as special counsel for FERC regulatory services and authorizing the General Manager and General Counsel, or their respective designees, to negotiate a retainer agreement, substantially in the form of the attached draft, at the rates provided in response to the RFQ.

**Fiscal Impact:** The retainer agreement with Spiegel & McDiarmid, as in years past, will be time and materials based. The services are budgeted and approved as part of each year’s annual budget and charged to the programs or projects receiving the services. In the case of FERC special counsel services, the costs for PG&E and CAISO related activities are allocated in accordance with the regulatory program (Industry Restructuring) allocation within the Nexant Model. For activity associated with the California Refund Proceeding and Western, costs are allocated to participants in accordance with

participation share levels in the Western Pooling Program; and refund liability amounts in the California Refund Proceeding. Detail on the annual budget amounts associated with these services, and the allocation methodology can be found in Appendix D of the annual budget.

**Item #17 – Resolution 17-13, Approval of PPA with Antelope Expansion 1B, adoption of CEQA Findings, and Approval of Third Phase Agreement** – adopt resolution by all members to 1) approve Acting as a responsible agency pursuant to the California Environmental Quality Act (“CEQA”), consider the Initial Study and Mitigated Negative Declaration adopted by the City of Lancaster, adopts as the Commission’s own findings each finding regarding significant environmental impacts made by the City of Lancaster in its Initial Study and Mitigated Negative Declaration pursuant to CEQA regulations and instruct staff to file a Notice of Determination regarding the same; 2) approve the power purchase agreement (“PPA”) with Antelope Solar Expansion 1B, LLC, a subsidiary of the sPower Group, for a delivery term of 20-years, and approve the third phase agreement (“Third Phase Agreement”) as a NCPA Project, associated with the Antelope Solar Expansion 1B facility between NCPA and the Port of Oakland, and the cities of Biggs, Gridley, Healdsburg, and Lodi; and 3) authorize the General Manager of Northern California Power Agency (“Agency”) to execute the PPA and the Third Phase Agreement, on behalf of the Agency, including any non-substantive modifications approved by the Agency’s General Counsel. **Fiscal Impact:** The Agency’s cost for purchasing output from the facility will be approximately \$1.78 million to \$1.97 million per year, or approximately \$37.5 million over the life of the contract. The Agency will be charged based on the measured electrical output of the Antelope Expansion 1b solar facility, and will not incur any fixed costs under the PPA. All Project Costs; including direct PPA expenses, outside legal fees, etc.; will be allocated to the Participating Members in proportion to their project participation percentage, as stated in the Third Phase Agreement, and such costs will be included in applicable NCPA budgets.

NCPA will also assess Power Management and Administrative Services (PM&AS) costs to the Participating Members pursuant to the Power Management and Administrative Services Agreement. Estimated annual costs for the first year of commercial operations are \$39,250, based on a non-binding estimate using fiscal 2017 data. Seller would contribute a fixed annual payment of \$44,200 to NCPA for scheduling coordination costs.

*Alameda, Palo Alto and Redding abstained.*

**Item #18 – Resolution 17-14, Approving a Multi-Task Consulting Services Agreement with Kanner and Associates, LLC** – adopt resolution by all members appointing Kanner and Associates as NCPA’s Federal Legislative and Regulatory Consultant, and authorize the General Manager to execute a five-year multi-task consulting services agreement for services at a rate of \$25,000 per month plus expenses, with a total not to exceed amount of \$315,000 per year.

**Fiscal Impact:** The fee for federal legislative and regulatory services will be paid as a \$25,000 per month retainer plus expenses, not to exceed \$315,000 per year. With regard to expenses, it is important to note that under this agreement, Kanner and Associates will not charge NCPA for any of the costs associated with two annual trips to California for Marty Kanner to attend our agency functions or meetings.

This proposed retainer amount in this agreement is the same as what NCPA has paid for these services for the past six years. In FY 2011, the prior retainer was reduced to this level as a result of a 15% reduction in NCPA’s budget for federal legislative and regulatory representation, and it has remained unchanged since that time. Kanner and Associates’ coverage of all expenses for two annual trips to California is a new addition to the arrangement. The FY 2017 NCPA Legislative and Regulatory Affairs budget includes funding for these services at this proposed ongoing rate through the balance of the current fiscal year.



**Item #19 – Resolution 17-15, Approving a Multi-Task Consulting Services Agreement Government Affairs Consulting** – adopt resolution by all members appointing Government Affairs Consulting as NCPA’s State Legislative Consultant, and authorizing the General Manager to execute a five-year multi-task consulting services agreement for services to be paid as a retainer of \$14,000 per month including expenses.

**Fiscal Impact:** The fee for state legislative services will be paid as a \$14,000 retainer including all expenses. This proposed retainer amount is the same as the retainer NCPA has had with this firm since 2009, and it will continue to remain unchanged going forward. The FY 2017 NCPA Legislative and Regulatory Affairs budget includes funding to cover this retainer amount through the balance of the current fiscal year.

## **DISCUSSION / ACTION ITEMS**

**Item #20 – Resolution 17-09, Approval of General Manager’s Performance Goals for Calendar Year 2017** – adopt resolution by all members accepting the General Manager’s Performance Goals for Calendar Year 2017. **Fiscal Impact:** There is no fiscal impact associated with this item.

Resolution 17-09 was approved with no questions or discussion of the Commission.

**Motion:** A motion was made by Roger Frith and seconded by Barry Tippin to adopt Resolution 17-09, Approval of General Manager’s Performance Goals for Calendar Year 2017. The motion carried on a roll call vote of those members present. *BART and Truckee Donner were absent.*

**Item #21 – Resolution 17-10, Granting the Executive Committee Authority to Hire Agency In-House General Counsel** – adopt resolution by all members granting authority to the Executive Committee to approve the selection and appointment of Agency in-house General Counsel, and authorizing the Chair of the Executive Committee and the Human Resources Manager to execute and deliver any and all documents and to do and cause to be done any and all acts and things necessary or proper for carrying out the hiring of the selected in-house General Counsel. **Fiscal Impact:** Funds are available in the current fiscal year budget for this position. The Agency proposes repurposing a budgeted and approved headcount for an AGM I Business Development position, for this position. On December 1, 2016, the Commission approved the General Counsel Job classification. This classification is assigned to salary grade 31, which has a minimum starting salary of \$208,146 and control point of \$260,182 as reflected in the Agency’s 2017 Administrative General Wage Structure.

General Counsel Michael Dean recused himself from this item due to conflict of interest.

Chair Lingl clarified that the resolution is to allow the Executive Committee to move forward with the hiring of either outside or in-house general counsel, and does not grant the Executive Committee the authority to appoint general counsel. The Executive Committee will seek full Commission approval of either outside or in-house general counsel once the Committee has selected a candidate and evaluated the cost structure of both options. General Manager Randy Howard gave an update on the interview process. Barry Tippin (Redding) recommended that the Commission amend the resolution to reflect Chair Lingl’s clarification. The Commission recommended amending the resolution by motion in the minutes.

**Motion:** A motion was made by Basil Wong and seconded by Gary Plass to adopt Resolution 17-10, and amend the resolution by motion in the minutes delegating authority to the Executive Committee to move forward with the process, and to bring back the selected candidate to the full Commission for approval. The motion carried on a roll call vote of those members present. *Redding voted no. BART and Truckee Donner were absent.*

General Counsel Michael Dean rejoined the meeting.

**Item #22 – Resolution 17-16, Approval of NCPA’s Calaveras Hydroelectric Project State of Emergency; Applicable to the Hydroelectric Project** – adopt resolution by all members approving: 1) finding and declaring that a State of Emergency exists with respect to the Calaveras Hydroelectric Generation Project (“Project”) due to the extreme winter weather and associated storms; 2) declaring that these actions are exempt from the California Environmental Quality Act, for the reasons set forth herein; and 3) authorizing the General Manager to seek such funds as may be available to maintain, repair, restore, or replace property or facilities relating to the Project.

**Fiscal Impact:** Estimated fiscal impact of current known issues:

- 1) Emergency dredging of the Beaver Creek diversion structure and reservoir estimated at approximately \$800,000;
- 2) McKays Reservoir debris cleanup and replacement of safety buoys estimated at approximately \$200,000;
- 3) Adit 4 additional repair cost is currently unknown; and
- 4) McKays Point Reservoir Rim Landslides mitigation cost is currently unknown.

NCPA Plant Manager Randy Bowersox provided a detailed presentation on the impacts the recent storms had on the Hydroelectric facilities.

**Motion:** A motion was made by Roger Frith and seconded by Mel Grandi to adopt Resolution 17-16, Approval of NCPA’s Calaveras Hydroelectric Project State of Emergency; Applicable to the Hydroelectric Project. The motion carried on a roll call vote of those members present. *BART and Truckee Donner were absent.*

**Item #23 – Resolution 17-11, Approval of Resolution Commending Michael F. Dean** – adopt resolution by all members Commending Michael F. Dean.

Chair Lingl read the resolution and thanked Michael Dean for his years of service.

**Motion:** A motion was made by Bonnie Gore and seconded by Mark Chandler to adopt Resolution 17-11, Approval of Resolution Commending Michael F. Dean. The motion carried on a roll call vote of those members present. *BART and Truckee Donner were absent.*

### **CLOSED SESSION**

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

### **REPORT FROM CLOSED SESSION**

**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.

**Closed Session Disclosure:** General Counsel Michael Dean stated there was no reportable action taken.

### **NEW BUSINESS**

No new business was discussed.

**ADJOURNMENT**

The February 23, 2017, Commission meeting was adjourned at 11:25 am.

Respectfully submitted,

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CARY A. PADGETT

Assistant Secretary to the Commission

Attachments



## 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: 2/23/17

Consent Items Listed on the Agenda: # 10 to # 19

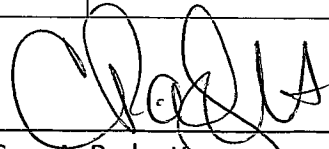
Consent Items Removed from the Agenda and Approved Separately:

# no items

ROLL-CALL VOTE BY MEMBERS: Heal PORT

Member	Item Numbers Abstained	Vote	Absent
Alameda	17	Y	
BART			X
Biggs		Y	
Gridley		Y	
Healdsburg		Y	
Lodi		Y	
Lompoc		Y	
Palo Alto	17	Y	
Port of Oakland	12, 14, 15 none	Y	
Redding	17	Y	
Roseville		Y	
Santa Clara		Y	
Truckee Donner			X
Ukiah		Y	
Plumas-Sierra		Y	

ATTEST:

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

Northern California Power Agency  
 Commission Meeting of February 23, 2017  
**COMMISSIONER**  
 Attendance List

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

MEMBER	NAME
ALAMEDA	Madeline Deaton (Teleconf)
BIGGS	Ray Z. Ford
GRIDLEY	GARY DAVIDSON / PAUL ECKERT - <u>DET</u>
HEALDSBURG	<del>Sally M. Smith</del>
LODI	Mark Chandler
LOMPOC	Burt J.
PALO ALTO	Dean Betcher
PORT OF OAKLAND	Basil Wong
PLUMAS-SIERRA REC	Michael Brown
REDDING	Brynn
ROSEVILLE	Bonnie Gore
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT	
SANTA CLARA	Teresa O'Neill
TRUCKEE DONNER	
UKIAH	M. J. Grandi

**Northern California Power Agency  
Commission Meeting of February 23, 2017  
Attendance List**

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

NAME	AFFILIATION
Carol W. Phass Michael Bloom	Winters Roseville
John Roukema Roger Frith	SCP - Santa Clara Biggs
Randy Bonersay	NCPA
Monty Hawks	NCPA
Jane Cirincione	<del>NCPA</del>
Ken Speer	NCPA
Dave Dockham	NCPA
David Hagelz	City of Healdsburg
LIZ KIRKLEY	LODI
MARK CHANDLER	LODI
Mike Brozo	PSREC
Michael Dean	NCPA - GC
Bob Ling	Lompoc
Tracy Kres	NCPA
Barry Leska	Alameda (via teleconference)
Monica Padilla	Palo Alto
Cory Padgett	NCPA

**Northern California Power Agency  
ROLL CALL VOTE**

Topic: Minutes January 19, 2017

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

Passed and adopted this 23<sup>rd</sup> day of February 2017, by the above vote on roll call.

Bob Lingl  
BOB LINGL  
Chair

ATTEST: Cary A. Padgett  
CARY A. PADGETT  
Assistant Secretary

**Northern California Power Agency  
ROLL CALL VOTE**

Topic: item 20

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

Passed and adopted this 23<sup>rd</sup> day of February 2017, by the above vote on roll call.

Bob Lingl  
BOB LINGL  
Chair

ATTEST: Cary A. Padgett  
CARY A. PADGETT  
Assistant Secretary



Northern California Power Agency  
ROLL CALL VOTE

Topic: item 21

	<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>Y</u>	<u>          </u>	<u>          </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>Y</u>	<u>          </u>	<u>          </u>
Port of Oakland	<u>Y</u>	<u>          </u>	<u>          </u>
Redding	<u>NO</u>	<u>          </u>	<u>          </u>
Roseville	<u>Y</u>	<u>          </u>	<u>          </u>
Santa Clara	<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 23<sup>rd</sup> day of February 2017, by the above vote on roll call.

Bob Lingl  
BOB LINGL  
Chair

ATTEST: Cary A. Padgett  
CARY A. PADGETT  
Assistant Secretary

**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:** item 22

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

Passed and adopted this 23<sup>rd</sup> day of February 2017, by the above vote on roll call.

Bob Lingl  
BOB LINGL  
Chair

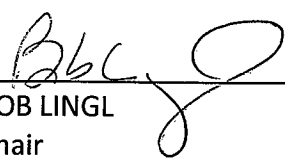
ATTEST: Cary A. Padgett  
CARY A. PADGETT  
Assistant Secretary

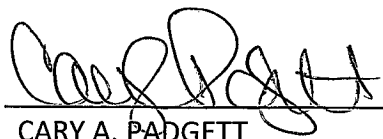
**Northern California Power Agency  
ROLL CALL VOTE**

**Topic:** HEM 23

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

Passed and adopted this 23<sup>rd</sup> day of February 2017, by the above vote on roll call.

  
 \_\_\_\_\_  
 BOB LINGL  
 Chair

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



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# Minutes

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**To:** NCPA Facilities Committee

**From:** Trisha Hubbard

**Subject:** February 15, 2017 Special Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Melissa Price at 9:02am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Steve Hance (Santa Clara), Mark Sorenson (Biggs), Tikan Singh (Lompoc), Monica Padilla (Palo Alto), and Basil Wong (Port of Oakland). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

## **2. Generation Services Budget Review**

### **Generation Services Overhead**

The Generation Services overhead budget was presented noting that the employee pension program funding is driving up labor and benefits.

### **Geothermal**

The FY2018 Geothermal budget summary is currently showing an overall increase of 3.39%. Committee members pointed out that staff's estimate of \$25/MW value for RECs is a bit too high. Staff will adjust those assumptions back down to \$15-\$20/MW.

Routine O&M costs without labor increasing approximately \$78,000

Labor is increasing approximately \$320,000 which includes the reduction in headcount of one Supervisor.

Each of the proposed projects, totaling \$1.62 million were presented and discussed in detail. The proposed projects include: plant, yard and road repair maintenance; well-head valve replacements & rebuilds; chemical lab building maintenance, main steam piping modifications, vehicle replacement, Stretford sulfur processing platform, and administration building remodel.

The Committee requested staff to re-work the planned projects from year to year in order to levelize the budget. They would prefer not to have the cost spikes as shown in the Project Forecasts for FY2019 and FY2022.

The group discussed the high amounts of CAISO charges in FY16 actuals compared to what was budgeted. Staff believes this could be due to uninstructed scheduling costs. Staff will

research this and share the results as soon as possible.

#### Combustion Turbine No. 1

Staff reviewed and discussed the assumptions. The projects identified are based on 10 year operation. Turbine maintenance is based on condition only.

The total CT1 FY2018 budget is showing an increase of \$68,000.

Staff is proposing one project, Gas Compression lubricators at a cost of \$20,000. The proposed maintenance reserve projects include; CT1 parts refurbishing, emergency stop for gas lines, and miscellaneous maintenance.

#### Combustion Turbine No. 2

Staff reviewed and discussed the assumptions. The CT2 debt will be paid in 2026.

Air New Zealand is expected to service the LM5000 until 2018. Staff expects to retire the STIG in 2026. There are no estimates on decommissioning. The proposed CT2 projects for FY2018 include: DCS Operating System, PG&E Relay Service, CT2 re-pack bellows, and CT2 480 breaker maintenance.

#### Hydroelectric:

Routine O&M costs without labor decreasing approximately \$76,000

Labor increasing approximately \$180,000

Projects budget has an increase of \$230,000

The debt obligation is the largest part of the Hydro budget.

The Hydro budget revenue assumptions were presented. The net annual cost to participants for the proposed FY18 budget is \$29.7 million.

The proposed projects were presented which includes; Adit 4 stabilization, CV needle actuator rebuild, vehicle replacement, McKays reservoir and dam betterment (clean-out), CV generator rewind, beaver creek dredging. The Adit 4 stabilization project is estimated to cost approximately \$3.6 million, however, staff was successful in proving that the Adit 4 is in fact a covered asset that will reduce the actual cost of this project. Staff is recommending budgeting \$1.2 million to complete the project and borrowing the remaining funds from the Capital Development reserve that will ultimately be refunded by the insurance claim. The consensus of the group supports this recommendation.

Total proposed project funding for FY2018 is \$2.3 million.

#### Power Supply Budget Costs

Staff discussed in detail the power supply budget costs and provided draft Power Supply Costs and Revenue reports. Feedback from the members include the following: Alameda would prefer this report include fixed costs as well. They also requested that NCPA projects are separated out. Plumas-Sierra would like to be able to compare the All Resources Bill with the budget more easily. Staff is currently meeting internally to enhance the FY2018 All Resources Bill. Roseville would like to see the Hydro transmission debt separated out from the rest of the debt service. The Power Supply model spreadsheets presented during this discussion will be made available to the members on NCPA Connect.

### **3. Administrative Services Budget Presentation**

Proposed operating costs are decreasing by approximately \$48,000

Total costs excluding labor are decreasing by \$272,000 for a total amount of \$4.1 million.

Each of the proposed projects were presented and discussed in detail. The proposed projects include: Computer hardware, Learning Management System, and a storage container at headquarters. Staff discussed how Admin & General costs are allocated.

#### **4. Power Management Budget Presentation**

The proposed Power Management program costs are increasing approximately \$379,000. Power Management staffing levels remain unchanged at 25 full time employees. Programmatic work areas remain unchanged as well.

The direct charge programs, Market Purchase Program, Gas Purchase Program, Green Power Project and Fuel Acquisition and Management, will continue.

Overall funding for the Judicial Action program in being held constant at a proposed budget amount of \$575,000.

Power Management staff's area of focus for FY2018 will include new member and new services integration, CAISO market initiatives, comprehensive load/resource balance, RPS, GHG, and capacity reporting to member, and communication and reporting via NCPA Connect.

Following member feedback, staff will remove \$19,000 of funds budgeted for consulting costs in the Fuel Acquisition and Management department. The total proposed Power Management FY2018 budget is \$11.25 million.

#### **Budget Timeline**

The Legislative and Regulatory budget will be seeking approval at the February 22 L&R Committee meeting.

A complete draft of the FY2018 budget will be made available to the members on March 3.

The Lodi Energy Center budget will be presented at the March 13 Project Participant Committee meeting.

A Special Facilities Committee meeting is scheduled for March 15 for further review of the Generation Services, Power Management, and Administrative and General budgets.

The final draft of the budget should be posted on April 10.

Staff will be seeking approval of the FY2018 budget at the April 20 Commission meeting.

#### **ADJOURNMENT**

The meeting was adjourned at 1:57pm.

**Northern California Power Agency  
Special Facilities Committee Meeting of February 15, 2017  
Facilities Committee  
Attendance List**

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

MEMBER	NAME
ALAMEDA	<i>Alan Hanger</i>
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Melissa Price</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	<i>Michael B...</i>
PORT OF OAKLAND	
ROSEVILLE	<i>Shannon McCann</i>
SANTA CLARA	
TID	
UKIAH	

Northern California Power Agency  
Special Facilities Committee Meeting of February 15, 2017  
Attendance List

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

NAME	AFFILIATION
Tony Zimmer	NCPA
TRISHA HUBBARD	NCPA
Dave Dockson	NCPA
Melissa Price	Lodi
Randy Bowersox	NCPA
Bob Caracristi	NCPA
Bois Young	NCPA
RON YUEN	NCPA
MIKEY DeBortoli	NCPA
Leif Speer	NCPA
MIKE Brozo	Plumas-Sierra
Alan Hanger	AMP
Sarah Liuba	AMP
Debbie Whiteman	AMP
Shannon McCann	Roseville
Randy Howard	NCPA
DENNIS SISMAET	NCPA
Debra AINSWORTH	NCPA
KEN GOEME	NCPA





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# Minutes

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**To:** NCPA Facilities Committee  
**From:** Michelle Schellentrager  
**Subject:** March 1, 2017 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 Mike Brozo (filling in for Melissa Price) at 9:02am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Hanger and Debbie Whiteman (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Monica Padilla (Palo Alto), Basil Wong (Port of Oakland), Steve Hance, Kathleen Hughes, and Peter Virasak (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

- 2. Approve minutes from the January 25<sup>th</sup> and February 1<sup>st</sup> Facilities Committee Meetings** – A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending approval of the January 25<sup>th</sup> and February 1<sup>st</sup> Facilities Committee Meeting Minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville and Santa Clara. The motion passed.
- 3. All Generation Services Facilities – Matheson Tri-Gas, Inc. First Amendment** – Staff recommended approval of a First Amendment to the Multi-Task General Services Agreement with Matheson Tri-Gas, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years for use at all facilities owned and/or operated by NCPA. A draft Commission Staff Report was available for review.

Matheson Tri-Gas, Inc. currently provides a variety of gasses to NCPA locations, as needed. This Amendment would increase the not-to-exceed amount from \$200,000 over five years to \$750,000, as well as adding additional delivery facility locations and products to the Purchase List.

Motion: A motion was made by Shannon McCann and seconded by Alan Hanger recommending Commission approval of the First Amendment to the Multi-Task General Services Agreement with Matheson Tri-Gas, Inc. for continuing to supply various gases to NCPA facilities as needed, with any non-substantial changes recommended and approved by the NCPA General Counsel, and increasing the not-to-exceed amount to \$750,000 over five years for use at all facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

- 4. All Generation Services Facilities, Members, SCPPA – Control Components, Inc. – Staff** recommended approval of a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Control Components, Inc. for valve/vent maintenance and inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not-to-exceed amount of \$500,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. This agreement would essentially be renewing an existing agreement that recently expired which NCPA previously had with this vendor. A draft Commission Staff Report was available to review.

Motion: A motion was made by Shannon McCann and seconded by Monica Padilla recommending Commission approval of a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Control Components, Inc. for valve/vent maintenance and inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not-to-exceed amount of \$500,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

- 5. Geothermal Generation Services Facility – Westgate Petroleum Company, Inc. – Staff** recommended approval of a five-year Agreement for Purchase of Equipment, Materials and Supplies of fuel, oils, lubricants and other miscellaneous petroleum products, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed an amount of \$1,350,000 over five years for use at the Geothermal facility. Staff explained that these funds would only be used if NCPA was required to drill at the geothermal plant. This agreement will only be available for use at the geothermal facility because Westgate Petroleum Company, Inc. only works in the region where the geothermal plant is located. A draft Commission Staff Report was available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Alan Hanger recommending Commission approval of a five-year Agreement for Purchase of Equipment, Materials and Supplies of fuel, oils, lubricants and other miscellaneous petroleum products, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed an amount of \$1,350,000 over five years for use at the Geothermal facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Port of Oakland. The motion passed.

- 6. Geothermal Plan 2 Generation Services Facility – K.W. Emerson, Inc. for Plant 2 Fire Line Suppression Service Line Replacement Project – Staff** recommended Commission approval of a Public Works Agreement with K.W. Emerson, Inc. for a not-to-exceed amount of \$650,000 for the fire suppression service line replacement project at the NCPA Geothermal Plant 2 Facility and delegate to the NCPA General Manager authority to issue purchase orders against the contract to carry out this work. A draft Commission Staff Report was available for review.

The original scope estimated that 500 feet of fire line would need to be replaced. When work began, other significant issues were uncovered. NCPA hired a Fire Engineer who, after further inspections, revised the amount of fire line that would need to be replaced; NCPA now estimates closer to 1900 feet of fire line will need to be replaced. The updated not-to-exceed amount includes contingency funds which would cover costs beyond just replacement of the lines (including potential inspection fees, or covering the cost of tearing into the ground grid, if needed). Staff reviewed the dollars budgeted for each part of the project with the Members (using a chart found in the draft Commission Staff Report). Staff also assured Members that this would not impact FY2018 budgets.

Motion: A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending Commission approval of a Public Works Agreement between NCPA and K.W. Emerson, Inc. with any non-substantial changes as approved by the NCPA General Counsel, in an amount not-to-exceed \$650,000 for the construction of a Plant 2 Fire System at the Geothermal Facility and authorize the General Manager to approve the issuance of purchase orders for any amount as needed pursuant to the contract. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Port of Oakland. The motion passed.

7. **Schedule Coordination Services for Lathrop Utility** – Staff explored the possibility of providing Schedule Coordination Services for Lathrop Utility, and asked the Facilities Committee to provide guidance on whether to pursue this further.

Staff gave background on the Lathrop Irrigation District, including the current load levels and growth potential. The Lathrop Irrigation District was formed to service the growing River Islands Community. Lathrop previously contracted with Calpine for Schedule Coordination Services, however that contract expired on January 31<sup>st</sup>, 2017. NCPA has told Lathrop that it could take upwards of three months (or more) to get a finalized contract in place, should NCPA decide to move forward.

Members asked staff how this would impact NCPA resources/time; NCPA staff was able to reassure members that the impact would be nominal. Members cautioned that they would like NCPA to examine Lathrop's financials carefully, as well as the impact on NCPA staff time, before moving forward with a final approval of any contract.

Motion: A motion was made by Basil Wong and seconded by Steve Hance recommending NCPA staff move forward with exploring the possibility of providing Scheduling Coordination Services to Lathrop Irrigation District. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

8. **Planning and Operations Update** –

- **Placer County CCE:** NCPA is still working with Placer County Water Agency as they move towards forming their CCE. NCPA recently arranged a joint meeting with CAISO and Placer County Water Agency, and continues to assist them with their long-term power supply portfolio.
- **Merced/PCWA:** NCPA continues to work on integration. Merced would like NCPA to begin scheduling for them 30-60 days earlier than originally anticipated. The start date for scheduling services for PCWA remains the same (January 1<sup>st</sup>, 2018). Dennis is working with both entities to put together operating procedures.
- **TO18:** There will be a settlements conference on the 7<sup>th</sup> and 8<sup>th</sup> of March. NCPA has a meeting scheduled for Mon, March 6<sup>th</sup> with PG&E to discuss further. There is another settlements conference tentatively scheduled for March 15<sup>th</sup> back in Washington, D.C.
- **FY18 Budget:** NCPA continues to work across all divisions to reduce costs further; updates will be discussed in the upcoming Special Facilities Committee Meeting schedule for March 15<sup>th</sup>.
- **UD Retreat:** The UD Retreat will be held next week. Topics scheduled to be discussed include advanced metering projects, CCA's and the risks/opportunities in working with JPA's, and upcoming Transmission Projects.
- **Ken Speer – Hydro Updates:** Ken Speer gave an update on NCPA's hydro plant. Hydro currently has 190-240 acre feet of water, and NCPA plans to start moving water out of Spicer soon. The amount of water NCPA will need to move will be contingent on the amount of snow melt/run off. Power Management is looking at historic data of spilling in previous years to help assist in forecasting amounts that may need to be moved.

**9. Schedule next meeting date** – The next regular Facilities Committee meeting is scheduled for April 5<sup>th</sup>.

**ADJOURNMENT**

The meeting was adjourned at 10:35am.

**Northern California Power Agency  
 March 1, 2017 Facilities Committee Meeting  
 Attendance List**

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

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Maya Wang</i>
LOMPOC	
PALO ALTO	<i>Tikan Singh</i>
PLUMAS-SIERRA REC	
PORT OF OAKLAND	<i>Amie Bago</i>
ROSEVILLE	
SANTA CLARA	<i>Shirley Miller</i>
TID	
UKIAH	





# Commission Staff Report

March 10, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** February 2017 Financial Report (Unaudited)

**AGENDA CATEGORY:** Consent

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

**IMPACTED MEMBERS:**

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

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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 March 23, 2017 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 February 2017 financial reports are also included.

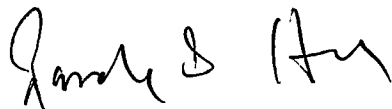
**FISCAL IMPACT:**

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 February 2017**

**Operations:**

Geothermal	\$	1,691,783
Hydroelectric		3,225,473
CT#1 Combustion Turbines		228,485
CT#2 STIG		517,141
Lodi Energy Center		3,918,705
NCPA Operating		<u>17,318,398</u>
Total	\$	<u>26,899,985</u>

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED FEBRUARY 28, 2017

PERCENT OF YEAR ELAPSED 67%
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	This Month	Actual Year To-Date	FY 2017 Budget	% Used	
<b>GENERATION RESOURCES</b>					
<b>NCPA Plants</b>					
Hydroelectric					
Other Plant Cost	\$ 1,788,910	\$ 8,968,433	\$ 13,601,891	66%	
Debt Service (Net)	3,187,715	25,501,717	38,252,575	67%	
Annual Budget Cost	4,976,625	34,470,150	51,854,466	66%	
<b>Geothermal</b>					
Other Plant Cost	1,929,443	15,812,281	28,035,560	56%	
Debt Service (Net)	375,667	3,256,061	5,109,745	64%	
Annual Budget Cost	2,305,110	19,068,342	33,145,305	58%	
Combustion Turbine No. 1	335,814	2,304,756	2,648,330	87%	(a)
<b>Combustion Turbine No. 2 (Stig)</b>					
Fuel and Pipeline Transport Charges	59,881	536,618	936,070	57%	
Other Plant Cost	148,818	1,171,292	2,025,600	58%	
Debt Service (Net)	468,797	3,750,379	5,625,568	67%	
Annual Budget Cost	677,496	5,458,289	8,587,238	64%	
<b>Lodi Energy Center</b>					
Fuel	485,919	7,692,668	44,100,578	17%	
Other Plant Cost	1,251,604	12,571,106	22,453,402	56%	
Debt Service (Net)	2,202,269	17,608,112	26,437,261	67%	
Annual Budget Cost	3,939,792	37,871,886	92,991,241	41%	
Member Resources - Energy	3,551,813	30,078,398	45,637,694	66%	
Member Resources - Natural Gas	291,846	3,511,185	4,877,728	72%	(b)
Western Resources	1,585,339	15,474,430	30,288,301	51%	
Market Power Purchases	3,065,449	22,772,595	39,302,363	58%	
Load Aggregation Costs - CAISO	15,838,101	122,053,193	240,128,621	51%	
Net GHG Obligations	-	534,660	2,539,910	21%	
	<b>36,567,385</b>	<b>293,597,884</b>	<b>552,001,197</b>	<b>53%</b>	
<b>TRANSMISSION</b>					
<b>Independent System Operator</b>					
Grid Management Charge	301,794	2,429,021	3,799,908	64%	
Wheeling Access Charge	6,543,581	52,270,675	74,972,258	70%	
Ancillary Services	192,222	1,513,565	1,421,202	106%	(c)
Other Charges	1,738,492	8,031,729	807,975	994%	(d)
	<b>8,776,089</b>	<b>64,244,990</b>	<b>81,001,343</b>	<b>79%</b>	

NORTHERN CALIFORNIA POWER AGENCY  
 REPORT OF BUDGET VS. ACTUAL COST  
 FOR THE PERIOD ENDED FEBRUARY 28, 2017

PERCENT OF YEAR ELAPSED 67%
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	This Month	Actual Year To-Date	FY 2017 Budget	% Used
<b>MANAGEMENT SERVICES</b>				
<b>Legislative &amp; Regulatory</b>				
Legislative Representation	209,698	1,048,061	1,896,810	55%
Regulatory Representation	47,203	518,002	794,328	65%
Western Representation	41,668	361,252	816,695	44%
Member Services	26,891	246,908	432,215	57%
Judicial Action	78,278	425,619	625,000	68%
<b>Power Management</b>				
System Control & Load Dispatch	385,965	3,279,342	5,621,941	58%
Forecasting, Planning, Prescheduling & Trading	172,524	1,407,259	2,554,949	55%
Industry Restructuring & Regulatory Affairs	23,117	192,112	414,128	46%
Contract Admin, Interconnection Svcs & External Affairs	66,127	552,771	1,136,523	49%
Green Power Project	181	1,297	17,782	7%
Gas Purchase Program	5,092	40,302	86,550	47%
Market Purchase Project	6,669	52,264	127,856	41%
<b>Energy Risk Management</b>	61,508	125,628	211,925	59%
<b>Settlements</b>	32,949	327,801	861,558	38%
<b>Integrated Systems Support</b>	2,603	81,190	310,532	26%
<b>Participant Pass Through Costs</b>	134,243	1,021,676	1,417,039	72% (e)
<b>Support Services</b>	8,794	102,531	-	N/A
	<b>1,303,510</b>	<b>9,784,015</b>	<b>17,325,831</b>	<b>56%</b>
<b>TOTAL ANNUAL BUDGET COST</b>	<b>46,646,984</b>	<b>367,626,889</b>	<b>650,328,371</b>	<b>57%</b>
<b>LESS: THIRD PARTY REVENUE</b>				
Plant ISO Energy Sales	6,272,131	45,631,833	118,942,685	38% (f)
Load Aggregation Energy Sales	12,396,818	81,413,426	184,116,660	44% (g)
Ancillary Services Sales	295,561	2,698,336	3,790,032	71%
Other ISO Revenue	2,160,666	10,191,568	-	N/A
Transmission Sales	9,198	73,584	110,376	67%
Western Credits, Interest and Other Income	1,277,941	15,511,442	14,810,642	105%
	<b>22,412,315</b>	<b>155,520,189</b>	<b>321,770,395</b>	<b>48%</b>
<b>NET ANNUAL BUDGET COST TO PARTICIPANTS</b>	<b>\$ 24,234,669</b>	<b>\$ 212,106,700</b>	<b>\$ 328,557,976</b>	<b>65%</b>

- (a) Increase in costs due to greater than projected MWhs of generation. CT1 is at 253% of budgeted MWhs at 2/28/17. Fuel costs, CAISO charges, and other variable costs have all increased as a result of increased generation.
- (b) Member Resources Natural Gas increased due to costs related to Lodi gas hedging contracts.
- (c) Ancillary Services variance due to higher than budgeted price per MWh.
- (d) The large budget to actual variance is caused by unbudgeted CAISO costs including imbalance costs, neutrality allocations, congestion offsets, and other cost allocations. These costs are not budgeted due to their unpredictable nature.
- (e) Budget variance caused by the payment of calendar year 2017 dues. Variance expected to level off throughout the year.
- (f) Variance due to lower than anticipated ISO energy sales for the Lodi Energy Center (LEC). Power values in the CAISO markets remain low. As a result, LEC is at 20% of budgeted generation at 2/28/17.
- (g) Market prices down due to increased hydro and solar generation availability in the CAISO markets.

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	February 28,	
	2017	2016
ASSETS	(in thousands)	
CURRENT ASSETS		
Cash and cash equivalents	\$ 40,305	\$ 35,708
Investments	30,043	29,543
Accounts receivable		
Participants	10	-
Other	2,002	171
Interest receivable	152	256
Inventory and supplies	9,596	8,545
Prepaid expenses	2,454	314
TOTAL CURRENT ASSETS	<u>84,562</u>	<u>74,537</u>
RESTRICTED ASSETS		
Cash and cash equivalents	51,692	47,268
Investments	164,353	162,779
Interest receivable	355	304
TOTAL RESTRICTED ASSETS	<u>216,400</u>	<u>210,351</u>
ELECTRIC PLANT		
Electric plant in service	1,501,543	1,501,000
Less: accumulated depreciation	(932,471)	(901,853)
	<u>569,072</u>	<u>599,147</u>
Construction work-in-progress	307	100
TOTAL ELECTRIC PLANT	<u>569,379</u>	<u>599,247</u>
OTHER ASSETS		
Regulatory assets	240,508	249,169
Unused vendor credits	44	-
TOTAL ASSETS	<u>1,110,893</u>	<u>1,133,304</u>
DEFERRED OUTFLOWS OF RESOURCES		
Excess cost on refunding of debt	51,019	56,937
Pension deferrals	9,093	5,310
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>60,112</u>	<u>62,247</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,171,005</u>	<u>\$ 1,195,551</u>

COMBINED STATEMENTS OF NET POSITION

NORTHERN CALIFORNIA POWER AGENCY  
AND ASSOCIATED POWER CORPORATIONS

UNAUDITED

	February 28,	
	2017	2016
LIABILITIES	(in thousands)	
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 19,747	\$ 19,821
Member advances	993	993
Operating reserves	19,913	23,356
Current portion of long-term debt	39,090	36,730
Accrued interest payable	7,572	7,988
TOTAL CURRENT LIABILITIES	87,315	88,888
NON-CURRENT LIABILITIES		
Net pension liability	57,774	57,260
Operating reserves and other deposits	140,377	133,479
Interest rate swap liability	17,490	19,654
Long-term debt, net	748,116	787,883
TOTAL NON-CURRENT LIABILITIES	963,757	998,276
TOTAL LIABILITIES	1,051,072	1,087,164
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	72,366	74,531
Pension deferrals	6,599	4,947
TOTAL DEFERRED INFLOWS OF RESOURCES	78,965	79,478
NET POSITION		
Net investment in capital assets	(60,154)	(58,995)
Restricted	70,117	68,455
Unrestricted	31,005	19,449
TOTAL NET POSITION	40,968	28,909
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,171,005	\$ 1,195,551

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

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

**UNAUDITED**

	Eight Months Ended February 28,	
	2017	2016
	(in thousands)	
<b>OPERATING REVENUES</b>		
Participants	\$ 232,357	\$ 221,329
Other Third-Party	87,680	96,723
TOTAL OPERATING REVENUES	<u>320,037</u>	<u>318,052</u>
<b>OPERATING EXPENSES</b>		
Purchased power	135,211	135,795
Operations	35,549	49,199
Transmission	66,020	52,008
Depreciation	20,507	20,470
Maintenance	9,628	14,391
Administrative and general	12,358	13,271
TOTAL OPERATING EXPENSES	<u>279,273</u>	<u>285,134</u>
<b>NET OPERATING REVENUES</b>	<u>40,764</u>	<u>32,918</u>
<b>OTHER (EXPENSES) REVENUES</b>		
Interest expense	(23,235)	(32,073)
Interest income	557	1,460
Other	10,840	4,316
TOTAL OTHER EXPENSES	<u>(11,838)</u>	<u>(26,297)</u>
<b>FUTURE RECOVERABLE AMOUNTS</b>	(9,012)	(491)
<b>REFUNDS TO PARTICIPANTS</b>	<u>(6,909)</u>	<u>(7,211)</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	13,005	(1,081)
<b>NET POSITION, Beginning of year</b>	<u>27,963</u>	<u>29,990</u>
<b>NET POSITION, Period ended</b>	<u>\$ 40,968</u>	<u>\$ 28,909</u>

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

February 28, 2017

ASSETS	GENERATING & TRANSMISSION RESOURCES										Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission No. One	Purchased Power & Transmission	Associated Member Services					
CURRENT ASSETS													
Cash and cash equivalents	\$ 1	\$ -	\$ 1	\$ 1	\$ 72	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ 40,205	\$ 30,043	\$ 40,305
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Participants	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory and supplies	4,389	1,079	642	1,405	2,081	13	64	1,980	-	-	10	22	2,002
Prepaid expenses	1,050	429	31	51	357	13	-	-	-	-	-	75	152
Due from Agency and other programs*	17,616	15,840	2,196	(1,146)	11,032	-	-	16,629	5,011	13	523	-	9,596
<b>TOTAL CURRENT ASSETS</b>	<b>23,056</b>	<b>17,348</b>	<b>2,870</b>	<b>311</b>	<b>13,555</b>	<b>-</b>	<b>-</b>	<b>18,673</b>	<b>5,049</b>	<b>-</b>	<b>3,700</b>	<b>-</b>	<b>84,562</b>
RESTRICTED ASSETS													
Cash and cash equivalents	5,316	6,397	19	-	7,751	-	-	3,390	82	-	28,737	-	51,692
Investments	19,971	41,875	4,012	-	26,985	-	-	18,684	-	-	52,826	-	164,353
Interest receivable	73	68	5	-	20	-	-	-	-	-	189	-	355
<b>TOTAL RESTRICTED ASSETS</b>	<b>25,360</b>	<b>48,340</b>	<b>4,036</b>	<b>-</b>	<b>34,756</b>	<b>-</b>	<b>-</b>	<b>22,074</b>	<b>82</b>	<b>-</b>	<b>81,752</b>	<b>-</b>	<b>216,400</b>
ELECTRIC PLANT													
Electric plant in service	568,936	394,211	64,826	36,245	423,640	7,736	-	-	663	-	5,286	-	1,501,543
Less: accumulated depreciation	(530,646)	(249,370)	(45,419)	(34,236)	(62,072)	(7,736)	-	-	(347)	-	(2,645)	-	(932,471)
Construction work-in-progress	38,290	144,841	19,407	2,009	361,568	-	-	-	316	-	2,641	-	569,072
	161	-	-	-	102	-	-	-	-	-	44	-	307
<b>TOTAL ELECTRIC PLANT</b>	<b>38,451</b>	<b>144,841</b>	<b>19,407</b>	<b>2,009</b>	<b>361,670</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>316</b>	<b>-</b>	<b>2,685</b>	<b>-</b>	<b>569,379</b>
OTHER ASSETS													
Regulatory assets	980	150,334	12,006	-	20,821	-	-	-	-	-	56,367	-	240,508
Unused vendor credits	44	-	-	-	-	-	-	-	-	-	-	-	44
<b>TOTAL ASSETS</b>	<b>87,891</b>	<b>360,863</b>	<b>38,319</b>	<b>2,320</b>	<b>430,802</b>	<b>-</b>	<b>-</b>	<b>40,747</b>	<b>5,447</b>	<b>-</b>	<b>144,504</b>	<b>-</b>	<b>1,110,893</b>
DEFERRED OUTFLOWS OF RESOURCES													
Excess cost on refunding of debt	2,052	46,847	2,120	-	-	-	-	-	-	-	-	-	51,019
Pension deferrals	-	-	-	-	-	-	-	-	-	-	-	-	9,093
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>2,052</b>	<b>46,847</b>	<b>2,120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,112</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 89,943</b>	<b>\$ 407,710</b>	<b>\$ 40,439</b>	<b>\$ 2,320</b>	<b>\$ 430,802</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,747</b>	<b>\$ 5,447</b>	<b>\$ -</b>	<b>\$ 144,504</b>	<b>\$ -</b>	<b>\$ 1,171,005</b>

\* Eliminated in Combination

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

February 28, 2017

	GENERATING & TRANSMISSION RESOURCES									
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission	Associated Member Services	Other Agency	Combined
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Accounts payable and accrued expenses	\$ 239	\$ 251	\$ -	\$ -	\$ 475	\$ -	\$ 15,568	\$ -	\$ -	\$ 19,747
Member advances	791	-	-	-	-	-	-	202	-	993
Operating reserves	6,213	250	513	515	12,422	-	-	-	-	19,913
Current portion of long-term debt	3,995	21,385	3,960	-	9,950	-	-	-	-	39,090
Accrued interest payable	311	3,019	151	-	4,091	-	-	-	-	7,572
<b>TOTAL CURRENT LIABILITIES</b>	<b>11,549</b>	<b>24,905</b>	<b>4,424</b>	<b>516</b>	<b>26,938</b>	<b>-</b>	<b>15,568</b>	<b>202</b>	<b>3,213</b>	<b>87,315</b>
<b>NON-CURRENT LIABILITIES</b>										
Net pension liability	-	-	-	-	-	-	-	-	57,774	57,774
Operating reserves and other deposits	17,049	15,487	-	-	1,715	-	22,138	2,008	81,980	140,377
Interest rate swap liability	-	17,490	-	-	-	-	-	-	-	17,490
Long-term debt, net	28,770	333,421	34,468	-	351,457	-	-	-	-	748,116
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>45,819</b>	<b>366,398</b>	<b>34,468</b>	<b>-</b>	<b>353,172</b>	<b>-</b>	<b>22,138</b>	<b>2,008</b>	<b>139,754</b>	<b>963,757</b>
<b>TOTAL LIABILITIES</b>	<b>57,368</b>	<b>391,303</b>	<b>38,892</b>	<b>516</b>	<b>380,110</b>	<b>-</b>	<b>37,706</b>	<b>2,210</b>	<b>142,967</b>	<b>1,051,072</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Regulatory credits	19,666	3,875	1,004	2,135	42,581	-	-	316	2,789	72,366
Pension deferrals	-	-	-	-	-	-	-	-	6,599	6,599
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>19,666</b>	<b>3,875</b>	<b>1,004</b>	<b>2,135</b>	<b>42,581</b>	<b>-</b>	<b>-</b>	<b>316</b>	<b>9,388</b>	<b>78,965</b>
<b>NET POSITION</b>										
Net investment in capital assets	(5,682)	(28,628)	(5,671)	-	(20,173)	-	-	-	-	(60,154)
Restricted	7,123	41,285	3,885	-	17,969	-	-	82	(227)	70,117
Unrestricted	11,468	(125)	2,329	(331)	10,315	-	3,041	2,839	1,469	31,005
<b>TOTAL NET POSITION</b>	<b>12,909</b>	<b>12,532</b>	<b>543</b>	<b>(331)</b>	<b>8,111</b>	<b>-</b>	<b>3,041</b>	<b>2,921</b>	<b>1,242</b>	<b>40,968</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 89,943</b>	<b>\$ 407,710</b>	<b>\$ 40,439</b>	<b>\$ 2,320</b>	<b>\$ 430,802</b>	<b>\$ -</b>	<b>\$ 40,747</b>	<b>\$ 5,447</b>	<b>\$ 153,597</b>	<b>\$ 1,171,005</b>



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 Eight Months Ended February 28, 2017

	GENERATING & TRANSMISSION RESOURCES							Other Agency	Combined	
	Geothermal	Hydroelectric	Multiple Capital Facilities	CT No. One	Lodi Energy Center	Transmission	Purchased Power & Transmission			Associated Member Services
OPERATING REVENUES										
Participants	\$ 4,595	\$ 24,607	\$ 4,889	\$ 1,842	\$ 24,703	\$ -	\$ 160,710	\$ 10,742	\$ 269	\$ 232,357
Other Third-Party	19,443	16,119	127	455	12,353	-	39,183	-	-	87,680
TOTAL OPERATING REVENUES	24,038	40,726	5,016	2,297	37,056	-	199,893	10,742	269	320,037
OPERATING EXPENSES										
Purchased power	-	-	-	-	2,139	-	133,072	-	-	135,211
Operations	9,728	2,322	898	854	12,696	-	3,511	5,520	20	35,549
Transmission	412	1,753	46	72	318	-	63,416	3	-	66,020
Depreciation	2,547	6,390	1,475	119	9,737	5	36	36	198	20,507
Maintenance	2,835	2,816	414	939	2,596	-	-	28	-	9,628
Administrative and general	2,767	1,873	342	417	2,762	-	-	4,404	(207)	12,358
Intercompany (sales) purchases, net*	(359)	129	34	78	168	-	-	(50)	-	-
TOTAL OPERATING EXPENSES	17,930	15,283	3,209	2,479	30,416	5	199,999	9,941	11	279,273
NET OPERATING REVENUES	6,108	25,443	1,807	(182)	6,640	(5)	(106)	801	258	40,764
OTHER (EXPENSES) REVENUES										
Interest expense	(655)	(10,704)	(1,257)	-	(10,619)	-	-	-	-	(23,235)
Interest income	165	(66)	(46)	-	141	-	189	25	149	557
Other	691	27	807	-	7,597	-	1,461	41	216	10,840
TOTAL OTHER EXPENSES	201	(10,743)	(496)	-	(2,881)	-	1,650	66	365	(11,838)
FUTURE RECOVERABLE AMOUNTS	(932)	(8,677)	(1,071)	-	1,663	5	-	-	-	(9,012)
REFUNDS TO PARTICIPANTS	(617)	(2,727)	97	33	(278)	-	(487)	(2,572)	(358)	(6,909)
INCREASE (DECREASE) IN NET POSITION	4,780	3,296	337	(149)	5,144	-	1,057	(1,705)	265	13,005
NET POSITION, Beginning of year	8,149	9,236	206	(182)	2,967	-	1,984	4,626	977	27,963
NET POSITION, Period ended	\$ 12,909	\$ 12,532	\$ 543	\$ (331)	\$ 8,111	\$ -	\$ 3,041	\$ 2,921	\$ 1,242	\$ 40,968

\* Eliminated in Combination

**NORTHERN CALIFORNIA POWER AGENCY & ASSOCIATED POWER CORPORATIONS**  
**AGED ACCOUNTS RECEIVABLE**  
 February 28, 2017

Status	Participant / Customer	Description	Amount
CURRENT			\$ 2,011,871
PAST DUE:			
1 - 30			
31 - 60			
61 - 90			
91 - 120			
Over 120 Days			
<b>PARTICIPANT and OTHER RECEIVABLES (net)</b>			<b><u>\$ 2,011,871</u></b>

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

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

**Schedule of Disbursements  
(Unaudited)**

**For the Month of February 2017**

**Operations:**

Geothermal	\$	1,691,783
Hydroelectric		3,225,473
CT#1 Combustion Turbines		228,485
CT#2 STIG		517,141
Lodi Energy Center		3,918,705
NCPA Operating		<u>17,318,398</u>
Total	\$	<u><u>26,899,985</u></u>




# Commission Staff Report

March 15, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Treasurer's Report for Month Ended February 28, 2017

**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	

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

**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 \$35,823,837 of which approximately \$278,201 was applicable to Special and Reserve Fund Deposits, \$3,603,431 to Debt Service and \$31,942,205 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 \$250,281,560 at month end. The current market value of the portfolio totaled \$248,694,852.

The overall portfolio had a combined weighted average interest rate of 0.980% with a bond equivalent yield (yield to maturity) of 0.993%. Investments with a maturity greater than one year totaled \$149,702,000. February maturities totaled \$2 million and monthly receipts totaled \$33 million. During the month \$4 million was invested.

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

Interest Rates - During the month, rates on 90 day T-Bills increased 1 basis point (from 0.51% to 0.52%) and rates on one year T-Bills increased 1 basis point (from 0.81% to 0.82%).

To the best of my knowledge and belief, all securities held by NCPA as of February 28, 2017 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

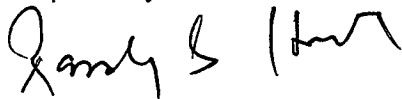
**FISCAL IMPACT:**

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

# NORTHERN CALIFORNIA POWER AGENCY

## TREASURER'S REPORT

FEBRUARY 28, 2017

### TABLE OF CONTENTS

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CASH & INVESTMENT BALANCE	1
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INVESTMENT MATURITIES ANALYSIS	5
DETAIL REPORT OF INVESTMENTS	APPENDIX

Northern California Power Agency  
Treasurer's Report  
Cash & Investment Balance  
February 28, 2017

	CASH	INVESTMENTS	TOTAL	PERCENT
NCPA FUNDS				
Operating	\$ 30,875,561	\$ 60,580,955	91,456,516	31.97%
Special Deposits	1,003,848	1	1,003,849	0.35%
Construction	62,796	4,849,396	4,912,192	1.72%
Debt Service	3,603,431	29,459,315	33,062,746	11.56%
Special & Reserve	278,201	155,391,893	155,670,094	54.41%
	<u>\$ 35,823,837</u>	<u>\$ 250,281,560</u>	<u>\$ 286,105,397</u>	<u>100.00%</u>

Portfolio Investments at Market Value

\$ 248,694,852

NOTE A -Investment amounts shown at book carrying value.

Northern California Power Agency  
Treasurer's Report  
Cash Activity Summary  
February 28, 2017

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	
<b>NCPA FUNDS</b>							
Operating	\$ 27,649,556	\$ 13,978	\$ 188,609	\$ (15,849,460)	\$ (13,144)	\$ (6,134,253)	\$ 5,855,286
Special Deposits	5,107,589	4	-	(5,030,547)	-	(79,281)	(2,235)
Construction	-	-	-	-	-	-	-
Debt Service	244,470	648	1,551,000	(930,418)	(3,758,527)	6,024,925	3,132,098
Special & Reserve	-	95,564	58,897	-	(293,824)	188,609	49,246
	<b>\$ 33,001,615</b>	<b>\$ 110,194</b>	<b>\$ 1,798,506</b>	<b>\$ (21,810,425)</b>	<b>\$ (4,065,495)</b>	<b>\$ -</b>	<b>\$ 9,034,395</b>

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  
February 28, 2017

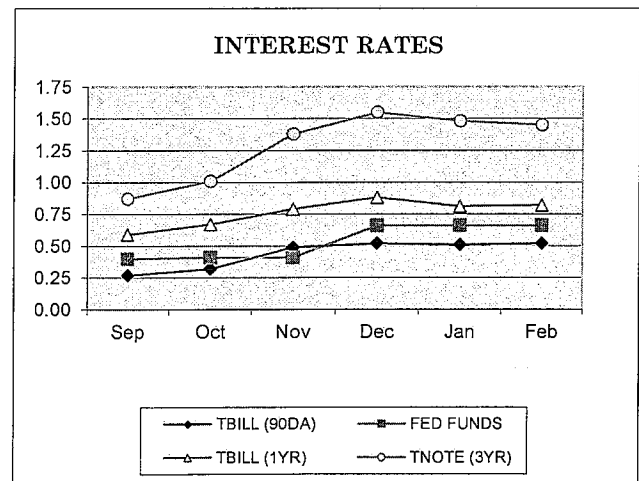
	PURCHASED	SOLD OR MATURED	(NON-CASH)	(NON-CASH)	INVESTMENTS	
			DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>NCPA FUNDS</b>						
Operating	\$ 13,144	\$ (188,609)	\$ (3,102)	\$ -	\$ -	\$ (178,567)
Special Deposits	-	-	-	-	-	-
Construction	-	-	(704)	-	-	(704)
Debt Service	3,758,527	(1,551,000)	11,361	-	-	2,218,888
Special & Reserve	293,824	(58,897)	(3,431)	-	-	231,496
	<u>\$ 4,065,495</u>	<u>\$ (1,798,506)</u>	<u>\$ 4,124</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,271,113</u>
<b>Less Non- Cash Activity</b>						
Disc/(Prem) Amortization & Gain/(Loss) on Sale						<u>(4,124)</u>
<b>Net Change in Investment --Before Non-Cash Activity</b>						<u>\$ 2,266,989</u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Interest Rate/Yield Analysis  
February 28, 2017**

	<u>WEIGHTED AVERAGE INTEREST RATE</u>	<u>BOND EQUIVALENT YIELD</u>
<b>OVERALL COMBINED</b>	<u>0.980%</u>	<u>0.993%</u>
<b><u>OPERATING FUNDS:</u></b>	0.990%	0.954%
<b><u>PROJECTS:</u></b>		
Geothermal	1.240%	1.249%
Capital Facilities	1.261%	1.255%
Hydroelectric	1.146%	1.125%
Lodi Energy Center	0.841%	0.802%

<b>KEY INTEREST RATES</b>		
	<u>CURRENT</u>	<u>PRIOR YEAR</u>
Fed Fds (Ovrnight)	0.66%	0.38%
T-Bills (90da.)	0.52%	0.33%
Agency Disc (90da.)	0.70%	0.40%
T-Bills (1yr.)	0.82%	0.56%
Agency Disc (1yr.)	0.98%	0.63%
T-Notes (3yr.)	1.45%	0.90%



Northern California Power Agency  
Total Portfolio  
Investment Maturities Analysis  
February 28, 2017

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	\$ 651	\$ 4,133	\$34,574	\$ -	\$ -	\$ 149,702	\$ -	\$ 189,060	67.28%
US Bank Trust Money Market	5,667							5,667	2.02%
Commercial Paper	5,000							5,000	1.78%
Investment Trusts (LAIF)	50,334							50,334	17.91%
U.S.Treasury Market Acct. *	30,952							30,952	11.01%
U.S.Treasury Bill									0.00%
Certificates of Deposit		10						10	0.00%
<b>Total Dollars</b>	<b>\$ 92,604</b>	<b>\$4,143</b>	<b>\$34,574</b>	<b>\$0</b>	<b>\$0</b>	<b>\$149,702</b>	<b>\$0</b>	<b>\$ 281,023</b>	<b>100.00%</b>
<b>Total Percents</b>	<b>32.95%</b>	<b>1.47%</b>	<b>12.30%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>53.27%</b>	<b>0.00%</b>	<b>100.00%</b>	

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  
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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	5,000,000	0.100	11/26/2014	5,000,000		1	0.100	5,000,000	SYST0101	70101	5,000,000
Local Agency Investm	LAIF	9,287,918	0.675	07/01/2013	9,287,918		1	0.675	9,287,918	SYST0000	70000	9,287,918
Union Bank of Califo	UBOC	13,134	0.002	07/01/2013	13,134		1	0.002	13,134	SYST0014	70014	13,134
US Bank	USB	30,875,560	0.001	06/30/2013	30,875,560		1	0.001	30,875,560	SYST0050	70050	30,875,560
US Bank	USB	10,000	0.050	01/07/2017	10,000	04/07/2017	37	0.050	10,000	SYST3002	30302	10,000
Federal Farm Credit	UBOC	3,626,000	1.290	12/21/2015	3,624,948	11/19/2018	628	1.300	3,630,315	3139EFPJ0	26280	3,625,380
Federal Home Loan Mt	UBOC	9,870,000	1.750	09/09/2015	9,983,900	05/30/2019	820	1.450	9,954,290	3137EADG1	26231	9,934,392
Federal Home Loan Ba	UBOC	7,795,000	1.400	07/19/2016	7,781,108	01/19/2021	1,420	1.411	7,647,517	3130A8P80	26355	7,781,641
Federal Home Loan Mt	UBOC	3,500,000	1.500	11/23/2016	3,500,000	08/23/2021	1,636	1.500	3,418,205	3134GAVH4	26385	3,500,000
Federal Home Loan Mt	UBOC	202,000	2.200	01/30/2017	202,000	01/26/2022	1,792	2.200	201,893	3134GAV92	26403	202,000
<b>Fund Total and Average</b>		<b>\$ 70,169,612</b>	<b>0.648</b>		<b>\$ 70,278,588</b>		<b>393</b>	<b>0.607</b>	<b>\$ 70,038,832</b>			<b>\$ 70,230,025</b>

MPP GHG Auction Acct

Local Agency Investm		25,088	0.675	07/01/2013	25,088		1	0.675	25,088	SYST0045	70045	25,088
<b>Fund Total and Average</b>		<b>\$ 25,088</b>	<b>0.676</b>		<b>\$ 25,088</b>		<b>1</b>	<b>0.676</b>	<b>\$ 25,088</b>			<b>\$ 25,088</b>

SCPA Balancing Account

Local Agency Investm	LAIF	2,410,793	0.675	07/01/2013	2,410,793		1	0.675	2,410,793	SYST0022	70022	2,410,793
Union Bank of Califo	UBOC	35,028	0.005	07/01/2013	35,028		1	0.005	35,028	SYST0023	70023	35,028
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYST0058	70058	0
Federal Home Loan Ba	UBOC	4,510,000	1.000	04/27/2015	4,510,000	04/27/2018	422	1.000	4,495,027	3130A55T2	26223	4,510,000
Federal National Mtg	UBOC	3,962,000	1.625	12/18/2014	4,000,630	11/27/2018	636	1.369	3,990,725	3135GOYT4	26187	3,979,042
Federal National Mtg	UBOC	5,098,000	1.350	04/28/2016	5,098,000	10/28/2019	971	1.350	5,065,118	3135GOJ95	26330	5,098,000
Federal National Mtg	UBOC	5,097,000	1.350	07/28/2016	5,097,000	07/28/2020	1,245	1.350	4,954,233	3136G3T39	26357	5,097,000
<b>Fund Total and Average</b>		<b>\$ 21,112,821</b>	<b>1.248</b>		<b>\$ 21,151,451</b>		<b>745</b>	<b>1.200</b>	<b>\$ 20,950,924</b>			<b>\$ 21,129,863</b>

General Operating Reserve

Local Agency Investm	LAIF	28,738,003	0.675	07/01/2013	28,738,003		1	0.675	28,738,003	SYST0000	70002	28,738,003
Union Bank of Califo	UBOC	34	0.002	07/01/2013	34		1	0.002	34	SYST0019	70019	34
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYST0051	70051	0
Federal National Mtg	UBOC	3,263,000	0.750	12/16/2014	3,261,466	04/20/2017	50	0.770	3,263,914	3135GOZB2	26186	3,262,911
Federal National Mtg	UBOC	5,970,000	1.625	12/23/2014	6,009,701	11/27/2018	636	1.450	6,013,283	3135GOYT4	26188	5,987,576
Federal National Mtg	UBOC	4,982,000	1.750	08/28/2015	5,047,364	11/26/2019	1,000	1.430	5,016,127	3135GOZV2	26246	5,024,136
Federal Farm Credit	UBOC	4,285,000	1.440	07/20/2016	4,280,715	01/19/2021	1,420	1.463	4,142,524	3133EGMP7	26356	4,281,300



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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
Federal Home Loan Ba	UBOC	16,720,000	1.400	07/19/2016	16,711,640	01/19/2021	1,420	1.411	16,424,725	3130ABP80	26354	16,712,786
Federal National Mig	UBOC	5,162,000	1.625	05/25/2016	5,162,000	05/25/2021	1,546	1.625	5,033,208	3136G3NL5	26332	5,162,000
Federal National Mig	UBOC	1,300,000	1.500	08/30/2016	1,300,000	05/28/2021	1,549	1.500	1,260,506	3136G33W3	26368	1,300,000
Federal Farm Credit	UBOC	10,629,000	1.690	06/02/2016	10,629,000	06/02/2021	1,554	1.690	10,491,354	3133EGGDH5	26335	10,629,000
Federal Home Loan Mt	UBOC	467,000	2.200	01/30/2017	467,000	01/26/2022	1,792	2.200	466,752	3134GAV92	26402	467,000

Fund Total and Average \$ 81,516,037 1.217 \$ 81,606,923 811 1.189 \$ 80,850,430 \$ 81,564,746

GRAND TOTALS: \$ 172,823,558 0.990 \$ 173,062,030 633 0.954 \$ 171,865,274. \$ 173,949,722

\*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 02/28/2017

- Investment #26223 FHLMC Callable on 4/27/2017 Only
- Investment #26330 FNMA Callable quarterly
- Investment #26332 FNMA Callable quarterly
- Investment #26335 FCCB Callable 6/2/17, then anytime
- Investment #26354 FHLB Callable anytime
- Investment #26355 FHLB Callable anytime
- Investment #26356 FCCB Callable anytime
- Investment #26357 FNMA Callable quarterly
- Investment #26368 FNMA Callable quarterly
- Investment #26385 FHLMC Callable quarterly
- Investment #26402 FHLMC Callable 1/26/18, then quarterly
- Investment #26403 FHLMC Callable 1/26/18, then quarterly



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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	870,000	0.875	05/27/2016	871,305	05/24/2017	84	0.722	870,618	3130A1NN4	26334	870,303
<b>Fund Total and Average</b>		<b>\$ 870,000</b>	<b>0.875</b>		<b>\$ 871,305</b>		<b>84</b>	<b>0.723</b>	<b>\$ 870,618</b>			<b>\$ 870,303</b>

Geothermal Debt Service

Federal Home Loan Mt	USBT	1,409,000	0.525	01/23/2017	1,405,815	06/27/2017	118	0.533	1,406,464	313397HKO	26387	1,406,575
Federal Home Loan Ba	USBT	234,000	0.550	01/27/2017	233,457	06/28/2017	119	0.558	233,574	313385HL3	26393	233,575
<b>Fund Total and Average</b>		<b>\$ 1,643,000</b>	<b>0.529</b>		<b>\$ 1,639,272</b>		<b>118</b>	<b>0.537</b>	<b>\$ 1,640,038</b>			<b>\$ 1,640,150</b>

Geo 2012A Debt Service

Federal Home Loan Ba	USBT	125,000	0.550	01/27/2017	124,710	06/28/2017	119	0.558	124,773	313385HL3	26394	124,773
<b>Fund Total and Average</b>		<b>\$ 125,000</b>	<b>0.550</b>		<b>\$ 124,710</b>		<b>119</b>	<b>0.559</b>	<b>\$ 124,773</b>			<b>\$ 124,773</b>

Geo 2016A Debt Service

Federal Home Loan Mt	USBT	63,000	0.504	01/27/2017	62,867	06/27/2017	118	0.513	62,887	313397HKO	26395	62,896
<b>Fund Total and Average</b>		<b>\$ 63,000</b>	<b>0.505</b>		<b>\$ 62,867</b>		<b>118</b>	<b>0.513</b>	<b>\$ 62,887</b>			<b>\$ 62,896</b>

Geothermal Special Reserve

Local Agency Investm	LAIF	0	0.356	07/01/2013	0		1	0.356	0	SYS70032	70032	0
Union Bank of Calif	UBOC	0	0.002	07/01/2013	0		1	0.002	0	SYS70015	70015	0
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70063	70063	0
Federal Home Loan Mt	UBOC	1,500,000	1.150	02/26/2016	1,500,000	11/26/2018	635	1.150	1,495,980	3134G8KVO	26302	1,500,000
<b>Fund Total and Average</b>		<b>\$ 1,500,000</b>	<b>1.150</b>		<b>\$ 1,500,000</b>		<b>635</b>	<b>1.150</b>	<b>\$ 1,495,980</b>			<b>\$ 1,500,000</b>

Geo Decommissioning Reserve

Local Agency Investm	LAIF	4,865,014	0.675	07/01/2013	4,865,014		1	0.675	4,865,014	SYS70027	70027	4,865,014
Union Bank of Calif	UBOC	102	0.002	07/01/2013	102		1	0.002	102	SYS70034	70034	102
US Bank	USB	0	0.000	07/01/2013	0		1	0.000	0	SYS70059	70059	0
Federal National Mtg	UBOC	9,700,000	1.500	08/30/2016	9,700,000	05/28/2021	1,549	1.500	9,405,314	3136G33W3	26369	9,700,000
Federal Home Loan Mt	UBOC	941,000	2.200	01/30/2017	941,000	01/26/2022	1,792	2.200	940,501	3134GA92	26404	941,000
<b>Fund Total and Average</b>		<b>\$ 15,506,116</b>	<b>1.284</b>		<b>\$ 15,506,116</b>		<b>1078</b>	<b>1.284</b>	<b>\$ 15,210,931</b>			<b>\$ 15,506,116</b>



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GEO Debt Service Reserve 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
Federal Home Loan Mt	USBT	907,000	1.750	06/02/2015	920,886	05/30/2019	820	1.354	914,746	3137EADG1	26228	914,812
Federal Home Loan Mt	USBT	2,515,000	1.250	02/27/2015	2,483,839	10/02/2019	945	1.530	2,500,463	3137EADM8	26197	2,497,471
Fund Total and Average		\$ 3,422,000	1.384		\$ 3,404,725		911	1.483	\$ 3,415,209			\$ 3,412,283

Geo 2012A DSR Account

Federal National Mtg	USBT	1,517,000	1.625	05/25/2016	1,517,000	05/25/2021	1,546	1.625	1,479,151	3136G3NL5	26333	1,517,000
Fund Total and Average		\$ 1,517,000	1.625		\$ 1,517,000		1546	1.625	\$ 1,479,151			\$ 1,517,000
GRAND TOTALS:		\$ 24,646,116	1.240		\$ 24,625,995		950	1.249	\$ 24,299,587.			\$ 24,633,521

\*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 02/28/2017

- Investment #26302 FHLMC Callable quarterly
- Investment #26333 FNMA Callable quarterly
- Investment #26369 FNMA Callable quarterly
- Investment #26404 FHLMC Callable 1/25/18, then quarterly





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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 Mt	USBT	939,000	0.595	01/27/2017	936,113	08/01/2017	153	0.605	936,446	313397JW2	26397	936,626
Federal Home Loan Mt	USBT	1,093,000	0.620	02/02/2017	1,089,612	08/01/2017	153	0.630	1,090,027	313397JW2	26405	1,090,120
Federal Home Loan Mt	USBT	470,000	0.609	02/28/2017	468,774	08/01/2017	153	0.620	468,722	313397JW2	26406	468,782
<b>Fund Total and Average</b>		<b>\$ 2,502,000</b>	<b>0.609</b>		<b>\$ 2,494,499</b>		<b>153</b>	<b>0.619</b>	<b>\$ 2,495,195</b>			<b>\$ 2,495,528</b>
<b>Cap. Fac. Debt Svc Reserve</b>												
Federal National Mtg	USB	71,000	1.530	07/28/2016	71,000	07/28/2021	1,610	1.530	68,484	3136G3S97	26358	71,000
Federal Home Loan Mt	USB	1,443,000	2.375	02/13/2012	1,447,430	01/13/2022	1,779	2.340	1,470,879	3137EADB2	25845	1,445,174
<b>Fund Total and Average</b>		<b>\$ 1,514,000</b>	<b>2.335</b>		<b>\$ 1,518,430</b>		<b>1771</b>	<b>2.302</b>	<b>\$ 1,539,363</b>			<b>\$ 1,516,174</b>
<b>GRAND TOTALS:</b>		<b>\$ 4,016,000</b>	<b>1.261</b>		<b>\$ 4,012,929</b>		<b>765</b>	<b>1.255</b>	<b>\$ 4,034,558.</b>			<b>\$ 4,011,702</b>

\*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 02/28/2017 Investment #26358 FNMA Callable 7/28/17, then 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	2,922,113	0.675	07/01/2013	2,922,113	11/27/2018	1	0.675	2,922,113	SYS70028	70028	2,922,113
Union Bank of Calif	UBOC	111	0.002	07/01/2013	111	11/27/2018	1	0.002	111	SYS70031	70031	111
US Bank	USB	0	0.000	07/01/2013	0	11/27/2018	1	0.000	0	SYS70052	70052	0
Federal Home Loan Mt	UBOC	3,993,000	0.950	06/29/2016	3,993,000	06/29/2018	485	0.950	3,976,030	3134G9A80	26339	3,993,000
Federal Home Loan Mt	UBOC	3,221,000	1.150	02/29/2016	3,221,000	11/26/2018	635	1.150	3,212,368	3134G8KVO	26304	3,221,000
Federal National Mtg	UBOC	5,320,000	1.350	06/30/2016	5,320,000	12/30/2019	1,034	1.350	5,267,917	3136G3VHS	26340	5,320,000
<b>Fund Total and Average</b>		<b>\$ 15,456,224</b>	<b>1.078</b>		<b>\$ 15,456,224</b>		<b>614</b>	<b>1.078</b>	<b>\$ 15,378,539</b>			<b>\$ 15,456,224</b>

Hydro Initial Facilities

Federal National Mtg	USB	1,529,000	1.625	12/12/2014	1,539,244	11/27/2018	636	1.450	1,540,085	3135G0YT4	26189	1,533,500
Federal Farm Credit	USB	2,437,000	1.250	02/02/2016	2,450,501	01/22/2019	692	1.060	2,435,660	3138EFVQ7	26300	2,445,593
<b>Fund Total and Average</b>		<b>\$ 3,966,000</b>	<b>1.395</b>		<b>\$ 3,989,745</b>		<b>670</b>	<b>1.210</b>	<b>\$ 3,975,745</b>			<b>\$ 3,979,093</b>

Hydro Debt Service

Federal Home Loan Mt	USBT	2,944,000	0.538	01/27/2017	2,937,345	06/27/2017	118	0.547	2,936,701	313397HKO	26388	2,938,800
Federal Home Loan Ba	USBT	10,629,000	0.550	01/27/2017	10,604,317	06/28/2017	119	0.558	10,609,655	313385HL3	26396	10,609,676
<b>Fund Total and Average</b>		<b>\$ 13,573,000</b>	<b>0.548</b>		<b>\$ 13,541,662</b>		<b>119</b>	<b>0.555</b>	<b>\$ 13,548,356</b>			<b>\$ 13,548,476</b>

Hydro Debt Service Resrv 2010A

Federal Farm Credit	USB	5,528,000	1.750	08/28/2015	5,546,187	08/04/2020	1,252	1.680	5,486,319	3133EE5Z9	26243	5,540,627
<b>Fund Total and Average</b>		<b>\$ 5,528,000</b>	<b>1.750</b>		<b>\$ 5,546,187</b>		<b>1252</b>	<b>1.680</b>	<b>\$ 5,486,319</b>			<b>\$ 5,540,627</b>

Hydro 2012A Rebate Account

Federal Home Loan Mt	USB	651,000	1.000	02/09/2012	649,392	03/09/2017	7	1.050	651,065	3137EADCO	25653	650,994
<b>Fund Total and Average</b>		<b>\$ 651,000</b>	<b>1.000</b>		<b>\$ 649,392</b>		<b>7</b>	<b>1.050</b>	<b>\$ 651,065</b>			<b>\$ 650,994</b>

Hydro Special Reserve

Local Agency Investm	LAIF	0	0.377	07/01/2013	0	11/27/2018	1	0.377	0	SYS70000	70003	0
Local Agency Investm	LAIF	0	0.356	07/01/2013	0	11/27/2018	1	0.356	0	SYS70033	70033	0
Union Bank of Calif	UBOC	0	0.002	07/01/2013	0	11/27/2018	1	0.002	0	SYS70016	70016	0
US Bank	USB	0	0.000	07/01/2013	0	11/27/2018	1	0.000	0	SYS70064	70064	0

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Hydro Special Reserve

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Federal Home Loan Mt	UBOC	1,500,000	1.150	02/26/2016	1,500,000	11/26/2018	635	1.150	1,495,980	3134G8KVO	26303	1,500,000
<b>Fund Total and Average</b>		<b>\$ 1,500,000</b>	<b>1.150</b>		<b>\$ 1,500,000</b>	<b>635</b>		<b>1.150</b>	<b>\$ 1,495,980</b>			<b>\$ 1,500,000</b>
<b>Hydro 2012 DSRA</b>												
Federal Farm Credit	USB	100,000	1.750	08/28/2015	100,329	08/04/2020	1,252	1.680	99,246	3138EE5Z9	26244	100,228
Federal National Mtg	USB	94,000	1.530	07/28/2016	94,000	07/28/2021	1,610	1.530	90,670	3136G3S97	26359	94,000
Federal Home Loan Mt	USB	3,928,000	2.375	02/09/2012	3,926,232	01/13/2022	1,779	2.380	4,003,889	3137EADB2	25852	3,927,134
<b>Fund Total and Average</b>		<b>\$ 4,122,000</b>	<b>2.341</b>		<b>\$ 4,120,561</b>	<b>1762</b>		<b>2.344</b>	<b>\$ 4,193,805</b>			<b>\$ 4,121,362</b>
<b>GRAND TOTALS:</b>		<b>\$ 44,796,224</b>	<b>1.146</b>		<b>\$ 44,803,771</b>	<b>646</b>		<b>1.125</b>	<b>\$ 44,729,809.</b>			<b>\$ 44,796,776</b>

\*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 02/28/2017

- Investment #26303 FHL/MC Callable quarterly
- Investment #26339 FHL/MC Callable quarterly
- Investment #26340 FNMA Callable quarterly
- Investment #26359 FNMA Callable 7/28/17, then quarterly



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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	CUSIP	Market Value	Investment #	Carrying Value
Local Agency Investm		71,541	0.675	07/01/2013	71,541		1	0.675	SYS70046	71,541	70046	71,541
<b>Fund Total and Average</b>		<b>\$ 71,541</b>	<b>0.675</b>		<b>\$ 71,541</b>		<b>1</b>	<b>0.676</b>		<b>\$ 71,541</b>		<b>\$ 71,541</b>

LEC Construction Revolving

Local Agency Investm		1	0.254	07/01/2013	1		1	0.254	SYS70040	1	70040	1
<b>Fund Total and Average</b>		<b>\$ 1</b>	<b>0.254</b>		<b>\$ 1</b>		<b>1</b>	<b>0.254</b>		<b>\$ 1</b>		<b>\$ 1</b>

LEC Issue#1 2010A DS Fund

US Bank Trust	USB	693,984	0.100	07/01/2013	693,984		1	0.100	SYS79003	693,984	79003	693,984
Federal Home Loan Ba	USBT	695,000	0.535	01/27/2017	693,719	05/31/2017	91	0.543	313385GG5	694,055	26396	694,060
Federal National Mtg	USBT	3,385,000	0.520	01/23/2017	3,378,693	06/01/2017	92	0.528	313589GHO	3,380,227	26389	3,380,502
<b>Fund Total and Average</b>		<b>\$ 4,773,984</b>	<b>0.461</b>		<b>\$ 4,766,396</b>		<b>79</b>	<b>0.468</b>		<b>\$ 4,768,266</b>		<b>\$ 4,768,546</b>

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	725,113	0.100	07/01/2013	725,113		1	0.100	SYS79004	725,113	79004	725,113
Federal Home Loan Ba	USBT	725,000	0.534	01/27/2017	723,664	05/31/2017	91	0.543	313385GG5	724,014	26399	724,020
Federal National Mtg	USBT	727,000	0.536	01/27/2017	725,645	06/01/2017	92	0.545	313589GHO	725,975	26390	726,003
<b>Fund Total and Average</b>		<b>\$ 2,177,113</b>	<b>0.391</b>		<b>\$ 2,174,422</b>		<b>61</b>	<b>0.396</b>		<b>\$ 2,175,102</b>		<b>\$ 2,175,136</b>

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	434,949	0.100	07/01/2013	434,949		1	0.100	SYS79011	434,949	79011	434,949
Federal Home Loan Ba	USBT	434,000	0.535	01/27/2017	433,200	05/31/2017	91	0.543	313385GG5	433,410	26400	433,413
Federal National Mtg	USBT	2,734,000	0.536	01/27/2017	2,728,906	06/01/2017	92	0.545	313589GHO	2,730,145	26391	2,730,251
<b>Fund Total and Average</b>		<b>\$ 3,602,949</b>	<b>0.484</b>		<b>\$ 3,597,055</b>		<b>81</b>	<b>0.491</b>		<b>\$ 3,598,504</b>		<b>\$ 3,598,613</b>

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	348,151	0.100	07/01/2013	348,151		1	0.100	SYS79012	348,151	79012	348,151
Federal Home Loan Ba	USBT	349,000	0.535	01/27/2017	348,357	05/31/2017	91	0.543	313385GG5	348,525	26401	348,528
Federal National Mtg	USBT	349,000	0.536	01/27/2017	348,350	06/01/2017	92	0.545	313589GHO	348,508	26392	348,521
<b>Fund Total and Average</b>		<b>\$ 1,046,151</b>	<b>0.391</b>		<b>\$ 1,044,858</b>		<b>61</b>	<b>0.396</b>		<b>\$ 1,045,184</b>		<b>\$ 1,045,200</b>



Northern California Power Agency  
Treasurer's Report

02/28/2017

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
<b>LEC Issue #1 2010 DSR Fund</b>												
US Bank Trust	USB	113,544	0.100	07/01/2013	113,544	08/28/2017	1	0.100	113,544	SYS79005	79005	113,544
Federal National Mig	USB	4,170,000	0.875	05/30/2014	4,171,960	05/25/2021	180	0.977	4,174,295	3135GOMZ3	26136	4,170,297
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	1,546	1.659	4,310,165	3133EGBZ7	26337	4,360,000
<b>Fund Total and Average</b>		<b>\$ 8,643,544</b>	<b>1.261</b>		<b>\$ 8,645,504</b>		<b>867</b>	<b>1.310</b>	<b>\$ 8,598,004</b>			<b>\$ 8,643,841</b>

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	2,263,882	0.100	07/01/2013	2,263,882		1	0.100	2,263,882	SYS79006	79006	2,263,882
<b>Fund Total and Average</b>		<b>\$ 2,263,882</b>	<b>0.100</b>		<b>\$ 2,263,882</b>		<b>1</b>	<b>0.100</b>	<b>\$ 2,263,882</b>			<b>\$ 2,263,882</b>

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	1,087,848	0.100	07/01/2013	1,087,848		1	0.100	1,087,848	SYS79013	79013	1,087,848
<b>Fund Total and Average</b>		<b>\$ 1,087,848</b>	<b>0.100</b>		<b>\$ 1,087,848</b>		<b>1</b>	<b>0.100</b>	<b>\$ 1,087,848</b>			<b>\$ 1,087,848</b>

LEC O & M Reserve

Local Agency Investm	UBOC	2,013,571	0.675	07/01/2013	2,013,571	06/27/2017	1	0.675	2,013,571	SYS70047	70047	2,013,571
Union Bank of Califo	UBOC	27,559	0.002	07/18/2013	27,559	06/27/2017	1	0.002	27,559	SYS70041	70041	27,559
Federal Home Loan Ba	UBOC	3,100,000	0.625	06/27/2016	3,099,380	02/19/2019	118	0.645	3,099,349	3130A8LC5	26338	3,099,800
Federal National Mig	UBOC	2,933,000	1.875	08/28/2015	2,998,142	06/30/2020	720	1.220	2,965,791	3135G0ZA4	26248	2,969,867
Federal National Mig	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	1,217	1.300	2,926,590	3136G3UJ2	26341	3,000,000
<b>Fund Total and Average</b>		<b>\$ 11,074,130</b>	<b>1.149</b>		<b>\$ 11,138,652</b>		<b>554</b>	<b>0.980</b>	<b>\$ 11,032,860</b>			<b>\$ 11,110,797</b>
<b>GRAND TOTALS:</b>		<b>\$ 34,741,143</b>	<b>0.841</b>		<b>\$ 34,790,159</b>		<b>418</b>	<b>0.802</b>	<b>\$ 34,641,192.</b>			<b>\$ 34,765,405</b>

\*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 02/28/2017  
Investment #26337 FFCB Callable 5/25/17, then anytime  
Investment #26341 FNMA Callable on 6/30/17 only



# Commission Staff Report

March 2, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Matheson Tri-Gas, Inc. – First Amendment to Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	
<b>Department:</b>	Combustion Turbines	

**IMPACTED MEMBERS:**

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

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approval of Resolution 17-17 authorizing the General Manager or his designee to enter into a First Amendment to Multi-Task General Services Agreement with Matheson Tri-Gas, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

**BACKGROUND:**

Various gases are required at the NCPA locations from time to time. Matheson Tri-Gas, Inc. is a provider of these services. NCPA entered into a Five Year Multi-Task General Services Agreement with Matheson Tri-Gas, Inc. effective November 5, 2014, for an amount not-to-exceed \$200,000. Matheson Tri-Gas, Inc. has provided satisfactory service to the NCPA Geothermal facility. This amendment will: 1) increase the not to exceed amount from \$200,000 to \$750,000; 2) add additional delivery facility locations; and 3) add products to the Purchase List. This agreement will be for use at any facility owned and/or operated by the Agency, its Members, SCPPA, and SCPPA Members.

**FISCAL IMPACT:**

Total cost of the agreement is not-to-exceed \$750,000 over five years to be used out of NCPA approved 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 an agreement with Airgas USA, LLC for similar products. NCPA 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 March 1, 2017 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on March 13, 2017 and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution
- Multi-Task General Services Agreement with Matheson Tri-Gas, Inc.
- First Amendment to Multi-Task General Services Agreement with Matheson Tri-Gas, Inc.



RESOLUTION 17-17

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT  
WITH MATHESON TRI-GAS, INC.

(reference Staff Report #126:17)

WHEREAS, various gases are required for plant operations at the facilities owned and/or operated by Northern California Power Agency (NCPA), its Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Matheson Tri-Gas, Inc. is a provider of these materials and supplies; and

WHEREAS, NCPA and Matheson Tri-Gas, Inc. entered into a five year Multi-Task General Services Agreement effective November 5, 2014; and

WHEREAS, NCPA seeks to amend the agreement to add additional funds, increasing the not to exceed amount from \$200,000 to \$750,000, add additional delivery facility locations and add materials to the Purchase List; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to Multi-Task General Services Agreement with Matheson Tri-Gas, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

ATTEST:

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



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND MATHESON TRI-GAS, INC.**

This First Amendment ("Amendment") to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Matheson Tri-Gas, Inc. ("Contractor") (collectively referred to as "the Parties") as of \_\_\_\_\_, 201\_.

WHEREAS, the Parties entered into a five year Multi-Task General Services Agreement dated effective November 5, 2014, (the "Agreement") for Contractor to provide gases, supplies and associated rental services at the NCPA Geothermal 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 \$200,000.00 to a "NOT TO EXCEED" amount of \$750,000.00; and

WHEREAS, the Agency now desires to amend the Agreement to allow Contractor to provide Work to Agency members, Southern California Public Power Authority ("SCPPA"), and/or SCPPA members on the terms and conditions set forth in the Agreement, as amended herein; and

WHEREAS, the Agency now desires to amend the Scope of Work set forth in Exhibit A to the Agreement to allow Contractor to provide services to any facilities owned and/or operated by the Agency; and

WHEREAS, the Agency now desires to amend the Compensation Schedule and Hourly Fees set forth in Exhibit B to the Agreement to add additional rates and fees applicable to facilities owned and/or operated by the Agency; and

WHEREAS, the Agency now desires to amend the Agreement to add miscellaneous provisions as set forth below; and

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

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

NOW, THEREFORE, the Parties agree as follows:

1. **Section 1.4 - Request for Work to be Performed** is replaced in its entirety by the following Section 1.4:

**1.4 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that

Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

2. **Section 1.5 - Work Provided** is added to the Agreement as follows:

1.5 **Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.

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

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND** dollars (\$750,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

4. **Section 4.3 – Pollution Insurance** is added to the Agreement as follows:

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

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

5. **Section 4.4.4 - Additional Certificates and Endorsements** is added to the Agreement as follows:

4.4.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

The remainder of Section 4 of the Agreement is unchanged.

6. **Section 5.3 – Transfer of Title** is added to the Agreement as follows:

**5.3 Transfer of Title.** If Contractor's Work involves its transporting hazardous materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

The remainder of Section 5 of the Agreement is unchanged.

7. **Section 6.1 - Independent Contractor** is amended to add the following to that section:

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

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

8. **Section 6.5 - Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

9. **Section 6.6 – Maintenance Labor Agreement** is added to the Agreement as follows:

**6.6 Maintenance Labor Agreement.** If the work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

The remainder of Section 6 of the Agreement is unchanged.

10. **Section 7 – Legal Requirements** of the Agreement is amended and restated as follows:

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

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code

Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

11. **Section 10 - PROJECT SITE** of the Agreement is amended and restated to read as follows:

**Section 10. PROJECT SITE.**

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

12. **Section 12.10** is added to the Agreement to read as follows:

**12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof. In addition, Contractor's actions under the initial paragraph of Section 12 shall comply with all site programs established by Member if Contractor is performing Work for that Member.

13. **Section 13.8 – Notices** of the Agreement is amended as follows:

**13.8** 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:

General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

14. **Section 13.12 - Controlling Provisions** is replaced in its entirety by the following:

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

15. **Section 13.15 - No Third Party Beneficiaries** is replaced in its entirety by the following:

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

The remainder of Section 13 of the Agreement is unchanged.

16. **Exhibit A - SCOPE OF WORK** is amended and restated to read in full as set forth in the attached Exhibit A.

17. Exhibit B – COMPENSATION SCHEDULE is amended to add additional rates as set forth in the attached Exhibit B.

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

MATHESON TRI-GAS, INC.

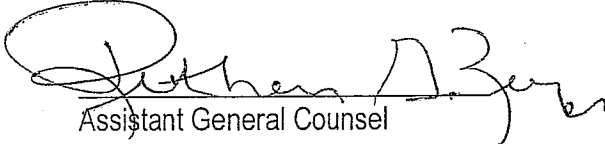
\_\_\_\_\_  
RANDY S. HOWARD, General Manager

\_\_\_\_\_  
BRIAN RENOUF, Regional General Manager

Attest:

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

Approved as to Form:

  
Assistant General Counsel



## EXHIBIT A

### SCOPE OF WORK

Matheson Tri-Gas, Inc. ("Contractor") shall provide gases, supplies and associated materials and rental services as requested by the Northern California Power Agency ("Agency"), at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

GASES PRODUCT LIST

EPA Protocol	Product Description	Cylinder Size	Purity	Cylinder Price \$	Quantity needed on Hand at Site	Frequency Month / Quarter / Yearly	Notes	Specialty Codes
Certified Mixes	8.5ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	220.00		1 every 2-3 years	PART # TEO	
	2.5ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	5.0ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2 months	PART # HXC0871720	HEI
	10ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2-3 years	PART # HXC0873450	HEI
	2.5ppm NO <sub>2</sub> 5.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	5.0ppm NO <sub>2</sub> 5.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	2.5ppm NO <sub>2</sub> 10ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
	5.0ppm NO <sub>2</sub> 10ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
	10ppm NO <sub>2</sub> 10ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2 months	PART # HXC0875030	HEI
	10ppm NO <sub>2</sub> 10ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2 months	PART # HXC0875030	HEI
	10ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	2.5ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	5.0ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	10ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	Chloroacetylene C <sub>2</sub> H <sub>3</sub> Cl Gas	150A 14.1 cu ft		198.00		1 every 2-3 years	PART # TEO	
Hydrogen Ultra High Purity 50	500		220.00	2	1 every 2 months	HEI UNPL	SCS	
Hydrogen-CEMS ISO 050000000	255 CF	255	125.00	2	1 every 2 months	HEI C217301	SCS	
EPA Protocols								
EPA Protocol	Product Description	Cylinder Size	Purity	Cylinder Price \$	Quantity needed on Hand at Site	Frequency Month / Quarter / Yearly	Notes	Specialty Codes
Certified Mixes	0.5ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2 months	PART # HXC0875030	HEI
	1.5ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	3.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0875030	HEI
	6.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00	2	1 every 2 months	PART # HXC0875030	HEI
	1.5ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0871720	HEI
	3.0ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # HXC0871720	HEI
	6.0ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
	10ppm NO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
	2.5ppm NO <sub>2</sub> 5.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
	5.0ppm NO <sub>2</sub> 5.0ppm CO <sub>2</sub> bal N <sub>2</sub>	150A 14.1 cu ft	5ppm	179.00		1 every 2-3 years	PART # TEO	
Industrial								
	Argon - Industrial	80	ind	245.00			SCS	HEI
	Prosechite	200		342.48			SCS	HEI
	Liquid N <sub>2</sub>	150 Ltr		135.00	2	1 every 2 months	HEI	HEI
	Helium	250	ind	225.00	2	1 every 2 months	HEI	HEI
	Oxygen - Industrial	250	ind	225.00	2	1 every 2 months	HEI	HEI
	Acetylene	82.64	ind	175.00			HEI	HEI
	Argon - Industrial	330	ind	375.00			HEI	HEI
	EPG	250	CP	1257.50		1 every 2-3 years	HEI C217301	HEI

All EPA protocol and certified gas mixes will be supplied in minimum 150A size cylinders unless otherwise specified.

Monthly Cylinder Rentals: \$5.50 Per Month (Per Cylinder), \$1.50 Per Day for Liquid Nitrogen (per Cylinder), if Applicable

Delivery Charges: \$25.00 Per Delivery, if Applicable

Warm: Four: \$7.50 Per Delivery, if Applicable

Miscellaneous Material Purchases: Deposits generally range from 10-30%, can vary depending on product

Additional products not listed above will be quoted at the time of request.

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

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

MATHESON TRI-GAS, 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 D**  
**CERTIFICATION**

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

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

(Name of person signing affidavit)(Title)

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

MATHESON TRI-GAS, 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.

NOT APPLICABLE

EXHIBIT E

ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_  
\_\_\_\_\_  
(Authorized Officer & Title)  
\_\_\_\_\_  
(Address)  
\_\_\_\_\_



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
MATHESON TRI-GAS, INC.**

This agreement for general services ("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 Matheson Tri-Gas Inc., a corporation, with its offices located at 3080 North State Street, Ukiah, CA 95482, ("Contractor") (together sometimes referred to as the "Parties") as of Nov. 5, 2014 ("Effective Date") in Roseville, California.

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

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

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** Two hundred Thousand dollars (\$200,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable

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

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

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

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

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

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

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

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

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

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

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

**4.3 Professional Liability Insurance.** Intentionally omitted.

**4.4 All Policies Requirements.**

**4.4.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, 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.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

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

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

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

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

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

**5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency.

Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

**Section 6. STATUS OF CONTRACTOR.**

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

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

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

subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

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

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 **Work Requiring Payment of Prevailing Wages.** If applicable, in accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which these services are to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code shall be paid to all workers engaged in performing the services under this Agreement.

**Section 8. TERMINATION AND MODIFICATION.**

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by 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 Contractor shall survive the termination of this Agreement.

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

**8.4.1** Immediately terminate the Agreement;

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

**8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or

**8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9.** KEEPING AND STATUS OF RECORDS.

**9.1** Records Created as Part of Contractor's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

**9.2** Contractor's Books and Records. Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor to this Agreement.

**9.3** Inspection and Audit of Records. Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.

**9.4** Confidential Information and Disclosure.

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

**Section 10. PROJECT SITE.**

**10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with Agency's operations and the operations of other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Agency will not be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Agency may assume that anything left on the Project site an unreasonable length of time after the Work is completed has been abandoned. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall have no liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

**10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any Agency owned equipment and property provided by Agency for the performance of Work.

**Section 11. WARRANTY.**

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

other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

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

**11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all Agency site programs.

**12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

**12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

**12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

**12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

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

**Section 13 MISCELLANEOUS PROVISIONS.**

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



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

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

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

Matheson Tri-Gas, Inc.  
Attn: Mike Hylar  
3080 North State Street  
Ukiah, CA 95482

Any written notice to Agency shall be sent to:

James H. Pope  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

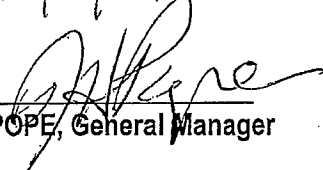
MATHESON TRI-GAS, INC.

Date

11/5/14

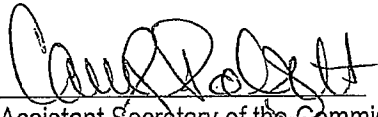
Date

10/31/14

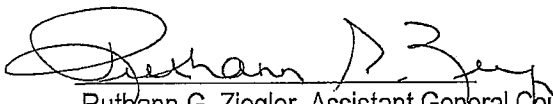
  
JAMES H. POPE, General Manager

  
BRIAN RENOUF, Regional General Manager

Attest:

  
Assistant Secretary of the Commission

Approved as to Form:

  
Ruthann G. Ziegler, Assistant General Counsel

**EXHIBIT A**  
**SCOPE OF WORK**

Contractor shall supply the following Goods, including but not limited to the following list of gases, supplies, and associated rentals, as needed by the Agency:

- Compressed hydrogen 200 6pk cga 350 delivered to Plant 1 and Plant 2 for generator cooling.
- 200 cuft Co2 bottles delivered to Plant 1 and Plant 2 used for generator purging medium.
- Bulk Co2 delivered to Plant 1 only to an eight ton tank used for Plant fire protection.
- 200 cuft CP200 bottles Sulfur Hexafluoride delivered to Plant 2 only used for station line breaker gas.
- CY-NI c65 Industrial nitrogen 6pk delivered to Plant 1 and Plant 2 used for Main transformer blanketing.
- 510 cuft Large Acetylene bottles delivered to Plant 1 used for welding.
- 250 cuft Large Argon bottles delivered to plant 1 used for welding.
- All associated bottle rental fees.

**EXHIBIT B**

**COMPENSATION SCHEDULE AND HOURLY FEES**

Compensation for all work, including hourly fees and expenses, shall not exceed \$200,000. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Line	Qty	Product Code	Description	Unit Price	Ext'd Price
1	1	AC SMV	Acetylene Industrial CCF (Per 100 C.F.)	\$64.75	\$64.75
2	1	AR 300	Argon Industrial	\$87.66	\$87.66
3	1	HE UHP1L	Helium (Ultra High Purity)	\$278.71	\$278.71
5	1	MX AWSC25300	Argon/Co2 75%-25% Welding Mix	\$94.80	\$94.80
6	1	Nr 250	Nitrogen Compressed	\$30.45	\$30.45
7	1	Nr 60	Nitrogen Compressed	\$18.12	\$18.12
8	1	OX 250	Oxygen 250	\$32.40	\$32.40
9	1	CD 50	Carbon Dioxide 50LBS	\$29.60	\$29.60
10	1	CD BK	Carbon Dioxide Bulk	\$0.21	\$0.21
11	1	HY PB6	Hydrogen 6 Packs	\$219.92	\$219.92
12	1	NI PB6	Nitrogen 6 Packs	\$182.70	\$182.70
13	1	SG H2S100PPM	Hydrogen Sulphide 100 PPM	\$201.65	\$201.65
14	1	SGH2S280PPM	Hydrogen Sulphide 280 PPM	\$201.65	\$201.65
15	1	Cylinder Rent	Daily Cylinder Rent HP	\$0.39	\$0.39
16	1	6 Pack Rental	Daily 6 Pack Rental	\$2.12	\$2.12
17	1	Bulk Deliver Fee	CD Bulk Delivery Fee	\$235.00	\$235.00
18	1	AR UHP1L	Argon (Ultra High Purity)	\$228.55	\$228.55
19	1	SG AAACLG	Acetylene Atomic absorption	\$367.11	\$367.11
					<b>\$2,275.78</b>

<b>HAZMAT CHARGE:</b>	6.50	<b>FUEL SURCHARGE:</b>	
<b>DELIVERY CHARGE:</b>	\$42.00	<b>CYLINDER RENTAL:</b>	
<b>LEAD TIME:</b>		<b>F.O.B.:</b>	
<b>TERMS OF SALE:</b>	30 days	<b>INV ADMIN FEE:</b>	

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

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

\_\_\_\_\_

(Name of person signing affidavit)(Title)

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

\_\_\_\_\_

(Company name)

for contract work at

\_\_\_\_\_

(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

March 2, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Control Components, Inc. – Five Year Multi-Task General Services Agreement for Valve/Vent Maintenance and Inspection Services; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	
<b>Department:</b>	Combustion Turbines	

**IMPACTED MEMBERS:**

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

*If other, please specify.*

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*Place an X in the box next to the applicable Member(s) above.*

**RECOMMENDATION:**

Approve Resolution 17-18 authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Control Components, Inc. for valve/vent maintenance and inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members.

**BACKGROUND:**

Valve/vent maintenance and inspection services are needed at various NCPA locations as well as member facilities for the operation of the plants. Control Components, Inc. is a supplier of these services and parts.

**FISCAL IMPACT:**

Total cost of the agreement is not-to-exceed \$500,000 over five years to be used out of NCPA approved 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 five year contract does not commit NCPA to any expenditure of funds. When these services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is 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.

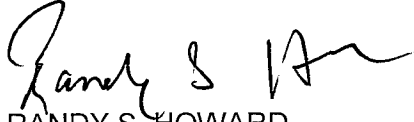
**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on March 1, 2017 and was recommended for Commission approval.

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on March 13, 2017 and was approved.



Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is fluid and cursive, with a long horizontal stroke at the end.

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Control Components, Inc.

RESOLUTION 17-18

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT AND AGREEMENT FOR  
PURCHASE OF EQUIPMNT, MATERIALS AND SUPPLIES WITH CONTROL  
COMPONENTS, INC.

(reference Staff Report #127:17)

WHEREAS, various valve/vent maintenance and inspection services are periodically required for plant operations at the facilities owned and/or operated by Northern California Power Agency (NCPA), its Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Control Components, Inc. is a provider of these services and parts; and

WHEREAS, on March 13, 2017, the LEC Project Participant Committee approved the agreement with Control Components, Inc. in an amount not-to-exceed \$500,000 over five years; and

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

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Control Components, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for various valve/vent maintenance and inspection services 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 \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

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



**MULTI-TASK  
GENERAL SERVICES AGREEMENT AND AGREEMENT FOR PURCHASE OF  
EQUIPMENT, MATERIALS AND SUPPLIES BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
CONTROL COMPONENTS, INC.**

This agreement for general services and purchase of equipment, materials, and supplies ("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 Control Components Inc., a corporation with its office located at 22591 Avenida Empresa, Rancho Santa Margarita, CA 92688 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2016 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or equipment, materials, and supplies ("Goods") described in the Scope of Work attached hereto as Exhibit A and incorporated herein (both services and Goods collectively referred to as "Work" herein). Contractor shall be responsible at its sole expense for delivering the Goods, as further specified herein, to the specified Project Site, DDP, and title shall not pass until the Agency accepts delivery at the Site. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"),

may include a not-to-exceed cap or monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing whether or not Contractor chooses to perform the Requested Work. If Contractor begins to perform the Requested Work within the seven-day period, then Contractor's actions shall indicate that they have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement, and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED FIVE HUNDRED THOUSAND** dollars (\$500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement. If the Requested Work to be performed by Contractor is expected to exceed the NOT-TO-EXCEED limit as stated in this section, Contractor shall not, and shall not be required to, begin performance of the Requested Work until the Parties amend the NOT-TO-EXCEED limit pursuant to Section 8.2 of this Agreement.

## **2.1 Invoices.**

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

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

For Goods: Contractor shall submit an invoice upon delivery of the Goods per the delivery terms of the Agreement. Contractor shall include the number of the Purchase Order that authorized the Goods for which Contractor is seeking payment.

All invoices shall be sent to:

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

- 2.2 Monthly Payment.** Agency shall make payments, based on invoices received, for Work satisfactorily performed and for authorized reimbursable costs incurred, or for delivery of the Goods, per the delivery terms of this Agreement. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.
- 2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.
- 2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work. The site is responsible for providing and installing scaffolding and cranes if required.

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

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability,

covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

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

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

**4.3 Professional Liability Insurance.** Intentionally left blank.

**4.4 Pollution Insurance.** Intentionally left blank.

**4.5 All Policies Requirements.**

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

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of cancellation or other material modification adverse to Agency of the policies referenced in Section 4, including, but not limited to, a reduction in scope or amount below the scope or amounts required in this Section 4.

**4.5.3** [Intentionally left blank.]

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

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

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

**Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

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

**5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action to the percentage extent directly caused by any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

**Section 6. STATUS OF CONTRACTOR.**

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

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

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

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

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial



inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

**7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, form A-1 131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

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

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination as well as compensation for work performed prior to the notice of termination, including Agency's actual, direct, unavoidable direct costs resulting from such termination. "Actual, direct, unavoidable costs" include staff hours expended and materials acquired as of the date of termination, expenses incurred by reason of termination or cancellation of agreements between Contractor and its sub-suppliers, and other similar costs, but shall not include profit or overhead expenses of Contractor. Contractor shall make every reasonable effort to minimize such costs upon termination. In no event shall the compensation of Contractor provided for in this Section exceed the cost of the applicable Purchase Order(s); Agency, however, may condition payment of the compensation provided for in this Section upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

**8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by 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 Contractor shall survive the termination of this Agreement.

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

**8.4.1** Immediately terminate the Agreement;

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

**8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or

**8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

## **Section 9. KEEPING AND STATUS OF RECORDS.**

**9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to

deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

**9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

**9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

**9.4 Confidential Information and Disclosure.**

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

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

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide

prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

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

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

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

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

## **Section 10. PROJECT SITE.**

**10.1** **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2** **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation of any equipment, tools, supplies or materials required

for performing the Work, other than parts that are returned under an RMA (return merchandize authorization) for repair, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency, including forklifts and cranes provided to Contractor for its use at the site and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

**Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, for a period of one hundred and eighty (180) days from completion of the Work, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement. The validity of the warranty requires adherence to Contractor's storage, installation, start-up, maintenance and repair guidelines and the use of the Goods in accordance with specified operating conditions, but only if such guidelines or operating conditions are provided to Agency in writing upon or before completion or delivery of the Work. This warranty does not cover: (a) consumables such as packing material, gaskets, balance seals, piston rings, and similar goods ("Soft Goods") required to inspect or maintain any part of the Goods, to the extent damage to the Soft Goods occurs more than thirty (30) days after the Soft Goods installation; (b) damage from debris (unless such debris is caused by Contractor's negligence or failure to perform the Work in accordance with the standards required in this Agreement); or, (c) the effects of normal wear and tear.

Without limiting the generality of the foregoing, and in addition to any and all warranties provided or implied by law or public policy, or any other warranties provided by Contractor,

Contractor 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 suitably safe and sufficient for the purpose for which they are normally used; and are not subject to any liens or encumbrances. Contractor shall provide all Goods in accordance with all applicable engineering, construction and other codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all with the degree of high quality and workmanship expected from purveyors engaged in the practice of providing materials and supplies of a similar nature.

**11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one hundred and eighty (180) days following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction. In the event of a defect, Agency shall provide clear access to the Work at the installation site (including scaffolding) and any information available to support detecting the cause of the defect; provided, however, that Contractor shall be responsible for any cost related to uncovering, disassembly or reassembly of parts or hardware required for Contractor to perform its warranty obligations.

**11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

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

**12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

**12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10** If Contractor is providing Work to an Agency Member, SCLPA or SCLPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.



**Section 13**      **MISCELLANEOUS PROVISIONS.**

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

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

- 13.7      **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

**13.8** Notices. Any written notice to Contractor shall be sent to:

Control Components, Inc.  
Attention: Gil Ramirez  
22591 Avenida Empresa  
Rancho Santa Margarita, CA 92688

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:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

**13.9** [Intentionally left blank.]

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

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

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

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

**13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties

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

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

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

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

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

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

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

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

**13.16** **Limitation of Liability.** Notwithstanding any other clause in this Agreement to the contrary, and except in the case of Contractor's gross negligence and/or willful misconduct, claims for personal injury including death, violation of laws or intellectual property infringement, Contractor's maximum aggregate liability for any and all other

damages and losses shall not exceed the value of this Agreement as specified in Section 2.

Neither Party shall under any circumstances whatsoever be liable to the other party in contract, tort (including negligence), strict liability, warranty, indemnity or otherwise for any (i) loss of anticipated profits or revenues, (ii) loss of use or any losses in relation to business interruption, (iii) loss of production, (iv) non-operation of other equipment, (v) cost of capital, (vi) downtime costs (vii) cost of purchased or replacement power and/or facilities, (viii) claims of customers of Agency for damages or (ix) other indirect, incidental, special, punitive or consequential damages that arises under or in connection with the Agreement, regardless of which party caused any such damages or losses.

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

NORTHERN CALIFORNIA POWER AGENCY

CONTROL COMPONENTS, INC.

Date \_\_\_\_\_

Date \_\_\_\_\_

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

\_\_\_\_\_  
**SUKHJIT PUREWAL**, Chief Financial Officer

Attest:

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

Approved as to Form:

\_\_\_\_\_  
General Counsel

## EXHIBIT A

### SCOPE OF WORK

Control Components, Inc. ("Contractor") shall provide valve and vent maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members:

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

- System Valve Design & Performance Evaluations
- Inspections of Bypass System
- Conduct Root Cause Analysis on Valve Failures
- Onsite Training
- Miscellaneous Maintenance Services

At the request of Agency, its Members, SCPPA or SCPPA members, Contractor shall also supply valve spare parts within agreed upon timeframe based on approved detailed list of item(s) on Purchase order(s).

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

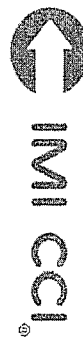
Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as shown on the following page.

Contractor may increase rates shown on the following page once annually, effective on or after January 1st of each year. Contractor shall send notice of new rate sheets to Agency at least 30 days prior to the effective date of the increase.

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

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

# Field Service Rate Sheet North America - USA & Canada



Standard weekly working days (Monday-Friday)  
Standard working hours (Monday-Friday 8:00AM to 5:00PM)

Tentative Release Date 1/1/2017  
Rev. 0

## Hourly Rates

Travel Rate (Domestic) Monday - Friday (Max 12hrs.) Saturday, Sunday & Holidays (Max 12hrs.) <i>One hour maximum per day and not be charged for travel between temporary lodging and site</i>	Currency	IMI CCI Control			IMI CCI Nuclear		
		Field Service Technician Control Service	Field Service Technician Nuclear Service	IMI CCI	IMI CCI	IMI CCI	
Monday - Friday Saturday Sunday & Holidays	Per Hour	STD \$178.50	OT \$267.75	DT \$357.00	STD \$199.00	OT \$301.00	DT \$398.00
	Per Hour	OT \$177.50	N/A	N/A	OT \$301.00	N/A	N/A
	Per Hour	DT \$153.00	N/A	N/A	DT \$183.00	N/A	N/A
OT - Hours on the job up to 8 OT - Hours beyond 8 and up to 12 are charged at Time and One Half (1.5x) STD OT - Hours beyond 12 are charged at Double (2x) STD Time, up to the maximum rate Time Key Service requires a minimum of 2 Technicians on-site per shift, subject to additional labor / freight charges Subentry Service requires a minimum of 1 Technician on-site per shift. Technicians will have customer appointed crew, does not include boiler	Per Hour	USD \$178.50	USD \$267.75	USD \$357.00	USD \$199.00	USD \$301.00	USD \$398.00
Special Rates Site Evaluation Walkdown (limited to 8hrs) Detailed Valve Report	Per Day Per Valve	USD \$700.00	USD \$150.00	USD \$700.00	USD \$150.00	USD \$700.00	USD \$150.00

**Standby Rates**  
On-Site Standby Time: Hours during the Technician's shift when the Technician is not released from the site and is ready and able to work but is unable to do so because Customer ordered the delay. Customer is not ready (e.g. site not ready, other responsibilities of Customer not completed, etc.) or other causes beyond the Customer's control such as weather.  
Off-Site Standby Time: Hours during the Technician's shift when the Technician is ready and able to work but is released from the site before all or any of the shift is completed. During this off-site standby time, the Technician will remain on call for the remainder of the shift and be ready to return to the site if requested by the Customer.

Billable Expense	Actual Cost	IMI CCI
Daily Meal expense	\$80 per day	
Freight (air/road/rail) / Transportation (e.g. taxi)	Actual Cost	
Private (Personal) Motor Vehicles (prevailing IRS rate)	\$0.54 Per Mile	

**Miscellaneous Charges/Payment Information/Annual Rate Increase**  
In-process Billing time is charged at the prevailing Nuclear Service rate.  
Customer required safety classes and certification courses (whether held on-site or made available online) are billable at regular rates, plus any course fees.  
Unless otherwise agreed in the Purchase Order or contract, invoices for payment are due 30 days from receipt of invoice. Customer shall contact IMI CCI on or before the invoice due date if there is a dispute on any portion of the invoice charges.  
Service rates are valid for the year specified. Rates are subject to a yearly increase not to exceed 2%. Increases are based on numerous factors including the U.S. Dept. of Labor's Bureau of Labor Statistics.

**2016 IMI CCI Observed Holidays**  
Holidays applicable for "Holiday rate": New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving, Winter Holiday (December 23rd, 28th, 29th)

**Urgent call surcharge (on site in less than 48 hours) are subject to 15% mark up on all labor charges.  
Total service time not to exceed 16 hours per technician in any 24 hour period.**

**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

CONTROL COMPONENTS, INC.

(Company name)

for contract work at

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

(Project name and location)

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

\_\_\_\_\_

(Signature of officer or agent)

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

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



NOT APPLICABLE - EXHIBIT D

CERTIFICATION

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

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

(Name of person signing affidavit)(Title)

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

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

\_\_\_\_\_

(Signature of officer or agent)

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

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

NOT APPLICABLE - EXHIBIT E

ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)

2722917.5



# Commission Staff Report

March 16, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Westgate Petroleum Company, Inc. – Five Year Agreement for Purchase of Equipment, Materials and Supplies for Fuel, Oil and Lubricant Products; Applicable to the Geothermal Facility.

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer <i>(Signature)</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
Division:	Generation Services	
Department:	Geothermal	

**IMPACTED MEMBERS:**

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

TID \_\_\_\_\_

\_\_\_\_\_

**RECOMMENDATION:**

Approve Resolution 17-19 authorizing the General Manager or his designee to enter into a five-year Agreement for Purchase of Equipment, Materials and Supplies of fuel, oils, lubricants and other miscellaneous petroleum products, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed an amount of \$1,350,000 over five years for use at the Geothermal facility.

**BACKGROUND:**

The purchase and delivery of fuel, oils, lubricants and other miscellaneous petroleum products are needed at the Geothermal facility. The estimated fuel cost for one drilling project is typically between \$450,000 and \$500,000. Westgate Petroleum Company, Inc. is a supplier of these petroleum products.

**FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$1,350,000 over five years to be used out of NCPA Geothermal approved 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 five year contract does not commit NCPA to any expenditure of funds. When these services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has an enabling agreement in place with Redwood Coast Fuels for similar services and will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is 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.

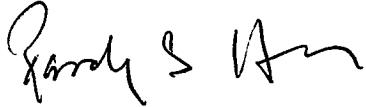
**ENVIRONMENTAL ANALYSIS:**

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 March 1, 2017 and was recommended for Commission approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is fluid and cursive, with the first name "Randy" being the most prominent.

RANDY S. HOWARD  
General Manager

Attachments: (2)

- Resolution
- Agreement for Purchase of Equipment, Materials and Supplies with Westgate Petroleum Company, Inc.

RESOLUTION 17-19

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING AN AGREEMENT FOR PURCHASE OF EQUIPMENT, MATERIALS AND  
SUPPLIES WITH WESTGATE PETROLEUM COMPANY, INC.

(reference Staff Report #128:17)

WHEREAS, purchase and delivery of fuel, oils, lubricants and other miscellaneous petroleum products are required for plant operations at the Geothermal facility; and

WHEREAS, the estimated fuel cost for a Geothermal drilling project is approximately \$500,000; and

WHEREAS, Westgate Petroleum Company, Inc. is a provider of these products and services; 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 an Agreement for Purchase of Equipment, Materials and Supplies with Westgate Petroleum Company, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,350,000 over five years for delivery and purchase of petroleum products for use at NCPA Geothermal Facility and authorize the General Manager to approve the issuance of purchase orders for any amount as needed pursuant to the contract.

PASSED, ADOPTED and APPROVED this \_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

ATTEST:

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



**AGREEMENT FOR PURCHASE OF  
EQUIPMENT, MATERIALS AND SUPPLIES  
BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
WESTGATE PETROLEUM COMPANY, INC.  
(Single Task)**

This Agreement for Purchase of Equipment, Materials and Supplies ("Agreement") is entered into on \_\_\_\_\_, 2017 (the "Effective Date") between the NORTHERN CALIFORNIA POWER AGENCY, ("Agency"), a public joint powers agency, with offices located at 651 Commerce Drive, Roseville, CA, 95678-6420 and Westgate Petroleum Company, Inc., ("Supplier"), whose principal office is located at 3740 Highland Springs Road, Lakeport, CA 95453 (together sometimes referred to as the "Parties").

**Section 1. SCOPE.** In accordance with the terms and conditions set forth in this Agreement, Supplier agrees to periodically deliver the equipment, materials and supplies ("Goods") described in Exhibit A, attached hereto and incorporated herein to Agency's Project Site, DDP, located at 12000 Socrates Mine Road, Middletown, CA 95461. Supplier shall be responsible at its sole expense for delivering the Goods to Agency's Project Site and title shall not pass until the Agency accepts delivery at this Site. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

**Section 2. TERM OF AGREEMENT.** This Agreement shall begin upon Effective Date and shall end on the earlier of five (5) years after the Effective Date or when Supplier has provided to Agency the Goods described in Exhibit A.

**Section 3. COMPENSATION.** Agency hereby agrees to pay Supplier for the Goods an amount not to exceed ONE MILLION THREE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$1,350,000) as total compensation under this Agreement, which includes all shipping, taxes (if applicable), insurance, delivery charges, and any other fees, costs or charges as described in Exhibit B.

**3.1 Invoices.** Supplier shall have ninety (90) days after a given delivery of Goods to invoice Agency for all amounts due and outstanding under this Agreement for such delivery. Supplier shall include the number of the Purchase Order which authorized the delivery of 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)

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

- 3.3 Timing for Submittal of Final Invoice.** Supplier shall have ninety (90) days after the final delivery of Goods to submit its final invoice. 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 Goods from Agency.

**Section 4. 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.

- 4.1 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 (\$1,000,000.00) per accident.
- 4.2 Automobile Liability.** Supplier shall maintain automobile liability insurance for the term of this Agreement covering any loss or liability, including pollution liability, and 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 and mobile equipment utilized in the transport of the Goods to the Agency's Project Site.
- 4.3 Commercial General Liability (CGL).** Supplier shall maintain commercial general liability coverage covering Goods, including product liability and pollution 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 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 endorsements or exclusions for failure to supply, erroneous, wrongful or misdelivery or pollution liability limiting the coverage shall be included or attached.
- 4.4 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.
- 4.5 All Policies Requirements.**
- 4.5.1 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 pollution liability, automobile liability policy and the CGL policy adding the Northern California Power Agency as an Additional Insured and declaring such insurance primary in regard to work performed pursuant to this Agreement and that Agency's insurance is excess and non-contributing.



- 4.5.2 Notice of Reduction in or Cancellation of Coverage.** Supplier agrees to provide at least thirty (30) days prior written notice of any cancellation or reduction in scope or amount of the insurance required under this Agreement.
- 4.5.3 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.
- 4.5.4 Self-Insured Retention.** Supplier shall declare the amount of the self-insured retention to the Agency; the amount shall be not more than \$100,000.
- 4.6 Pollution Liability Insurance.** Supplier shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis. In addition, Contractor shall ensure that such insurance complies with any applicable requirements of the California Department of Toxic Substances Control and California regulations relating to the transport of hazardous materials (Health & Safety Code sections 25160 *et seq.*).

**Section 5. WARRANTY.** In addition to any and all warranties provided or implied by law or public policy, or any other warranties provided by Supplier, 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 suitably safe and sufficient for the purpose for which they are normally used; and are not subject to any liens or encumbrances. Supplier shall provide all Goods in accordance with all applicable engineering, construction and other codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all with the degree of high quality and workmanship expected from purveyors engaged in the practice of providing materials and supplies of a similar nature. Moreover, if, during the term of this Agreement (or during the one (1) year period following the term hereof, unless Supplier's warranty is for greater than one (1) year, in which case Supplier's warranty shall be applied), the Goods provided by Supplier under this Agreement fail due to defects in material and/or workmanship or other breach of this Agreement, Supplier shall, upon any reasonable written notice from Agency, replace the same to Agency's satisfaction.

**Section 6. INDEMNIFICATION AND SUPPLIER'S RESPONSIBILITIES.**

- 6.1 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.

**6.2** **Scope.** 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 costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Supplier, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency.

**6.3** **Transfer of Title.** 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 NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Supplier shall be responsible for all such notifications. Should Supplier 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 or elsewhere, Supplier agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

**Section 7. MISCELLANEOUS PROVISIONS.**

**7.1** **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.

**7.2** **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.

**7.3** **Compliance with Applicable Law.** Supplier shall comply with all applicable federal, state, and local laws, rules and regulations in regard to this Agreement and the Goods supplied hereunder.

**7.4** **Construction of Agreement.** The Parties agree that the usual construction of an agreement against the drafting party shall not apply here.

- 7.5 **Supplier's Status.** Supplier is an independent contractor and not an employee or agent of NCPA.
- 7.6 **Non-assignment.** Supplier may not assign this Agreement without the prior written consent of NCPA, which shall not be unreasonably withheld.
- 7.7 **Governing Law.** This Agreement and all matters pertaining to it shall be governed by the laws of the State of California and venue shall lie in Placer County or in the county to which the Goods are delivered.
- 7.8 **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.
- 7.9 **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.
- 7.10 **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.
- 7.11 **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.
- 7.12 **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.*
- 7.13 **Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 7.14 **Notices.** Any written notice to Supplier shall be sent to:

Westgate Petroleum Company, Inc.  
3740 Highland Springs Road  
Lakeport, CA 95453

Any written notice to Agency shall be sent to:

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

With a copy to:

General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

**7.15 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:

- 7.15.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 7.15.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 7.15.3** 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, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 7.15.4** 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.
- 7.15.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 7.15.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to

either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

- 7.16 **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 the Supplier's Proposal, the Exhibits shall control.
- 7.17 **Certification as to California Energy Commission.** If requested by the Agency, Supplier shall, at the same time it executes this Agreement, execute Exhibit C.
- 7.18 **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 D.
- 7.19 **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.

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

NORTHERN CALIFORNIA POWER AGENCY

WESTGATE PETROLEUM COMPANY, INC.

Date \_\_\_\_\_

Date \_\_\_\_\_

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

\_\_\_\_\_  
CLAUDE BROWN, Manager

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### PURCHASE LIST / SCOPE OF WORK

WESTGATE PETROLEUM COMPANY, INC. ("Contractor") shall deliver Fuel to the NORTHERN CALIFORNIA POWER AGENCY ("Agency") Geothermal Facility Storage Tanks and deliver Oils, Lubricants, and other miscellaneous petroleum products, to the Agency as requested, in accordance with the following specifications:

1. **Definitions.** For the purposes of this Agreement,
  - a. "Fuel" shall include Regular Unleaded Gasoline, Clear Diesel Fuel and Dyed Diesel Fuel unless otherwise specified by Agency in writing, and shall include Oils, Lubricants, and other miscellaneous petroleum products, as requested; and
  - b. "Geothermal Facility Storage Tanks" shall mean the tanks located at both Agency power plants and the tanks located at Agency's Steam Field Shop area.
2. **Contractor shall:**
  - a. Deliver Fuel upon the request of Agency in a manner consistent with Agency direction regarding specific Fuel quantity and delivery location;
  - b. Provide delivery of Fuel within twenty-four (24) hours of Agency request, but under no circumstances shall Contractor fail to deliver Fuel within forty-eight (48) hours of Agency's request.
  - c. Be responsible for the safe delivery of Fuel to the location designated by Agency, in a manner consistent with all applicable environmental, health and safety regulations;
  - d. Promptly inform Agency concerning any spill, leak or other problem involving any delivery of Fuel pursuant to this Agreement and take all necessary steps pursuant to applicable environmental, health and safety laws or regulations to prevent, mitigate, contain, clean up or otherwise address all such spills, leaks or other problems;
  - e. Ensure that any and all Contractor employees and subcontractors use appropriate personal protective equipment ("PPE") in the performance of work pursuant to this Agreement and as otherwise directed by the Agency;
  - f. Make all deliveries using Contractor-owned vehicles or contracted carriers, which are all owned, hired, leased, rented or otherwise used by Contractor in a manner that ensures they are covered under the Contractors' provided automobile insurance plans;
  - g. Ensure that all Contractor vehicles are labeled and constructed to meet all requirements of the California State Highway Patrol, the Interstate Commerce Commission and any and all jurisdiction having control over said delivery truck operations; and
  - h. Deliver Fuel to Agency in accordance with any additional specifications set forth by Agency.
3. **Agency shall:**
  - a. Endeavor to request Fuel delivery from Contractor between twenty-four (24) hours and forty-eight (48) hours before Agency needs Fuel delivered, with the exception of an occasional emergency

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all goods, shall not exceed \$1,350,000.

1. Terms used under Compensation Schedule and Hourly Fees shall have the same meaning as the terms set forth in the Agreement and Exhibit A - Scope of Work.
2. Agency shall only compensate Contractor for Completed Deliveries.
  - a. A "Completed Delivery" means:
    - i. Contractor has delivered the full quantity of Fuel that Agency requested to the final location designated by Agency; and
    - ii. Contractor has delivered the full quantity of Fuel that Agency requested within the time specified by Agency; but not to exceed forty-eight (48) hours after Contractor was notified of Agency's request.
3. Compensation shall be calculated for each Completed Delivery using unbranded Oil Price Information Service ("OPIS") Average Rack Prices for the product, as follows:
  - a. Contractor shall use the San Francisco Daily Unbranded OPIS Average to calculate compensation.
    - i. In making the calculation set forth in Section 3(a) under Compensation Schedule and Hourly Fees, Contractor shall use the OPIS prices for the date the delivery is Completed; and
    - ii. Contractor shall not aggregate Completed Deliveries in response to multiple Agency requests to complete the calculation set forth in Section 3(a) under Compensation Schedule and Hourly Fees.
  - b. Contractor may add no more than \$0.249 cents per gallon to the cost of each Completed Delivery to cover Contractor costs related to labor, fees, taxes or other expenses.
4. Agency shall not provide Contractor with any additional compensation for labor costs, taxes, fees or other expenses related to the performance of work under this Agreement, beyond that set forth in Section 3 of Compensation Schedule.

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

**EXHIBIT C – Not Applicable**

**CERTIFICATION**

**Affidavit of Compliance for 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

\_\_\_\_\_

(Company name)

for contract work at

\_\_\_\_\_

(Project name and location)

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

\_\_\_\_\_

(Signature of officer or agent)

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

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



EXHIBIT D – Not Applicable

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

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

(Name of person signing affidavit)(Title)

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

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

(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.



# Commission Staff Report

March 16, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** K.W. Emerson, Inc. Public Works Agreement – Plant 2 Fire Suppression Service Line Replacement Project; Applicable to the following project: Geothermal Plant 2

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer (C)	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	Public Works Bid
<b>Division:</b>	Generation Services	
<b>Department:</b>	Geothermal	

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

**RECOMMENDATION:**

Approve Resolution 17-20 authorizing the General Manager or his designee to enter into a public works agreement with K.W. Emerson, Inc. for a not to exceed amount of \$650,000 for the fire suppression service line replacement project at the NCPA Geothermal Plant 2 Facility and delegate to the NCPA General Manager authority to issue purchase orders against the contract to carry out this work.

**BACKGROUND:**

NCPA staff began the repair process of the Plant 2 underground fire piping during the summer of 2016. The original plan was to repair or replace approximately 500 feet of line from the Fire Pump House to behind the Cooling Tower hooking back into the existing Fire Line Loop and the Unit 4 Cooling Tower Deluge Valves. During the repair process, numerous additional deficiencies were noted in the existing system and the leaks continued to deteriorate. A Fire System Engineer was hired to review the extent of the issues in the existing line. That study revealed that the problems were much more extensive than previously anticipated. The engineering firm recommended that NCPA replace approximately 1900 feet of 10" underground fiberglass fire line with HDPE from the fire pump house well past the Cooling Tower along with all (6) of the Unit 4 Cooling Tower Deluge Valves. The firm provided certified plans for that repair and the project went out to bid. The work of this section shall include, but shall not be limited to the following items: Trenching into the asphalt pavement and installing new concrete structures, underground piping, fire hydrants, Deluge Valves, Bollards and other features as required to have a completed system that doesn't leak and is up to code.

**FISCAL IMPACT:**

The cost for the base scope of work is \$571,002 as specified by the request for proposal. Contingency funds of \$78,998 (approximately 13.8%) are further requested to cover possible change orders and contingencies, so that the total cost to the project will not exceed \$650,000. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

**SELECTION PROCESS:**

A formal Request for Proposal (RFP) for this public works project was issued on January 6, 2017, Bid No. GEO337. The bid walk was held on January 17, 2017. Attendance at the bid was mandatory to pre-qualify contractors for subsequent bids to be considered responsive. No contractors were present for this mandatory bid walk. The GEO facility solicited three qualified contractors and held a new mandatory bid walk on January 25, 2017, in which two contractors were present and considered responsive. Bids were due on February 9, 2017. NCPA received two bids in response to the RFP as follows:

K.W. Emerson, Inc.	\$571,002
Syblon Reid	\$784,650
Ford Construction	Non-Responsive

Staff has evaluated the bids and recommends that an agreement be entered into with K.W. Emerson, Inc. to provide the required services in the amount of \$571,002.

The project cost will be covered by FY16 and FY17 Generation Services Budget, Geothermal account. A breakdown of the encumbered FY16 and current FY17 funds for this project are shown below. Cost allocation will be based on project participation percentages. Additional funds from other budget accounts will be required to complete this project. Below is a list of projects that have been identified to utilize monies from to ensure completion of this plant critical project. Any work that cannot be accomplished on the below projects this year will be pushed out to 2018.

FY16 Cooling Tower Fire System	Acct: 511-023-000-634-070-099	\$416,642
FY17 Maintenance Misc. Plant Field	Acct: 514-023-000-634-070-000	\$120,000
FY17 Effluent Project Expansion	Acct: 514-023-001-632-070-000	\$ 35,000
FY17 Injection System Budget	Acct: 514-023-000-632-020-000	\$ 35,000
FY17 Plant 1 Cooling Tower Structure	Acct: 513-023-000-634-044-009	\$ 43,358
		Total: \$650,000

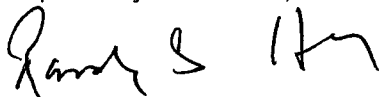
#### **ENVIRONMENTAL ANALYSIS:**

This activity is exempt from the California Environmental Quality act as a Class I Existing Facilities exemption (CEQA Regulation section 15301 (b), (c), (d) and (e)). A Notice of Exemption has been filed.

#### **COMMITTEE REVIEW:**

The recommendation above was reviewed by the Facilities Committee on March 1, 2017 and was recommended for Commission approval.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments: (2)

- Resolution
- Public Works Agreement with K.W. Emerson, Inc.

**RESOLUTION 17-20**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE PUBLIC WORKS AGREEMENT WITH K.W. EMERSON, INC.**

**(reference Staff Report #129:17)**

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains on behalf of the project owners a Geothermal Facility near Middletown, California, consisting of two power plants with containment areas and 80 steam production and injection wells; and

WHEREAS, inspection and failures to the fire suppression system have demonstrated a need to replace a service line to maintain the operational integrity of the system; and

WHEREAS, K.W. Emerson, Inc. was the lowest responsive bidder to the Request for Proposal issued for the public works Geothermal Plant #2 Fire Suppression Service Line Replacement Project (GEO337) with a bid of \$571,002; and

WHEREAS, an additional \$78,998 (approximately 13.8% of the bid amount) is requested to cover possible change orders and contingencies for a total project cost of not to exceed \$650,000; and

WHEREAS, this activity is exempt from the California Environmental Quality act as a Class I Existing Facilities exemption (CEQA Regulation section 15301 (b), (c), (d) and (e). A Notice of Exemption has been filed; 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 public works agreement with K. W. Emerson, Inc. for the Geothermal Plant 2 Fire Suppression Service Line Replacement Project, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$650,000, and delegates to the NCPA General Manager authority to issue purchase orders against the contract for this work.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

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

## AGREEMENT

This contract ("Contract" or "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the Northern California Power Agency, a joint powers public agency organized and existing under the laws of the State of California (hereinafter referred to as "NCPA") and K.W. Emerson, Inc., a California with offices located at 413 W. Saint Charles Street, San Andreas, CA 95249, (hereinafter referred to as "Contractor"), collectively referred to as the "Parties"),

WHEREAS, NCPA intends to have constructed the NCPA Geothermal Plant 2 Fire Suppression Service Line Replacement ("Project") located at **NCPA's Facilities near Middletown, CA** (hereinafter referred to as the "Project"), and the work required by this Contract is an integral part of this Project, and

WHEREAS, on March 1, 2017, at its regularly scheduled meeting, the NCPA Commission has approved and authorized this Project by Resolution No. 17-\_\_\_\_; and

WHEREAS, both Parties have a desire to perform the work described herein;

**NOW THEREFORE, IT IS AGREED THAT:**

### **SECTION 1. SCOPE OF WORK**

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, materials, transportation and utility services and incidentals necessary to fully perform and complete, in a good workmanlike manner, free from any and all liens and claims from mechanics, material suppliers, subcontractors, artisans, machinists, teamsters, freight carriers, and laborers, and in strict accordance with the Contract Documents (as defined below), including without limitation the drawings and technical specifications and plans included therein, the Work of:

**Northern California Power Agency  
Project Description: NCPA Geothermal Plant 2 Fire Suppression Service Line Replacement  
Project  
NCPA Bid No.: GEO337**

It is understood and agreed that such tools, equipment, apparatus, facilities, labor, materials, transportation and utility services and incidentals shall be furnished, and the Work performed and completed, in accordance with the Contract Documents and subject to the approval of NCPA and NCPA's duly authorized representatives.

### **SECTION 2. TIME OF COMPLETION; LIQUIDATED DAMAGES**

Contractor hereby agrees to commence the Work within Fifteen (15) calendar days from the date of NCPA's "Notice to Proceed," and to diligently prosecute the same to completion within **Forty-Five (45)** consecutive calendar days commencing after the date of NCPA's Notice to Proceed. Contractor shall complete the work no later than May 1, 2017, except as adjusted by any subsequent change order. Time is of the essence in this Agreement.

This Contract is being awarded in reliance upon the completion date set forth in the Contract Documents and the dates established by schedules set forth and released by NCPA. NCPA will hold the Contractor responsible and accountable for all damages suffered by NCPA as a consequence of the Contractor's failure to meet the schedule dates, or to complete the work at the time specified, except for such excusable delays as listed in the Contract Documents.

NCPA  
Plant #2 Fire Suppression Service Line Replacement  
1/23/17

It is agreed by the parties to this Agreement that in the case in which portion of the work called for under Contract Documents are not completed within the times specified, damages will be sustained by NCPA, and it is and will be impractical and extremely difficult to ascertain the actual damages which NCPA will sustain in the event of and by reason of such delay. It is therefore agreed that the Contractor shall pay to NCPA the sums stipulated for delays in finishing the work beyond the times of completion specified; and the Contractor agrees to pay these liquidated damages, and further agrees that NCPA may deduct the amount thereof from any moneys due or that may become due the Contractor under the Contract Documents. If such moneys are insufficient, the Contractor or its surety or sureties shall pay to NCPA any deficiency within thirty (30) days of invoice submittal by NCPA.

Liquidated damages in the amount of \$0.00 per day for each day of delay shall be imposed on Contractor.

### **SECTION 3. CONTRACT PRICE**

NCPA will pay Contractor in current funds as full consideration for the full and complete performance of this Agreement the sum of:

Five Hundred Seventy One Thousand and Two Dollars (\$571,002), being Contractor's bid amount, subject to subsequent contract change order(s), for furnishing all materials and for doing all the Work contemplated under this Agreement; for all loss or damages arising out of the nature of the Work, or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the Work, until the Work is accepted by the NCPA; for all expenses incurred by or in consequences of the suspension or discontinuance of the Work; and for well and faithfully completing the Work, the whole thereof, in the manner and in accordance with the Contract Documents therefore and the requirements of NCPA under them.

### **SECTION 4. BONDS**

Prior to execution of this Agreement, Contractor shall obtain a one hundred percent (100%) Performance Bond, a one hundred percent (100%) Payment (Labor and Materials) Bond, and a ten percent (10%) Maintenance Bond each in the form included in the Contract Documents.

### **SECTION 5. INSURANCE**

Before beginning any work under this Contract, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below against claims that may arise from or in connection with the performance of the work hereunder by Contractor and its agents, representatives, employees, and subcontractors. Contractor shall maintain the insurance policies required by this section throughout the term of this Contract. The cost of such insurance shall be included in the Contractor's price. Contractor shall not allow any subcontractor to commence work on any subcontract until Contractor has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to NCPA. Verification of the Contractor's required insurance shall be submitted and made part of this Contract prior to execution. The existence of insurance shall not relieve or decrease the liability of Contractor under the Contract Documents.

5.1. **Workers' Compensation.** Contractor shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than One Million Dollars (\$1,000,000.00) per accident. In the alternative, Contractor may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of NCPA. The insurer, if insurance is provided, or the Contractor, if a program of self-insurance is provided, shall waive all rights of subrogation against NCPA and its officers, officials, employees, and volunteers for loss arising from work performed under this Contract.

5.2. **Commercial General Insurance.**

5.2.1. **General requirements.** Contractor, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Contract in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000.00), per occurrence, combined single limit coverage for risks associated with the work contemplated by this Contract. If a Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Contract or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily injury, personal injury, including death resulting therefrom, completed operations and products liability; broad form property damage liability; coverage for the XCU hazards of explosion, collapse, and underground, and contractual liability as to the obligations assumed by the Contractor under the Contract Documents.

5.2.2. **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (current edition) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. No endorsement shall be attached limiting the coverage.

5.3. **Automobile Liability Insurance.**

5.3.1. **General requirements.** Contractor, at its own cost and expense, shall maintain automobile liability insurance for the term of this Contract in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000.00), per occurrence, combined single limit coverage for risks associated with the work contemplated by this Contract. If an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Contract or the general aggregate limit shall be at least twice the required occurrence limit.

5.3.2. **Minimum scope of coverage.** Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (current edition) symbol 1. No endorsement shall be attached limiting the coverage.



5.4 **All Policies Requirements.**

5.4.1. **Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Best's rating of no less than A:VII.

5.4.2. **Verification of Coverage.** Prior to beginning any work under this Contract, Contractor shall furnish NCPA with endorsements (as to insurance referenced in Sections 5.2, 5.3 and 5.5) and certificates, with complete certified copies of all policies (if requested by NCPA), evidencing to NCPA's reasonable satisfaction, compliance with Section 5 herein. All endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

5.4.3. **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice of any material changes to the insurance specified herein, including suspension, cancellation, termination, limitation, reduction in scope or amount. NCPA's receipt of such notice shall not constitute NCPA's acceptance of such material change.

5.4.4. **Additional Insured; Primary Insurance.** An endorsement at least as broad as Insurance Services Office form number CG 20 10 (current edition) shall be attached to policies referenced in Sections 5.2, 5.3 and 5.5, stating that NCPA and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to such policies. The coverage shall contain no special limitations on the scope of protection afforded to NCPA or its officers, employees, agents, or volunteers.

Each endorsement shall state that coverage is primary insurance with respect to NCPA and its officers, officials, employees, agents and volunteers, and that no insurance or self-insurance maintained by NCPA shall be called upon to contribute to a loss under the coverage.

5.4.5. **Deductibles and Self-Insured Retentions.** Contractor shall disclose to and obtain the written approval of NCPA for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Contract.

During the period covered by this Contract, only upon the prior express written authorization of NCPA, Contractor may increase such deductibles or self-insured retentions with respect to NCPA, its officers, employees, agents, and volunteers. NCPA may condition approval of an increase in deductible or self-insured retention levels with a requirement that Contractor procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

5.4.6. **Subcontractors.** Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.4.7. **Variation.** NCPA may approve a variation in writing in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that NCPA's interests are otherwise fully protected.

**5.4.8 Reporting.** The endorsements shall also specify that any failure or delay to comply with reporting or other provisions of the policies shall not affect coverage provided to NCPA, its officers, officials, employees, agents or volunteers.

**5.4.9 Occurrence-basis for Coverage.** The endorsements shall also specify that coverage is on an occurrence or an accident basis, and not on a claims-made basis.

**5.5 Builder's Risk.** Contractor shall obtain and maintain at its own expense a builder's risk and fire insurance policy, special form including extended coverage and vandalism, and malicious mischief endorsements. The policy shall name NCPA and the Contractor as insureds. This insurance shall be in the amount of 100% of the Contract Price, and may be increased at NCPA's request to reflect change orders. In the event of partial or total destruction by fire of any or all of the Work at any time prior to completion and NCPA's acceptance of the Work, the Contractor shall promptly reconstruct all Work so destroyed or injured at the Contractor's sole cost and expense and at no cost to NCPA.

**5.6 Remedies.** In addition to any other remedies NCPA may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, NCPA may, at its sole option exercise any of the following remedies, which are alternatives to other remedies NCPA may have and are not the exclusive remedy for Contractor's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Contract;
- Order Contractor to stop work under this Contract or withhold any payment that becomes due to Contractor hereunder, or both stop work and withhold any payment, until Contractor demonstrates compliance with the requirements hereof; and/or
- Terminate this Contract.

## **SECTION 6. INDEPENDENT CONTRACTOR**

**6.1. Independent Contractor.** At all times during the term of this Contract, Contractor shall be an independent contractor and shall not be an employee of NCPA. NCPA shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Contract. Notwithstanding any other NCPA, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Contract 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 NCPA, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of NCPA and entitlement to any contribution to be paid by NCPA for employer contributions and/or employee contributions for PERS benefits.

**6.2. Contractor Not Agent.** Except as NCPA may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of NCPA in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Contract to bind NCPA to any obligation whatsoever.

**SECTION 7. REGISTRATION**

During the term of this Agreement, Contractor warrants that it is currently registered with the Department of Industrial Relations and qualified to perform public work consistent with Labor Code section 1725.5. Contractor further warrants that any subcontractors, who are subject to Public Contract Code section 4104, are registered and qualified to perform public work consistent with Labor Code section 1725.5

**SECTION 8. LAW, VENUE, AND CONFLICTS OF INTEREST**

- 8.1. This Agreement has been executed and delivered in the State of California, and the validity, enforceability and interpretation of any of the provisions of the Contract Documents, including this Agreement, shall be determined and governed by the laws of the State of California, without regard to the choice of law doctrine.
- 8.2. The duties and obligations of the parties created hereunder are performable in Placer County and in that County where the NCPA Project is located. Either Placer County or the County where the Project Facility is located shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.
- 8.3. Contractor may serve other clients, but none whose activities within the corporate limits of NCPA or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Sections 81000 *et seq.*
- 8.4. Contractor shall not employ any NCPA official in the work performed pursuant to this Contract. No officer or employee of NCPA shall have any financial interest in this Contract that would violate Government Code Sections 1090 *et seq.*
- 8.5. Contractor hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of NCPA. If Contractor was an employee, agent, appointee, or official of NCPA in the previous twelve months, Contractor warrants that it did not participate in any manner in the forming of this Contract. Contractor understands that, if this Contract is made in violation of Government Code Sections 1090 *et seq.*, the entire Contract is void and Contractor will not be entitled to any compensation for services performed pursuant to this Contract, including reimbursement of expenses, and Contractor will be required to reimburse NCPA for any sums paid to the Contractor. Contractor understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code Section 1090 and, if applicable, will be disqualified from holding public office in the State of California.

**SECTION 9. CHANGE ORDERS**

It is agreed that the Project Manager is the sole person authorized to execute change orders necessary to the prosecution of the Work, unless NCPA otherwise notifies Contractor in writing.

**SECTION 10. EXTRA WORK**

Contractor hereby agrees that it will not proceed with any extra work unless it has been authorized in writing to do so by the Project Manager prior to the commencement of such extra work.

**SECTION 11. PROGRESS PAYMENTS**

11.01 The Contractor shall submit to NCPA's designated representative at least 10 days before the first and/or third Monday of the month, for NCPA's approval, a request for payment. Each progress payment to the Contractor by NCPA shall be in payment for only that work performed

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by the Contractor during the period immediately preceding the Contractor's current request for payment.

**11.02** If requested by NCPA, the Contractor shall submit time sheets to NCPA daily for approval and signature. The daily time sheets shall clearly delineate the number of worker-hours and equipment hours worked in each given area of work. If NCPA makes this request, then only those time sheets signed by NCPA will be honored for payment.

**11.03** Each request for payment submitted by the Contractor shall include backup documentation in support of all quantities and costs for which payment is requested, including but not limited to all material invoices, subcontractor/vendor statements of quantities and/or services provided, equipment rental invoices and signed daily time sheets.

**11.04** Work performed at the request of NCPA, which is outside the scope of work and unit prices as defined in these Contract Documents, shall be itemized separately, with back-up documentation attached, and the total cost figures for the work shall be entered on the billing form under "Other Work". Work itemization with back-up shall be submitted with the Contractor's request for payment.

**11.05** Subject to Section 12 of the General Conditions, after approval by NCPA, progress payments will be made to the Contractor in the amount of ninety five percent (95%) of the approved billing. Progress payments will be made within 30 days after NCPA receives the Contractor's Request for Payment. NCPA's Progress Payment shall not constitute approval or acceptance of the Work performed.

## **SECTION 12. FINAL PAYMENT**

**12.01** Final payment will not be made to the Contractor until it has furnished evidence satisfactory to NCPA, of the Contractor's payment or provision for payment of all bills for material, labor, services, etc., incurred in connection with the performance of the Work; and at NCPA's option the written consent of the Contractor's surety to release final payment.

**12.02** Final payment will further be contingent on approval of, and acknowledgment by, NCPA that the Contractor has completed all tasks and complied with all conditions of the Contract Documents. Upon approval by NCPA, the final payment will be made to the Contractor. NCPA may withhold from final payment, to the extent allowed by applicable law, amounts which in NCPA's opinion are determined to be reasonable and necessary to provide security against any losses, damages, expense, and liability covered by the Indemnification provision in the Contract Documents, and claims filed or reasonable evidence indicating probably filing of claims, damages to NCPA or third parties, liquidated damages, or other lawful bases for withholding final payment.

**12.03** Final payment by NCPA, and acceptance of it by the Contractor, shall not constitute a waiver by NCPA, to any rights with respect to the Contractor's continuing obligations under the Contract Documents.

## **SECTION 13. DISPUTES**

**13.1.** All questions of fact, and any and all disputes with references thereto, arising out of the performance of this Contract, or changes therein, or extra work in connection therewith, shall be submitted in writing to NCPA. NCPA will then make the final decision, which when made in writing shall be final and conclusive on the parties hereto.

**13.2.** Prior to initiating litigation in a court of competent jurisdiction, both Contractor and NCPA shall undergo alternative dispute procedures as outlined in Public Contract Code Sections 20104

*et seq.* The parties also expressly agree that the Alternative Dispute Resolution procedures outlined in Public Contract Code Sections 20104 *et seq.* shall apply to all claims, including those that exceed \$375,000, and that such procedures are incorporated as though fully set forth in this Contract.

**13.3** Notwithstanding Sections 13.1 and 13.2, procedures for the Contractor to make claims for: (1) an extension of time, including relief from damages or penalties for delay; (2) payment by NCPA of money or damages arising from work done by, or on behalf of, the Contractor, where the underlying contract does not expressly provide for payment or payment to which the Contractor is not otherwise entitled, or (3) the payment of an amount disputed by NCPA are set forth in Section 10.03 of the General Conditions.

#### **SECTION 14. PREVAILING WAGES**

In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed. In accordance with California Labor Code Section 1773, NCPA has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project. In accordance with California Labor Code Section 1773.2, copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work the Contractor must comply with all provisions of the Contract Documents and all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold NCPA harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

#### **SECTION 15. GUARANTEE OF WORK**

Contractor hereby agrees that it will post a Maintenance Bond in the form included in the Contract Documents after final inspection by NCPA and completion of required corrections and/or repairs. Such Maintenance Bond shall guarantee Contractor's work for the period of one year after the date of recording of NCPA's Notice of Completion of the Work.

#### **SECTION 16. RELEASE**

Upon payment of undisputed amounts under this Agreement and if requested by NCPA, Contractor shall execute a Release in the form provided by NCPA. Such Release shall not apply to disputed contract claims in amounts specifically excluded by Contractor from the operation of the Release.

#### **SECTION 17. BINDING AGREEMENT; ASSIGNMENT**

Contractor, by execution of this Agreement, acknowledges that Contractor has read this Agreement and the other Contract Documents, understands them, and agrees to be bound by their terms and conditions. The Contract Documents shall inure to the benefit of and shall be binding upon the Contractor and NCPA and their respective successors and permitted assigns.

The Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of all sureties on all bonds required by this agreement, including but not limited to the Payment (Labor and Materials) Bond, and NCPA.

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**SECTION 18. CONTRACT DOCUMENTS**

The full, complete and exclusive contract between the parties hereto shall consist of the following identified documents (the "**Contract Documents**"): (1) The "**Bid Documents**," consisting of the Notice Inviting Bids, Instructions to Bidders, Bidder's Check List, Bid Form, Bid Bond, Designation of Subcontractors, Non-Collusion Declaration, Agreement, Workers' Compensation Insurance Certification, Performance Bond, Payment (Labor and Materials) Bond, Maintenance Bond, Escrow Agreement for Security Deposits in Lieu of Retention, General Conditions, Supplementary Conditions, and Technical Specifications and Plans, and any Addenda, and (2) any Change Orders, Field Orders, or NCPA's directives issued pursuant to and in accordance with this Agreement.

**SECTION 19. INDEMNIFICATION AND ATTORNEY'S FEES**

Contractor shall at its own cost, defend, hold harmless, and indemnify NCPA, its governing board, officials, commission members, officers, directors, employees, agents, and successors in interest ("Indemnitees") from and against any and all liability, damages, losses, claims, demands, actions, costs including attorney's fees and expenses ("Liabilities"), on account of injury to or death of persons or damage to any property (including property of NCPA) or delay or damage to another contractor resulting from or arising out of or in any way connected with the performance by the Contractor of this Agreement, and Contractor will reimburse Indemnitees for all Liabilities incurred by Indemnitees in consequence of any claims, demands, and causes of action which may be brought against Indemnitees arising out of the performance by the Contractor of this Agreement. However, notwithstanding, nothing in this section or the Contract Documents generally shall be construed to require the Contractor to indemnify the Indemnitees for their sole negligence, willful misconduct, or for defects in design furnished by Indemnitees. This section and the Contract Documents shall be construed consistent with Civil Code section 2782 so as to provide the maximum indemnification permitted by applicable law to Indemnitees.

This indemnification shall be in addition to any other indemnification provisions contained in the Contract Documents.

**SECTION 20. NO IMPLIED WAIVER OF BREACH**

The waiver of any breach of a specific provision of this Contract does not constitute a waiver of any other breach of that term or any other term of this Contract.

**SECTION 21. SUCCESSORS AND ASSIGNS**

The provisions of this Contract shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

**SECTION 22. USE OF RECYCLED PRODUCTS**

Contractor shall endeavor to prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

**SECTION 23. NONDISCRIMINATION AND EQUAL OPPORTUNITY**

Contractor shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Contractor under this Contract. Contractor shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any

services that are the subject of this Contract, including but not limited to the satisfaction of any positive obligations required of Contractor thereby.

Contractor shall include the immediately foregoing paragraph, verbatim, of this Subsection in any subcontract approved by the Contract Administrator or this Contract.

Contractor shall indemnify, defend, and hold harmless NCPA with respect to any alleged violation of this Section.

**SECTION 24. ENTIRE AGREEMENT**

The Contract Documents constitute the entire Agreement between the parties, and supersede any prior agreement between the parties, oral or written, including NCPA's award of the contract to Contractor, unless such agreement is expressly incorporated herein. NCPA makes no representations or warranties, express or implied, not specified in the Contract Documents.

**SECTION 25. EXECUTION OF OTHER DOCUMENTS**

The parties to this Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of the Contract Documents.

**SECTION 26. EXECUTION IN COUNTERPARTS**

This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

**SECTION 27. SEVERABILITY**

If any provision of the Contract Documents shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 28. AMENDMENTS**

The terms of the Contract Documents shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by the parties.

**SECTION 29. WRITTEN NOTICE**

Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm, to an officer or director of the corporation, or to a manager of the LLC for whom it was intended, or if delivered at or sent by registered or certified mail to the last business address known to the party who gives the notice.

Any written notice to Contractor shall be sent to:

E. Jean Emerson  
Director  
413 W. Saint Charles Street  
San Andreas, CA 95249

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Any written notice to NCPA shall be sent to:

Northern California Power Agency  
Attn: Project Manager  
Marty Lebrecht  
Middletown, CA 95461

and

Northern California Power Agency  
Attn: General Manager  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

General Counsel  
651 Commerce Drive  
Roseville, CA 95678

**SECTION 29. TERMINATION OF AGREEMENT**

NCPA may terminate the Agreement as provided in the Contract Documents. The Contractor shall receive payment for all work performed to the date of termination in accordance with the provisions of the Contract Document.

**SECTION 30. MONITORING BY DEPARTMENT OF INDUSTRIAL RELATIONS**

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.



**IN WITNESS WHEREOF**, the Northern California Power Agency has authorized the execution of this Agreement by its General Manager has caused this Agreement to be duly executed.

NORTHERN CALIFORNIA POWER AGENCY

ATTEST

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

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

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

APPROVED AS TO FORM

By \_\_\_\_\_  
Ruthann G. Ziegler  
Assistant General Counsel

CONTRACTOR: K.W. EMERSON, INC.

\_\_\_\_\_  
E. Jean Emerson

By \_\_\_\_\_  
Signature (if a partnership, all partners must sign)

\_\_\_\_\_  
Official Title

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
License No./Classification/Expiration Date

CORPORATE CERTIFICATE

I, \_\_\_\_\_, hereby certify that I am the Secretary of the Corporation named as Contractor in the foregoing Agreement; that \_\_\_\_\_ who signed the Agreement on behalf of the Contractor, was then \_\_\_\_\_ of such Corporation; that the Agreement was duly signed for and in behalf of such Corporation by authority of its governing body and is within the scope of its corporate powers.

(Corporate Seal)

(Secretary)



# Commission Staff Report

March 13, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Pacific Gas and Electric Company Standby Services Agreement – Updated Standby Services Agreement for the purchase of back feed power; Applicable to the Lodi Energy Center.

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	
<b>Department:</b>	Lodi Energy Center	

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

**RECOMMENDATION:**

Approval of Resolution 17-21 authorizing the General Manager or his designee to execute the updated Standby Services Agreement with Pacific Gas and Electric Company (PG&E) for the purchase of back feed power while the Lodi Energy Center (LEC) is offline.

**BACKGROUND:**

The LEC is currently going through the process to upgrade the ratings on the transmission line. As a result of that process, PG&E has requested that they would like to update the Standby Services Agreement for the LEC project since the project is going through the interconnection process for the expansion. When asked about the need to execute an identical document, PG&E stated that it is a requirement that every project that goes through the study process update their Standby Services Agreement. A review was conducted by legal counsel comparing the prior agreement to the new agreement. No changes in the language of the agreement were noted. The only changes that were found on the form was the addition of the PG&E logo and the address of the signatory.

Back feed power is used to power LEC equipment during start up and shut down for maintenance of systems while the unit is offline. LEC operators have made many significant revisions to reduce the back feed power consumed by the facility.

This updated Standby Services Agreement does not affect the LEC or how it obtains back feed power while offline and continues the terms currently in place.

**FISCAL IMPACT:**

There is no fiscal impact as a result of the contract change. LEC will continue purchasing power at the same rates that it currently does. Currently LEC expends approximately \$460,000 per year on standby power.


**ENVIRONMENTAL ANALYSIS:**

These activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines. A Notice of Exemption was approved by the NCPA Commission on September 27, 2013 for this class of work and was filed in San Joaquin County.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on March 13, 2017 and was approved.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy S. Howard". The signature is fluid and cursive, with the first name "Randy" being the most prominent.

RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution
- Special Agreement for Electrical Standby Service with PG&E dated March 23, 2012
- Updated Special Agreement for Electrical Standby Service with Pacific Gas and Electric Company

RESOLUTION 17-21

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING AN UPDATED STANDBY SERVICES AGREEMENT WITH  
PACIFIC GAS AND ELECTRIC COMPANY

(reference Staff Report #130:17)

WHEREAS, the Northern California Power Agency operates and maintains the Lodi Energy Center (LEC) for the Project Participants; and

WHEREAS, Pacific Gas and Electric Company (PG&E) is the supplier of the back feed power while the LEC is offline; and

WHEREAS, NCPA entered into a Standby Services Agreement with PG&E on March 23, 2012 for the purchase of back feed power; and

WHEREAS, PG&E has requested to update the Standby Services Agreement for the LEC project as a result of the project going through the interconnection process for expansion; and

WHEREAS, these activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines; 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 updated Standby Services Agreement with PG&E for the purchase of back feed power while the LEC is offline.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

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



SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE

DISTRIBUTION

- Customer
Division
Tariff Interpretation
Customer Relations
Electric Billing Solutions

REFERENCES

QF Log #:
Premises #:
CDx/Acct#:

This is an agreement between Pacific Gas and Electric Company (PG&E), a California corporation, and NORTHERN CALIFORNIA POWER AGENCY (Customer), a California Joint Powers Agency. This agreement will be herein referred to as "Agreement".

Customer has requested PG&E to provide standby service at Customer's premises at LODI ENERGY CENTER, 12751 N. Thornton Rd., Lodi, California, County of San Joaquin California, under one of the standby options designated below:

[X] Option 1 - PG&E Standby Through Non-PG&E Supply Facilities - Standby service for customers whose supply requirements would otherwise be delivered through PG&E owned facilities...

The non-utility owned generating facilities have a total rated capacity of approximately 336,920 kVA.

All PG&E power deliveries will be made under Schedule S -- Standby Service.

[ ] Option 2 - PG&E Standby When Service is from Another Utility - Standby service for customers who regularly take electric service from another public utility but desire PG&E to reserve its generation, transmission or distribution capacity for their use:

Customer currently is supplied regular electric service from another utility's generation, transmission, or distribution system; Customer may be alternately served by PG&E by means of a double-throw switch. Both PG&E and the other utility have consented to this arrangement. Customer's maximum demand from electric equipment on his premises is \_\_\_\_\_ kW.

All PG&E power deliveries will be made under Schedule S.

This option is closed to all new customers after January 19, 2001.

[ ] Option 3 - PG&E Standby for Non-Continuous/Irregular PG&E Supply - Standby service for customers who require PG&E to reserve transmission or distribution capacity and stand ready at all times to deliver electricity on an irregular or non-continuous basis:

Customer has a) a premise which is normally, in part but not in whole, served by non-utility owned generation facilities with a total rated capacity of less than 50 percent of Customer's maximum demand for that premise, or b) a premise which qualifies for back-up service under the provisions of Special Condition 7 of Schedule S (See Option 4) but chooses not to elect Option 4 or currently lacks the necessary on-site metering to bill Option 4 properly, or c) electrical equipment which is used on an irregular or non-continuous basis. The total rated capacity of Customer's generation facilities or irregularly utilized equipment is \_\_\_\_\_ kVA.



## SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE

Customer will be billed for all PG&E power deliveries on the otherwise applicable rate schedule; however, Special Conditions 1 through 6 and 8, 9, and 10 of Schedule S will also apply to Customer's service.

- Option 4 – PG&E Supplemental (Back-up and Maintenance) Standby Service –** Standby service for customers who do not meet the criteria described in Option 1 and 2 above, but elect to receive back-up and maintenance portion of their total standby requirements under the provisions of Special Condition 7 of Schedule S:

At least 50 percent of Customer's maximum electric demand is served by a non-utility owned generator, and all necessary metering has been installed (by May 1, 1994, or the effective date of the contract) by PG&E to separately measure Customers net on-site generation and on-site load requirements. Customer would otherwise, except for such generation, qualify for service under Schedule E-19 (mandatory), E-20 or E-37.

Customer will be billed for the back-up and maintenance portion of the premises' total service requirements under the provisions of Special Condition 7 of Schedule S, and for its ordinary supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the otherwise applicable rate schedule. All back-up and maintenance power deliveries by PG&E will be billed in accordance with Schedule S. The total rated capacity of Customer's generation is kVA.

- Option 5 – PG&E Standby for Station Load Self-Supply –** Standby service for customers, whose supply requirements would otherwise be delivered through PG&E owned facilities (including Independent System Operator controlled transmission facilities), where the customers' Station Power requirements are regularly supplied through generating units in accord with the customer's CAISO-approved Station Power Portfolio (SPP), as described under the provisions of Special Condition 15 of Schedule S .

Notice of Pending Appeal: Currently an appeal of the Federal Energy Regulatory Commission's (FERC's) June 22, 2005 and related orders is pending before the U.S. Court of Appeals for the D.C. Circuit (D.C. Circuit appeal) related to Schedule S Special Condition 15 regarding Station Power. A Customer eligible for SPP and taking service under Special Condition 15, must acknowledge its obligation to and agreement to pay charges consistent with the outcomes of the Southern California Edison's D.C. Circuit appeal for any time after the later of April 1, 2006 or when the Customer received CAISO certification to operate under SPP. Appropriate payment constitutes the final amount calculated commencing from the date when the Customer received CAISO certification to operate under SPP until the effective date of CPUC jurisdictional standby tariffs that reflect the resolution of the D.C. Circuit appeal. Any payments owed PG&E resulting from the reconciliation will not include interest except as specifically ordered in the clarifying tariffs.

**PU Code 353 exemption:**

*Standby service for customers who qualify for exemption under PU Code 353 and elect to take this exemption.*

- Customers does NOT qualify for PU Code 353 exemption**

- Customers with supplemental power requirements:**

*For customers with supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the*





## SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE

otherwise applicable rate schedule, Special Conditions 1 through 7 of Schedule S will **not** apply. (Option 3)

**[ ] Customers with excess generation:**

For those customers who operate electric generation equipment capable of serving their entire load and elect to take this exemption, Special Condition 1 (reservation capacity) will **not** apply. All other applicable charges of Schedule S will apply. (Options 1, 2 and 4)

### Terms and Conditions

1. Customer has requested PG&E to stand ready at all times to deliver or supply and deliver electric energy to Customer's premises on an as-needed basis. Such standby service shall be provided to Customer in accordance with and subject to PG&E's applicable rates and rules as established from time to time by, and on file with, the California Public Utilities Commission (Commission).
2. PG&E shall be granted, without cost to it, all necessary rights-of-way and easements, satisfactory to PG&E, in both location and form of document, to establish such service.
3. All necessary service facilities to accommodate Customer's load shall be furnished by PG&E and Customer as specified in electric line extension and service rules or the otherwise appropriate extension agreements. Any necessary extensions and reinforcements of PG&E's distribution and transmission facilities that are furnished by PG&E at Customer's expense in accordance with either a separate line extension or special facilities agreement, in accordance with the applicable tariffs.
4. All facilities furnished by PG&E to provide electric service at all times shall be and remain the property of PG&E notwithstanding that they may be affixed to Customer's property. PG&E may remove such facilities upon termination of the Agreement.
5. During the term of this Agreement, Customer grants to PG&E the right to operate, maintain, replace, and repair PG&E's facilities on Customer's premises necessary to provide standby service hereunder and all rights necessary for access to and from such facilities at all reasonable times.
6. All standby electric service provided shall be 3 phase, 60 hertz, alternating current at an electromotive force of approximately 230,000 volts. Allowable variations in this frequency and voltage are specified in PG&E's electric Rule 2. The delivery point for PG&E's standby service shall be considered the point where conductors owned, or under license by Customer, contact PG&E's conductors, or as otherwise designated by applicable rules.
7. The initial reserved capacity for standby service shall be 5000 kW (Reservation Capacity) and shall be billed monthly at the rate described in the "Rates" section of Schedule S. If the Customer is already receiving standby service from PG&E under a preceding contract, that contracted or reserved capacity, or the amount of capacity to which that contract has been subsequently ratcheted, shall automatically become the Customer's Reservation Capacity, until the ratchet period ends unless the Reservation Capacity has been increased in accordance with the preceding paragraph.
8. Customer elects to receive any backup and maintenance service that is to be billed under the provisions of Schedule S under the following terms:  X  Firm Service Only.



SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE

- 9. If Customer has a generator and wishes to operate that generator in parallel with PG&E's system, Customer must also execute either a power purchase agreement, or parallel operation agreement, or applicable interconnection agreement with PG&E. Interconnection and operation of all non-utility owned generation paralleling with PG&E's system will be treated in accordance with electric Rule 21. Customers may need to meet those requirements as imposed by other governing entities having jurisdiction including the Independent System Operator and the Western Systems Coordinating Council.
10. Customer shall pay PG&E the monthly charges for the standby service provided hereunder at any established office of PG&E.
11. The initial term of this Agreement shall be for a period of one (1) year from the date the standby service under this Agreement is first made available to Customer as such date is established in PG&E's records and shall continue thereafter from year to year. Customer may terminate this Agreement at the expiration of the initial or any subsequent one-year term, or PG&E may terminate this Agreement in accordance with its tariffs, provided that written notice of such termination is given to the other party at least thirty (30) days prior to such termination date.
12. Customer may, with PG&E's written consent, assign this Agreement to a subsequent owner of the premises if the assignee will, in writing; agree to perform the obligations of the Agreement.
13. This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

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

APPROVED:

Signature lines for Customer and PACIFIC GAS AND ELECTRIC COMPANY, including fields for Authorized Signature, Print Name, Title, and Date.

Mailing Address: \_\_\_\_\_

Mailing Address: Pacific Gas and Electric Co
245 Market Street, MC N7L
San Francisco, CA 94105

**Distribution**

- Division
- Customer (original)
- Rates and Tariffs – New Business (original)
- Electric Billing Solutions

QF LOG#

Premises #

0835148253

CDx Acct #

**PACIFIC GAS AND ELECTRIC COMPANY'S  
SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE**

This is an agreement between Pacific Gas and Electric Company (PG&E), a California corporation, and **NORTHERN CALIFORNIA POWER AGENCY**, (Customer), a California Joint Powers Agency. This agreement will be herein referred to as "Agreement".

Customer has requested PG&E to provide standby service at Customer's premises at the **LODI ENERGY CENTER**, 12751 N. Thornton Rd., Lodi, County of San Joaquin California, under one of the standby options designated below:

- Option 1 – PG&E Standby Through Non-PG&E Supply Facilities** – Standby service for customers whose supply requirements would otherwise be delivered through PG&E owned facilities (including Independent System Operator controlled transmission facilities), are regularly and completely supplied through facilities not owned by PG&E.

The non-utility owned generating facilities have a total rated capacity of approximately 336,920 kVA.

All PG&E power deliveries will be made under Schedule S -- *Standby Service*.

- Option 2 – PG&E Standby When Service is from Another Utility** – Standby service for customers who regularly take electric service from another public utility but desire PG&E to reserve its generation, transmission or distribution capacity for their use:

Customer currently is supplied regular electric service from another utility's generation, transmission, or distribution system; Customer may be alternately served by PG&E by means of a double-throw switch. Both PG&E and the other utility have consented to this arrangement. Customer's maximum demand from electric equipment on his premises is \_\_\_\_\_ kW.

All PG&E power deliveries will be made under Schedule S.

This option is closed to all new customers after January 19, 2001.

- Option 3 – PG&E Standby for Non-Continuous/Irregular PG&E Supply** – Standby service for customers who require PG&E to reserve transmission or distribution capacity and stand ready at all times to deliver electricity on an irregular or non-continuous basis: Customer has a) a premise which is normally, in part but not in whole, served by non-utility owned generation facilities with a total rated capacity of less than 50 percent of Customer's

maximum demand for that premise, or b) a premise which qualifies for back-up service under the provisions of Special Condition 7 of Schedule S (See Option 4) but chooses not to elect Option 4 or currently lacks the necessary on-site metering to bill Option 4 properly, or c) electrical equipment which is used on an irregular or non-continuous basis. The total rated capacity of Customer's generation facilities or irregularly utilized equipment is \_\_\_\_\_ kVA.

Customer will be billed for all PG&E power deliveries on the otherwise applicable rate schedule; however, Special Conditions 1 through 6 and 8, 9, and 10 of Schedule S will also apply to Customer's service.

- Option 4 – PG&E Supplemental (Back-up and Maintenance) Standby Service –** Standby service for customers who do not meet the criteria described in Option 1 and 2 above, but elect to receive back-up and maintenance portion of their total standby requirements under the provisions of Special Condition 7 of Schedule S:

At least 50 percent of Customer's maximum electric demand is served by a non-utility owned generator, and all necessary metering has been installed (by May 1, 1994, or the effective date of the contract) by PG&E to separately measure Customers net on-site generation and on-site load requirements. Customer would otherwise, except for such generation, qualify for service under Schedule E-19 (mandatory), E-20 or E-37.

Customer will be billed for the back-up and maintenance portion of the premises' total service requirements under the provisions of Special Condition 7 of Schedule S, and for its ordinary supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the otherwise applicable rate schedule. All back-up and maintenance power deliveries by PG&E will be billed in accordance with Schedule S. The total rated capacity of Customer's generation is kVA.

- Option 5 – PG&E Standby for Station Load Self-Supply –** Standby service for customers, whose supply requirements would otherwise be delivered through PG&E owned facilities (including Independent System Operator controlled transmission facilities), where the customers' Station Power requirements are regularly supplied through generating units in accord with the customer's CAISO-approved Station Power Portfolio (SPP), as described under the provisions of Special Condition 15 of Schedule S.

Notice of Pending Appeal: Currently an appeal of the Federal Energy Regulatory Commission's (FERC's) June 22, 2005 and related orders is pending before the U.S. Court of Appeals for the D.C. Circuit (D.C. Circuit appeal) related to Schedule S Special Condition 15 regarding Station Power. A Customer eligible for SPP and taking service under Special Condition 15, must acknowledge its obligation to and agreement to pay charges consistent with the outcomes of the Southern California Edison's D.C. Circuit appeal for any time after the later of April 1, 2006 or when the Customer received CAISO certification to operate under SPP. Appropriate payment constitutes the final amount calculated commencing from the date when the Customer received CAISO certification to operate under SPP until the effective date of CPUC jurisdictional standby tariffs that reflect the resolution of the D.C. Circuit appeal. Any payments owed PG&E resulting from the reconciliation will not include interest except as specifically ordered in the clarifying tariffs.

**PU Code 353 exemption:**

*Standby service for customers who qualify for exemption under PU Code 353 and elect to take this exemption.*

**[X] Customer does NOT qualify for PU Code 353 exemption**

**[ ] Customers with supplemental power requirements:**

*For customers with supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the otherwise applicable rate schedule, Special Conditions 1 through 7 of Schedule S will **not** apply. (Option 3)*

**[ ] Customers with excess generation:**

*For those customers who operate electric generation equipment capable of serving their entire load and elect to take this exemption, Special Condition 1 (reservation capacity) will **not** apply. All other applicable charges of Schedule S will apply. (Options 1, 2 and 4)*

**Terms and Conditions**

1. Customer has requested PG&E to stand ready at all times to deliver or supply and deliver electric energy to Customer's premises on an as-needed basis. Such standby service shall be provided to Customer in accordance with and subject to PG&E's applicable rates and rules as established from time to time by, and on file with, the California Public Utilities Commission (Commission).
2. PG&E shall be granted, without cost to it, all necessary rights-of-way and easements, satisfactory to PG&E, in both location and form of document, to establish such service.
3. All necessary service facilities to accommodate Customer's load shall be furnished by PG&E and Customer as specified in electric line extension and service rules or the otherwise appropriate extension agreements. Any necessary extensions and reinforcements of PG&E's distribution and transmission facilities that are furnished by PG&E at Customer's expense in accordance with either a separate line extension or special facilities agreement, in accordance with the applicable tariffs.
4. All facilities furnished by PG&E to provide electric service at all times shall be and remain the property of PG&E notwithstanding that they may be affixed to Customer's property. PG&E may remove such facilities upon termination of the Agreement.
5. During the term of this Agreement, Customer grants to PG&E the right to operate, maintain, replace, and repair PG&E's facilities on Customer's premises necessary to provide standby service hereunder and all rights necessary for access to and from such facilities at all reasonable times.

6. All standby electric service provided shall be 3 phase, 60 hertz, alternating current at an electromotive force of approximately 230,000 volts. Allowable variations in this frequency and voltage are specified in PG&E's electric Rule 2. The delivery point for PG&E's standby service shall be considered the point where conductors owned, or under license by Customer, contact PG&E's conductors, or as otherwise designated by applicable rules.
7. The initial reserved capacity for standby service shall be 5000 kW (Reservation Capacity) and shall be billed monthly at the rate described in the "Rates" section of Schedule S. If the Customer is already receiving standby service from PG&E under a preceding contract, that contracted or reserved capacity, or the amount of capacity to which that contract has been subsequently ratcheted, shall automatically become the Customer's Reservation Capacity, until the ratchet period ends unless the Reservation Capacity has been increased in accordance with the preceding paragraph.
8. Customer elects to receive any backup and maintenance service that is to be billed under the provisions of Schedule S under the following terms: X Firm Service Only.
9. If Customer has a generator and wishes to operate that generator in parallel with PG&E's system, Customer must also execute either a power purchase agreement, or parallel operation agreement, or applicable interconnection agreement with PG&E. Interconnection and operation of all non-utility owned generation paralleling with PG&E's system will be treated in accordance with electric Rule 21. Customers may need to meet those requirements as imposed by other governing entities having jurisdiction including the Independent System Operator and the Western Systems Coordinating Council.
10. Customer shall pay PG&E the monthly charges for the standby service provided hereunder at any established office of PG&E.
11. The initial term of this Agreement shall be for a period of one (1) year from the date the standby service under this Agreement is first made available to Customer as such date is established in PG&E's records and shall continue thereafter from year to year. Customer may terminate this Agreement at the expiration of the initial or any subsequent one-year term, or PG&E may terminate this Agreement in accordance with its tariffs, provided that written notice of such termination is given to the other party at least thirty (30) days prior to such termination date.
12. Customer may, with PG&E's written consent, assign this Agreement to a subsequent owner of the premises if the assignee will, in writing; agree to perform the obligations of the Agreement.

13. This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

Dated this 23 day of March, 2012

**NORTHERN CALIFORNIA POWER AGENCY**

**PACIFIC GAS AND ELECTRIC**

BY:

Ken Speer for Jim Pope  
(Signature)

BY:

[Signature]  
(Signature)

General Manager

651 Commerce Drive, Roseville, CA 95678

Manager, Energy Solutions & Service

3185 M Street, Merced, CA 95348

ATTEST:

[Signature]

~~Asst.~~ Secretary to the Commission

APPROVED AS TO FORM:

[Signature]

Michael F. Dean, General Counsel

1811157.2

**Linda Stone**

---

**From:** Jim Pope  
**Sent:** Friday, March 23, 2012 3:07 PM  
**To:** \*All HQ Staff  
**Subject:** Signature Authority

I will be out of the office until April 5<sup>th</sup>. Ken Speer will have signature authority on my behalf during this time.

Thank you,

Jim Pope

**James H. Pope**  
General Manager  
**Northern California Power Agency**  
651 Commerce Drive  
Roseville, CA 95678



- Distribution:**  
 Rates & Tariffs  
 Customer Billing  
 Account Services  
 Electric Transmission



Date: Feb 1, 2012  
 Log #: Wholesale  
0835148253

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Reactive Demand Charge Exemption Form**

Premises #: \_\_\_\_\_

Project Name: Northern California Power Agency, Lodi Energy Center  
(Legal name as entered on Standby Contract)

CDx Account No: 2986213947 SA ID #: 2986213148  
(Assigned to Customer) (Electric Service Agreement #)

Locatio 12751 N Thornton Rd, Lodi  
 1: \_\_\_\_\_  
(Street or descriptive address, city and/or county, and zip code)

**Generator Information:**

Generator equipment limits for operating voltages CTG:16.5kV+/-5%, STG:13.8kV+/-5%  
 Safe Operating VAR limit (plus and minus value) CTG:+115MVAR, -90MVAR  
STG:52MVAR,-37MVAR

Reactive Demand Exemption is only applicable to transmission-connected synchronous generators on automatic voltage control (AVR)

#	Generator Description e.g. Plant #1	Generator Type: Synchronous or Induction	Interconnection Voltage (kV)	Capacity (MW)	Make and Model e.g. GE LM5000
1.	CT Generator	Synchronous	230,000	187MW	SGEN6-1000A
2.	ST Generator	Synchronous	230,000	105MW	SGEN6-100A-2P
3.					
4.					

Completed by: Kevin Cunningham  
 Effective Date Requested: May 1, 2012

Plant control e-mail: Kevin.Cunningham@ncpa.com Contact # ( 209 ) 210-5000

Plant control fax number: \_\_\_\_\_ Contact # ( 209 ) 333-6374

Alternate contact number (cell): \_\_\_\_\_ Contact # ( 707 ) 295-9063

PG&E Switching Center: Tesla Control Center Contact co. # (707) 449-6715

Comments: \_\_\_\_\_

For PG&E Use Only  
 Reviewer: \_\_\_\_\_ Contact # ( )

Effective Date:

(First day of the next billing cycle)



# Commission Staff Report

March 13, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Lodi Energy Center Heat Recovery Steam Generator Outage Project – May 2017; Applicable to the Lodi Energy Center.

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Ken Speer <i>KS</i>	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	Competitive Pricing Process; per NCPA procurement policies and procedures
<b>Division:</b>	Generation Services	
<b>Department:</b>	Lodi Energy Center	

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

**RECOMMENDATION:**

Approval of Resolution 17-22 authorizing the General Manager or his designee to execute agreements and issue purchase orders for maintenance work related to the Lodi Energy Center (LEC) Heat Recovery Steam Generator Outage Project, for a total cost not to exceed \$720,145.

**BACKGROUND:**

The Lodi Energy Center has an outage scheduled for May 1-28 for work related to the Heat Recovery Steam Generator (HRSG). During the outage, the LEC team will complete preventative maintenance work on critical valves and ancillary equipment that cannot be worked on while the unit is operating without affecting the output of the facility. NCPA will hire a number of contractors to perform work during the outage.

Listed below is a summary of the work to be performed as a part of the outage:

1. HRSG Penetration Seals, Tube Service, Insulation, Baffle Service
2. Relief Valve Testing
3. Critical Valve Service
4. Clarifier Outlet Box
5. Aux Boiler Service
6. DCS Patches

**SELECTION PROCESS:**

All of the work went out to bid to qualified contractors and the lowest priced contractors have been awarded the work.

**FISCAL IMPACT:**

<b>HRSG Outage</b>	<b>Anticipated Cost</b>
HRSG Work	\$527,062
Balance of Plant Work	73,059
Contingency	\$120,024
<b>Total Cost</b>	<b>\$720,145</b>

The budgetary funds to complete the HRSG Project include \$720,145 of pre-collected funds in the Maintenance Reserve for the Outage Project (Account # 265-009-005-610-044-002).

**ENVIRONMENTAL ANALYSIS:**

These activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines. A Notice of Exemption was approved by the NCPA Commission on September 27, 2013 for this class of work and was filed in San Joaquin County.

**COMMITTEE REVIEW:**

The recommendation above was reviewed by the Lodi Energy Center Project Participant Committee on March 13, 2017 and was approved.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments (1):

- Resolution

RESOLUTION 17-22

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING THE LODI ENERGY CENTER MAY OUTAGE AND AUTHORIZING THE  
GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE AGREEMENTS AND PURCHASE  
ORDERS TO CARRY OUT THE WORK

(reference Staff Report #131:17)

WHEREAS, each year the Lodi Energy Center (LEC) shuts down to perform maintenance and inspections on equipment to ensure safe, reliable operation; and

WHEREAS, the LEC has an outage scheduled for May 1- 28 for work related to the Heat Recovery Steam Generator (HRSG); and

WHEREAS, on March 13, 2017, the LEC Project Participant Committee approved the May outage and associated cost of \$720,145; and

WHEREAS, these activities are categorically exempt under Class 1 and 2 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines; and

WHEREAS, a Notice of Exemption was approved by the Commission on September 27, 2013 for this class of work and filed in San Joaquin County; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to execute agreements and issue purchase orders for maintenance work related to the Lodi Energy Center Heat Recovery Steam Generator Outage Project for a total cost not to exceed \$720,145.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

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



# Commission Staff Report

March 17, 2017

**COMMISSION MEETING DATE:** March 23, 2017

**SUBJECT:** Amendment Two to the Amended and Restated Rules of Procedure (The NCPA Bylaws) for the Commission of the Northern California Power Agency

**AGENDA CATEGORY:** Discussion/Action

<b>FROM:</b>	Bob Lingl	<b>METHOD OF SELECTION:</b>
	Commission Chair	N/A
Division:	Executive Committee	

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

**RECOMMENDATION:**

It is recommended that the Commission adopt the attached resolution approving the Amendment Two to the Amended and Restated Rules of Procedure (NCPA Bylaws) with the recommended changes in Section 9(a) Membership of Executive Committee.

**BACKGROUND:**

The current NCPA Bylaws provide that changes to the Bylaws may only be adopted at the next regular Commission meeting following the Commission meeting after which the proposed Bylaws amendments are first presented, except by unanimous consent of the Commissioners present.

The Amended and Restated Rules of Procedure (NCPA Bylaws) were adopted by the Commission on February 27, 2014, Resolution No. 14-14, and Amendment One to the Amended and Restated Rules of Procedure (NCPA Bylaws) were adopted by the Commission on October 2, 2015, Resolution 15-72.

**ISSUE:**

The NCPA Bylaws Section 9(a) Membership of Executive Committee indicates that the Executive Committee shall consist of the Chair, Vice Chair, and three (3) other voting members of the Commission elected by the Commission at the regular July meeting, or if a meeting is not held in July then at the next regular meeting of the Commission. Alternate Commissioners are not eligible for this Committee. In considering the potential members of the Executive Committee, the Commission shall attempt to provide all Members an opportunity to serve and shall attempt to balance membership on the Executive Committee among larger and smaller Members.

In an attempt to provide all Members an opportunity to serve on the Executive Committee, the attached recommended amendment, in addition to the Chair and Vice Chair, allows up to five (5) other voting members of the Commission elected by the Commission, and includes the ability to notice a special meeting for the sole purpose of electing members to the Committee.

**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.



**COMMITTEE REVIEW:**

The recommendation was reviewed by the Executive Committee on February 23, 2017, and was recommended for Commission approval.

Respectfully submitted,



BOB LINGL  
Committee Chair

Attachments:

- Resolution No. 17-23
- Amendment Two to the Amended and Restated Rules of Procedure (NCPA Bylaws) for the Commission of the Northern California Power Agency

**RESOLUTION 17-23**

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY  
APPROVING AMENDMENT TWO TO THE AMENDED AND RESTATED RULES OF  
PROCEDURE (NCPA BYLAWS) FOR THE COMMISSION OF  
THE NORTHERN CALIFORNIA POWER AGENCY**

**(reference Staff Report #132:17)**

WHEREAS, the Commission of the Northern California Power Agency has previously adopted the Rules of Procedure for the Commission of the Northern California Power Agency, which Rules are also known as the NCPA Bylaws; and

WHEREAS, the current Amended and Restated Rules of Procedure (NCPA Bylaws) were adopted by the Commission on February 27, 2014, Resolution No. 14-14, and Amendment One to the Amended and Restated Rules of Procedure (NCPA Bylaws) was adopted by the Commission on October 2, 2015, Resolution 15-72; and

WHEREAS, the Amended and Restated Rules of Procedure (NCPA Bylaws) as adopted requires that changes to the Bylaws may only be considered at the next regular Commission meeting following the Commission meeting after which the proposed Bylaws amendments are first presented, except in cases with unanimous consent of the Commissioners present; and

WHEREAS, the Amended and Restated Rules of Procedure (NCPA Bylaws) Section 9(a) Membership of Executive Committee indicates that the Executive Committee shall consist of the Chair, Vice-Chair, and three (3) other voting members of the Commission elected by the Commission at the regular July meeting, or if a meeting is not held in July then at the next regular meeting of the Commission. Alternate Commissioners are not eligible for this Committee. In considering the potential members of the Executive Committee, the Commission shall attempt to provide all Members an opportunity to serve and shall attempt to balance membership on the Executive Committee among larger and smaller Members; and

WHEREAS, the recommended amendment provides all Members an opportunity to serve on the Executive Committee; and

WHEREAS, the attached recommended amendment, in addition to the Chair and Vice Chair, allows up to five (5) other voting members of the Commission elected by the Commission, and includes the ability to notice a special meeting for the sole purpose of electing members to the Executive Committee; 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

WHEREAS, the Commission now desires to adopt the Amendment Two to the Amended and Restated Rules of Procedure for the Commission of the Northern California Power Agency with unanimous consent of the Commissioners present; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopt the resolution and approve the Amendment Two to the Amended and Restated Rules of Procedure (NCPA Bylaws) with the recommended revision to Section 9(a) Membership of Executive Committee effective as of the approval date.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2017 by the following vote on roll call:

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

\_\_\_\_\_  
BOB LINGL  
CHAIR

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

**Amendment Two to the Amended and Restated Rules of Procedure (NCPA Bylaws) for the Commission of the Northern California Power Agency**

9. Executive Committee.

(a) Membership of Executive Committee. The Executive Committee shall consist of the Chair, Vice-Chair, and up to five (5) ~~three (3)~~ other voting members of the Commission elected by the Commission at the regular July meeting, or if a meeting is not held in July then at the next regular meeting of the Commission, or at a special meeting noticed for the sole purpose of electing members to the Committee. Alternate Commissioners are not eligible for this Committee. In considering the potential members of the Executive Committee, the Commission shall attempt to provide all Members an opportunity to serve and shall attempt to balance membership on the Executive Committee among larger and smaller Members.

## **NCPA Commission Agenda Item 19**

Pursuant to Government Code Section 54957.6: Conference with Labor Negotiators, and Government Code Section 54957: Appointment of Public Employee, this item is being considered in Closed Session.

Contingent upon action taken during Closed Session, the Staff Report will be provided to the Full Commission for final consideration.



# Commission Staff Report

March 15, 2017

COMMISSION MEETING DATE: March 23, 2017

SUBJECT: Proposed Annual Budget for Fiscal Year 2018 – Status Report and Budget Preview

AGENDA CATEGORY: Informational

FROM:	Monty Hanks Assistant General Manager/CFO	METHOD OF SELECTION:
Division:	Administrative Services	

## IMPACTED MEMBERS:

All Members	City of Lodi	D	City of Ukiah	D
Alameda Municipal Power	City of Lompoc	D	Plumas-Sierra REC	D
Bay Area Rapid Transit	City of Palo Alto	D	Port of Oakland	D
City of Biggs	City of Redding	D	Truckee Donner PUD	D
City of Gridley	City of Roseville	D	Other	D
City of Healdsburg	City of Santa Clara	D	<i>If other, please specify.</i>	

## **RECOMMENDATION:**

That the NCPA Commission receive and file this budget preview report.

## **BACKGROUND:**

In October 2016, the Commission approved budget guidance for the NCPA FY 2018 Annual Budget. Staff began preparation of the proposed budget during the following months. In January, February and March 2017, presentations to various Commission Committees occurred and the first draft of the budget was released in early March. In March the Utility Directors reviewed the draft budget at the Utility Director Retreat.

Based on input received at these various review meetings, staff continues to further refine the budget. Highlights of the proposed FY 2018 budget are discussed below.

This proposed budget totals \$361.7 million (net of revenues). Overall results are a 10.1% or \$33.2 million dollar increase over the FY 2017 budget. Budget changes include:

- Overall operating costs (non-personnel related) are 2.5% below 2017 budget levels and below the 2.2% increase target established by the Commission.
- Net reduction of 0.38 FTE composed of 1.0 FTE reduction in the Geothermal project and 0.68 additional FTE in Human Resources/Administration for intern positions.
- \$1.5 million increase for accelerated 15 year funding of the pension liability.
- LEC debt service costs continue at higher levels due to federal budget cuts to the Build America Bonds interest subsidy program (\$0.5 million). Restoration of this funding continues to be a focus of current advocacy efforts in Washington DC.
- Increased projected energy purchase by LEC including regulation down requirements (\$2.0 million)
- Increased Member Contracts related to new contracts in effect for full year (\$7.7 million)
- Increased net Load Aggregation costs related to reduced sales pricing per MWhr (\$7.7 million)
- Higher transmission costs due to addition of BART for SC services (\$8.7 million), projected increases in CAISO High and Low Voltage TAC (\$3.5 million and \$7.5 million, respectively), and change in member low voltage ratio (\$2.1 million).
- Lower fuel costs related to LEC reduced generation (\$29.3 million).
- Reductions at various generating plants of overall operating and maintenance costs (\$4.2 million).
- Reduced LEC revenues resulting from lower projected generation (\$49.1 million)
- Reduction of NCPA Contracts and Market Power Purchases due to elimination of balancing requirements for Pool members (\$20.0 million)
- Decreased Member gas contracts and Net GHG obligations related to reduced generation at LEC (\$3.1 million)

Still under consideration are the following:

- Transmission Agency of Northern California Budget not yet complete.

A summary of the proposed budget is attached. To provide a more detailed preview, staff will provide a brief PowerPoint presentation at the Commission meeting outlining the major changes in the budget from last year.

**FISCAL IMPACT:**

Total proposed annual budget cost for FY 2017-2018 is approximately \$361.7 million as summarized in the attached schedule, although the final version will contain a small reduction to the Power Management budget. Preliminary funding by members is also attached, although funding by members will change in connection with the aforementioned budget reduction.

**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.

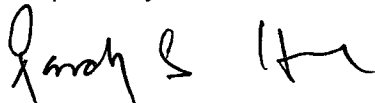
**COMMITTEE REVIEW:**

The Legislative and Regulatory (L&R) Committee reviewed the L&R Program budget at their meeting on February 22, 2017 and unanimously approved the proposed program budget and recommended approval by the full NCPA Commission.

The Facilities Committee reviewed the Generation Services (except LEC), Power Management and Administrative Services/Executive Services budget at their meeting on March 15, 2017. The Committee unanimously recommended approval of the Generation Services budgets. The Committee unanimously recommended approval of the Power Management budget conditional on the reduction of \$19,000 from the Fuel Acquisition and Management program. The Committee recommended approval of the Administrative and Executive Services budget with Palo Alto abstaining from the vote.

The Lodi Energy Center Participants Committee reviewed the project budget on March 13, 2017 and unanimously recommended approval to the full Commission.

Respectfully submitted,



RANDY S. HOWARD  
General Manager

Attachments:

- Budget Summary
- Participant Funding Summary
- PowerPoint Preview



NORTHERN CALIFORNIA POWER AGENCY  
ANNUAL BUDGETS

FISCAL YEAR ENDED JUNE 30				Budget %
	2017	Inc/(Dec)	Proposed 2018	
\$	29,734,200	\$ (388,460)	\$ 29,345,740	8.1%
Hydroelectric	2,189,896	620,498	2,810,394	0.8%
Geothermal	2,487,788	37,092	2,524,880	0.7%
Combustion Turbine No. 1	7,871,923	(219,109)	7,652,814	2.1%
Combustion Turbine No. 2 (STIG)	24,122,136	18,116,256	42,238,392	11.7%
Lodi Energy Center	66,405,943	18,166,277	84,572,220	23.3%
Subtotal	45,637,694	7,751,340	53,389,034	14.7%
Member Resources - Energy	1,675,438	(998,073)	677,365	0.2%
Member Resources - Natural Gas	19,990,976	(18,031,691)	1,959,285	0.5%
Western Resource	39,302,363	(19,984,338)	19,318,025	5.3%
NCPA Contracts & Market Power Purchases	56,011,961	26,791,561	82,803,522	22.9%
Load Aggregation Costs	2,539,910	(2,093,993)	445,917	0.1%
Net GHG Obligations	165,158,342	(6,565,194)	158,593,148	43.8%
Subtotal	231,564,285	11,601,063	243,165,368	67.1%

GENERATION RESOURCES

NCPA Plants

Hydroelectric  
Geothermal  
Combustion Turbine No. 1  
Combustion Turbine No. 2 (STIG)  
Lodi Energy Center  
Subtotal

Member Resources - Energy  
Member Resources - Natural Gas  
Western Resource  
NCPA Contracts & Market Power Purchases  
Load Aggregation Costs  
Net GHG Obligations  
Subtotal

TOTAL GENERATION RESOURCES

TRANSMISSION

Independent System Operator  
Grid Management Charge (GMC)  
GMC Wheeling  
Ancillary Services (AS)  
Other Charges

TOTAL TRANSMISSION

MANAGEMENT SERVICES

Legislative & Regulatory  
Legislative Representation  
Regulatory Representation  
Western Representation  
Member Support Services  
Subtotal  
Judicial Action  
Judicial Action Direct Cost to Programs  
Power Management  
System Control And Load Dispatch:  
Dispatch & Real-time Resource Management  
Schedule Coordination  
System Control, And Data Acquisition  
WECC/NERC Compliance & Participation  
Subtotal

3,799,908	(1,333,299)	2,466,609	0.7%
74,972,258	21,788,037	96,760,295	26.7%
1,421,202	1,105,738	2,526,940	0.7%
807,975	250,463	1,058,438	0.3%
81,001,343	21,810,939	102,812,282	28.4%

1,896,435	78,349	1,974,784	0.5%
794,200	42,483	836,683	0.2%
816,540	11,218	827,758	0.2%
432,111	1,862	433,973	0.1%
3,939,286	133,912	4,073,198	1.1%
625,000	-	625,000	0.2%
-	(117,342)	(117,342)	0.0%
2,266,238	94,373	2,360,611	0.7%
2,226,276	132,041	2,358,317	0.7%
961,103	(7,845)	953,259	0.3%
167,185	16,513	183,698	0.1%
5,620,802	235,083	5,855,885	1.6%

NORTHERN CALIFORNIA POWER AGENCY  
ANNUAL BUDGETS

Continued


	FISCAL YEAR ENDED JUNE 30			Budget %
	2017	Inc/(Dec)	Proposed 2018	
Forecasting Planning, Prescheduling & Trading				
Forecasting	638,799	(10,672)	628,127	0.0%
Resource Planning, Optimization, Risk Analysis & Mgmt.	481,188	23,022	504,210	0.2%
Power & Fuel Transactions	129,777	7,654	137,431	0.1%
Pre-Scheduling	764,650	44,190	808,840	0.0%
Power Pool Oper. & Settlement Standards	378,551	12,806	391,357	0.2%
Facilities Agreement Administration	161,471	11,498	172,969	0.1%
Subtotal	2,554,436	88,498	2,642,934	0.0%
Industry Restructuring & Regulatory Affairs	414,046	9,274	423,320	0.7%
Contract Admin, interconnection Svcs & External Affairs:				0.1%
Contract Maint, Negotiation and Administration & Litigation	855,468	16,647	872,114	0.2%
TANC Representation & Advocacy	16,806	881	17,686	0.0%
Western Representation & Advocacy	168,479	(9,261)	159,218	0.0%
Pooling Agreement Coordination and Administration	95,549	4,942	100,491	0.0%
Subtotal	1,136,302	13,208	1,149,510	0.0%
Green Power Project	17,708	(799)	16,909	0.3%
Gas Purchase Program	86,550	1,462	88,012	0.0%
Market Purchase Power Project	125,219	3,420	128,639	0.0%
Power Management Direct Cost to Programs	(1,327,566)	(34,209)	(1,361,775)	0.0%
Subtotal - Power Management	8,627,497	315,937	8,943,434	-0.4%
Energy Risk Management				2.5%
ROC, RMC Meetings & Activities	61,612	(3,756)	57,855	0.0%
Counter-party Credit Review & Analysis	150,195	(3,221)	146,975	0.0%
Subtotal	211,807	(6,977)	204,830	0.0%
Settlements				0.1%
Deal Control Validation & Monitoring	396,339	(93,687)	302,651	0.1%
ISO Data Validation & Monitoring	464,992	5,197	470,190	0.1%
Subtotal	861,331	(88,490)	772,841	0.2%
Integrated Systems Support	310,400	6,168	316,568	0.1%
TOTAL MANAGEMENT SERVICES	14,575,321	243,208	14,818,529	0.1%
PARTICIPANT PASS THROUGH COSTS (TANC, DUES, ETC)	1,383,747	142,160	1,525,907	4.1%
TOTAL NET ANNUAL BUDGET COST	\$ 328,524,696	\$ 33,797,390	\$ 362,322,086	0.4%
OTHER THIRD PARTY REVENUE				100.0%
PM Service Revenue (Allocated via Nexant methodology)	-	535,500	535,500	
PM Service Revenue (Allocated via A&G methodology)	-	59,500	59,500	
Subtotal	-	595,000	595,000	
TOTAL ADJUSTED NET ANNUAL BUDGET COST	\$ 328,524,696	\$ 33,202,390	\$ 361,727,086	

Northern California Power Agency  
Participant Funding Requirements (Net)  
FY 2018 Budget


	Budget	Alameda	BART	Biggs	Gridley	Healdsburg	Lodi	Lompoc	Palo Alto	Plumas Sierra	Port of Oakland	Redding	Roseville	Santa Clara	Truckee-Donner	Ukiah	TJD	All Other
<b>GENERATION RESOURCES</b>																		
Hydro	\$29,245,740	\$2,944,980	\$ -	\$ -	\$ -	\$443,041	\$3,053,843	\$77,323	\$5,749,669	\$487,686	\$ -	\$ -	\$3,168,564	\$11,209,981	\$ -	\$600,784	\$ -	\$ -
Geothermal	2,711,998	457,653	6,156	6,156	9,112	99,539	278,793	99,829	19,011	19,011	-	-	213,787	1,203,870	-	152,265	171,683	-
Combustion Turbine No. 1	2,624,880	550,929	4,866	4,866	8,837	147,284	338,165	147,284	-	46,869	-	-	-	1,052,934	-	226,512	-	-
Combustion Turbine No. 2 (STIG)	7,652,814	1,454,035	-	-	-	-	3,022,862	376,925	-	-	-	-	-	-	-	-	-	-
Lodi Energy Center	42,238,392	-	2,618,291	114,392	838,768	701,487	4,936,637	868,284	335,501	335,501	-	-	2,798,993	10,999,605	-	762,518	-	20,745,910
Net GHG Obligations	84,673,825	5,407,697	2,818,291	128,514	856,737	1,391,451	10,750,299	2,170,625	6,749,658	899,687	-	-	6,181,344	24,467,489	-	1,745,048	171,683	20,745,910
Member Resources-Energy	53,389,034	8,694,511	-	-	-	-	1,979,878	1,981,165	39,770,623	1,981,165	2,650,787	-	-	-	-	6,070	-	-
Member Resources-Natural Gas	877,395	-	-	-	59,925	46,686	342,399	135,131	-	-	-	-	-	-	-	80,505	-	-
Western Resources	1,959,265	125,190	-	30,655	22,286	26,093	59,089	33,480	240,089	240,089	62,688	-	-	-	-	35,887	-	-
NCPA Contracts & Market Power Purchases	19,316,025	282,000	13,333,819	10,397	188,213	30,395	4,412,662	938,628	-	-	-	-	-	-	-	151,911	-	-
Load Reconciliation Costs	82,803,522	7,775,620	1,107,126	560,889	1,475,192	2,975,720	12,397,656	4,346,878	17,466,074	3,367,219	1,673,687	-	-	26,067,920	-	4,034,941	-	-
Net GHG Obligations	445,917	-	-	5,020	35,609	30,784	178,019	38,147	-	-	-	-	-	-	-	33,462	-	-
TRANSMISSION																		
NCPA Plant Transmission *	158,933,148	16,827,321	1,698,621	618,380	1,998,758	3,108,678	19,169,603	4,687,264	57,604,182	5,884,473	3,887,162	-	-	26,007,920	-	4,342,786	-	20,745,910
Geothermal Plant 1	243,066,973	22,235,018	17,882,912	744,894	2,455,495	4,501,129	29,919,902	7,657,839	64,283,851	6,492,540	3,887,162	-	-	6,181,344	50,549,410	6,087,634	171,683	20,745,910
Geothermal Plant 2	56,167	18,240	-	298	406	3,956	17,712	3,973	875	875	-	-	3,956	-	-	6,046	-	-
Geothermal Plant 2	43,228	12,319	-	222	222	2,688	3,938	2,688	448	448	-	-	8,212	-	-	4,106	-	8,309
Independent System Operator	98,395	30,559	-	288	628	5,644	21,650	5,661	-	1,323	-	-	12,169	-	-	10,155	-	8,309
MANAGEMENT SERVICES																		
LEGISLATIVE & REGULATORY																		
Legislative Representation	1,387,088	80,280	-	50,958	52,600	56,311	87,110	61,253	130,621	62,910	57,000	116,972	164,774	364,684	62,530	58,435	-	-
Regulatory Representation	527,687	34,913	-	21,980	22,286	23,658	36,907	25,682	55,342	26,654	24,171	48,390	85,575	150,274	26,493	25,181	-	-
Western Representation	827,756	237,83	9,998	5,826	13,006	4,959	11,225	6,361	242,698	34,671	11,927	180,874	95,692	188,346	10,945	6,819	-	-
JPA Assessment	1,270,685	52,763	57,263	5,396	11,847	53,985	141,859	20,485	171,653	33,393	13,141	117,280	184,117	533,872	22,729	17,313	-	-
Judicial Action	4,973,199	191,861	66,881	80,656	93,279	96,974	200,974	114,062	570,520	147,628	105,289	444,115	500,159	1,228,175	122,697	108,748	-	-
Tariffs & Rates Contingency **	457,698	68,634	816	2,940	4,063	11,923	68,801	18,263	116,256	18,720	15,113	-	27,898	76,811	-	24,048	3,373	-
POWER MANAGEMENT	507,658	68,634	816	2,940	4,063	11,923	68,801	18,263	116,256	18,720	15,113	-	27,898	76,811	-	24,048	3,373	-
Power Mgmt. SCALD, ISS, Energy Risk Mgmt & Settlements	10,004,113	962,048	717,981	64,066	82,342	186,100	1,069,297	294,946	1,644,171	309,697	359,100	-	663,123	3,232,033	-	419,776	126,602	-
Green Power Program	128,639	16,909	-	-	10,800	10,867	22,432	12,686	-	-	-	-	-	-	-	11,342	-	-
Market Purchase Program	88,012	11,257	38,432	7,776	10,007	9,403	10,007	17,190	-	-	-	-	-	-	13,594	-	-	-
Gas Purchase Program	10,337,332	973,305	773,322	82,665	103,189	186,370	1,121,762	314,822	1,544,171	308,697	358,100	-	683,123	3,232,833	-	444,772	128,602	-
TANC-SOT	14,818,530	1,233,799	840,959	168,461	200,531	295,667	1,391,538	447,146	2,330,947	476,046	480,502	444,115	1,091,180	4,537,818	122,697	577,608	131,975	-
BANK Consulting	80,256	32,377	180,000	-	5,649	31,869	4,111	138,032	3,587	-	-	-	-	518,468	-	4,985	-	-
Biggs 60K	3,664	-	-	3,664	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APPA Dues	271,357	19,271	-	1,107	3,500	5,834	22,784	11,396	37,338	526	526	41,568	46,989	62,846	11,367	7,547	-	-
SEPA Dues	20,000	2,632	-	526	526	2,632	2,632	526	2,632	526	526	2,632	2,632	2,632	526	526	-	-
DEED Dues	24,000	1,701	-	97	308	514	2,010	1,008	3,291	526	526	3,978	4,158	5,586	1,005	864	-	-
CEE Dues	10,000	5714	-	714	714	714	714	714	714	714	714	714	714	714	714	714	-	-
Subscriptions	18,750	18,750	-	-	2,519	2,519	7,558	6,092	10,078	5,039	10,078	2,500	6,250	3,750	-	5,039	-	-
Manning Maintenance	119,000	5,039	80,000	5,039	2,519	2,519	7,558	6,092	10,078	5,039	10,078	2,500	6,250	3,750	-	5,039	-	-
Member Service Projects **	131,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WRSG Certificate Transfer Fees**	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pass Through Costs	1,625,907	61,734	240,000	11,347	7,568	13,756	87,567	23,847	198,335	9,866	11,318	51,083	60,744	594,976	13,612	19,156	-	-
OTHER THIRD PARTY REVENUE																		
PM Service Revenue (Net/Net)	(935,500)	(46,533)	(64,303)	(2,941)	(4,650)	(8,041)	(48,825)	(13,314)	(78,066)	(14,410)	(16,124)	-	(33,510)	(22,866)	-	(19,917)	-	-
PM Service Revenue (A&S)	(69,500)	(6,488)	(2,653)	(288)	(815)	(1,829)	(6,104)	(2,607)	(1,093)	(397)	(394)	(394)	(4,285)	(19,902)	(847)	(645)	-	-
PM Service Revenue (A&S)	(688,000)	(69,022)	(56,956)	(3,229)	(5,465)	(8,870)	(57,929)	(16,921)	(76,913)	(15,473)	(16,571)	(394)	(37,795)	(247,531)	(110)	(22,459)	-	-
JPA Assessment - Others	47,366	(2,005)	(2,135)	(93)	(200)	(442)	(2,450)	(764)	(6,288)	(872)	(490)	(490)	(6,372)	(19,902)	(847)	(645)	7,792	38,977
Non-NCPA Participants Credits to Participants	(47,359)	(2,005)	(2,135)	(93)	(200)	(442)	(2,450)	(764)	(6,288)	(872)	(490)	(490)	(6,372)	(19,902)	(847)	(645)	7,792	38,977
NET ANNUAL BUDGET COST	\$ 351,727,088	\$ 31,772,209	\$ 27,851,773	\$ 1,276,205	\$ 3,446,787	\$ 6,679,657	\$ 41,922,154	\$ 11,356,940	\$ 89,854,698	\$ 9,786,843	\$ 6,204,938	\$ 480,522	\$ 7,900,777	\$ 84,121,850	\$ 135,352	\$ 9,231,239	\$ 319,769	\$ 20,765,487
FY2017 Net Annual Budget Cost	328,524,696	33,072,335	18,677,882	1,326,548	4,189,458	6,680,710	40,764,463	11,161,587	88,238,307	9,695,184	6,203,595	473,993	7,892,450	79,436,426	126,316	8,842,708	299,440	10,900,287
Incr (decr)	\$ 33,202,392	(1,300,126)	8,673,891	(62,343)	(232,671)	(231,053)	1,157,691	195,353	476,289	91,669	1,341	16,529	(91,673)	14,685,426	9,036	368,531	29,320	9,865,199

\* Geothermal transmission shown separately from Plant due to participant allocation differences.

\*\* Memo only - Estimates included in NET ANNUAL BUDGET COST, but not allocated to Participants due to contingent nature of costs.


 N O R T H E R N C A L I F O R N I A P O W E R A G E N C Y


# Overview of NCPA Operating Budget - FY17/18



**BUDGET  
BRIEF**

## Commission Meeting March 23, 2017

 N O R T H E R N C A L I F O R N I A P O W E R A G E N C Y

 N O R T H E R N C A L I F O R N I A P O W E R A G E N C Y


## STRATEGIC PLAN 2016 - 2021

**MISSION**  
To provide our members cost effective wholesale power, energy-related services, and advocacy on behalf of public power consumers through joint action.

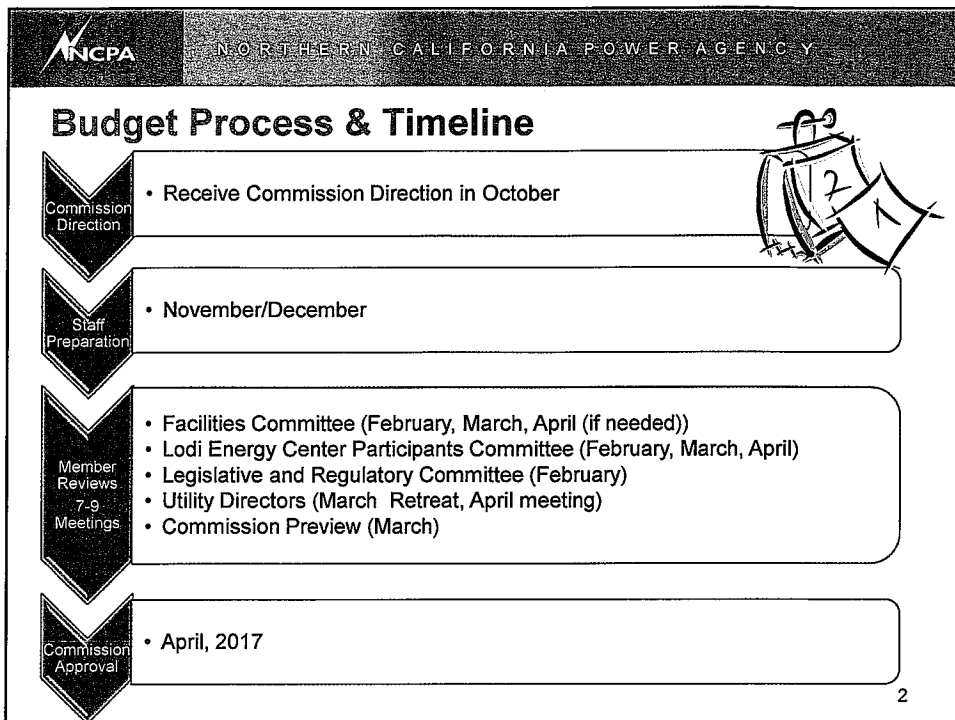
**VISION**  
To be the premier provider of energy services to public entities.

**STRATEGIES**

- Attract, develop and retain professional, high quality staff.
- Maintain position as credible, solution-oriented coalition builder and leader in state and federal legislative and regulatory policy arenas.
- Develop and maintain diverse generation resource portfolio in accordance with renewable portfolio standard and capacity obligations.
- Protect, utilize and build on the strengths and unique aspects of JPA structure to benefit NCPA's members.
- Develop/maintain strategies to control costs and minimize risks while maximizing the value of assets.
- Grow new revenue and/or reduce member costs by exploring new members/participants and expansion of current services.
- Help articulate and promote the value of NCPA and public power utilities to member communities.

 N O R T H E R N C A L I F O R N I A P O W E R A G E N C Y

1



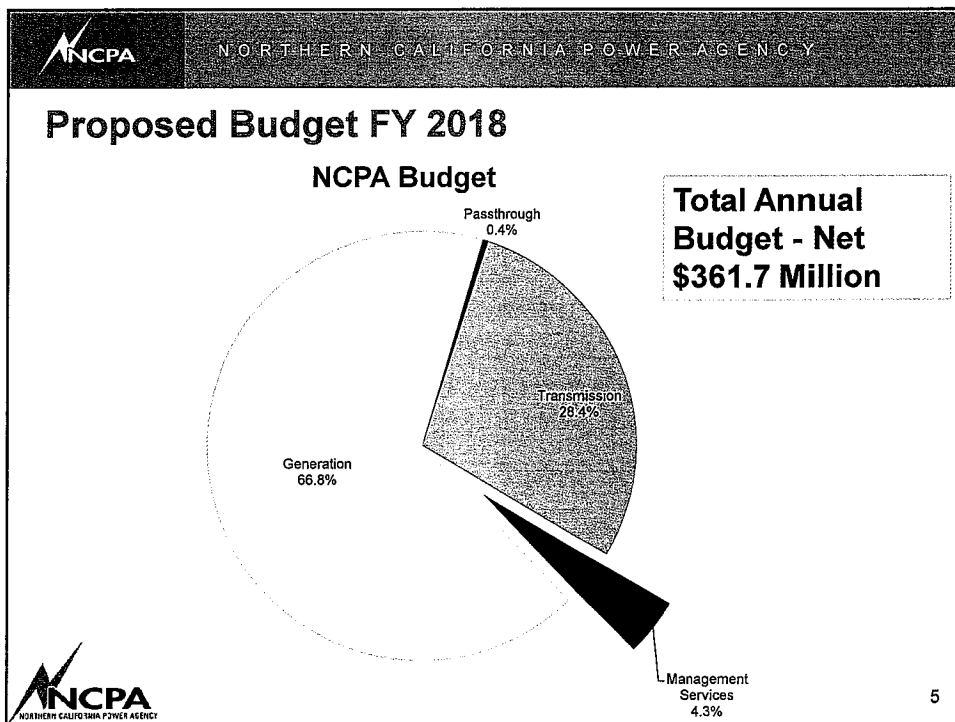
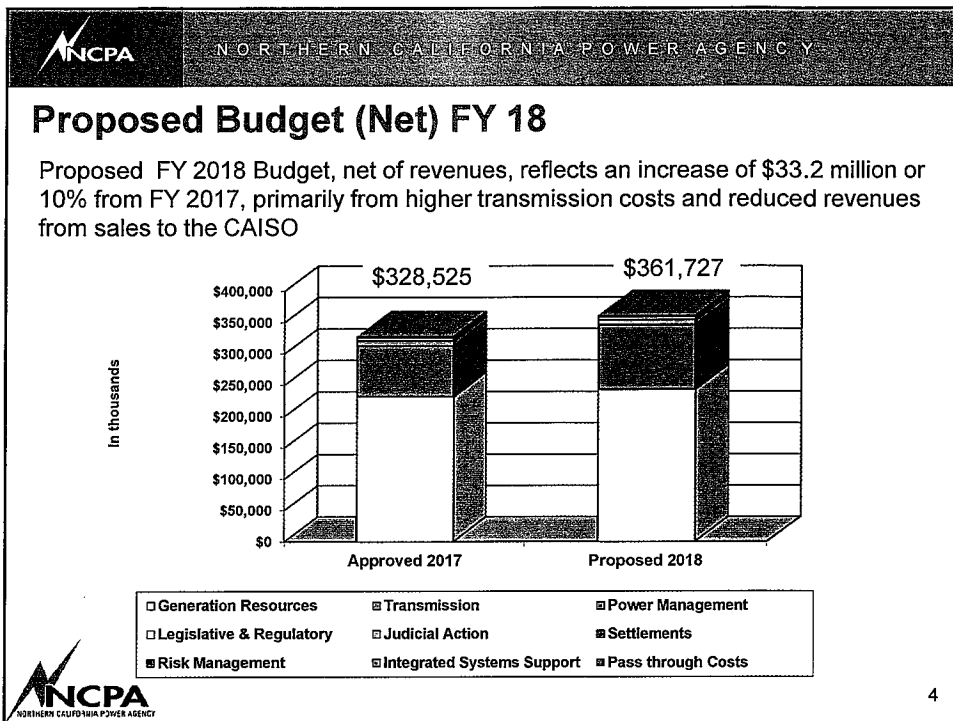
**NCPA** NORTHERN CALIFORNIA POWER AGENCY

### NCPA Commission Budget Direction – FY 2018

Other operating costs limited to 2.2% increase for FY 2018

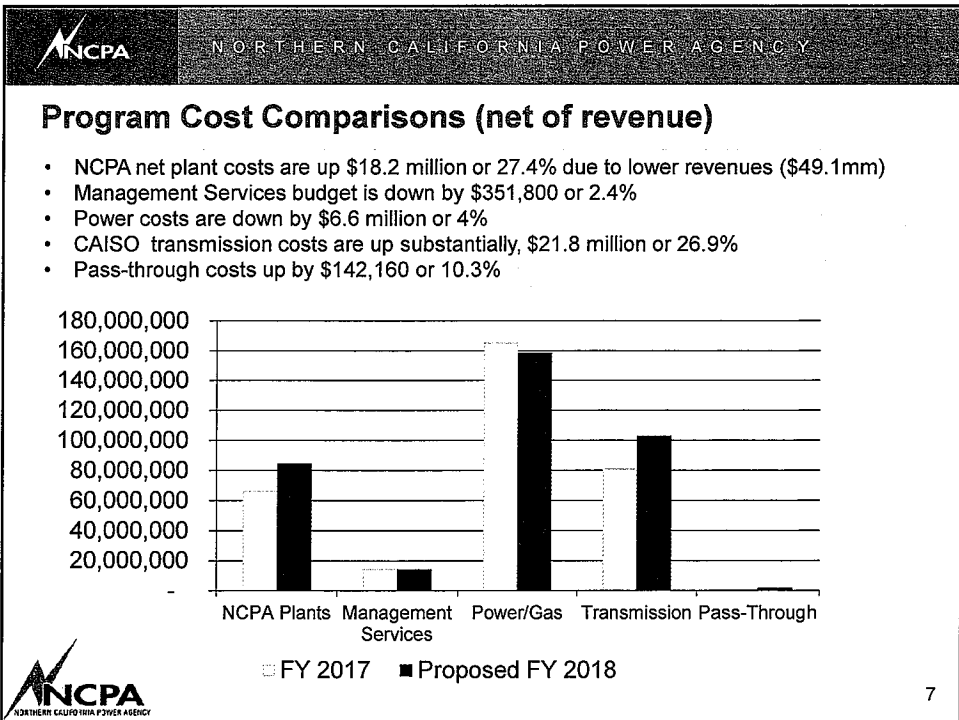
- FY 2018 non-personnel budget proposed to come in below FY 2017 by 2.5%; below the target;
- Labor costs up 5.4%
- Proposed total other operating/personnel costs 0.2% lower than combined target
- Funded additional \$1.5 million for unfunded pension liability

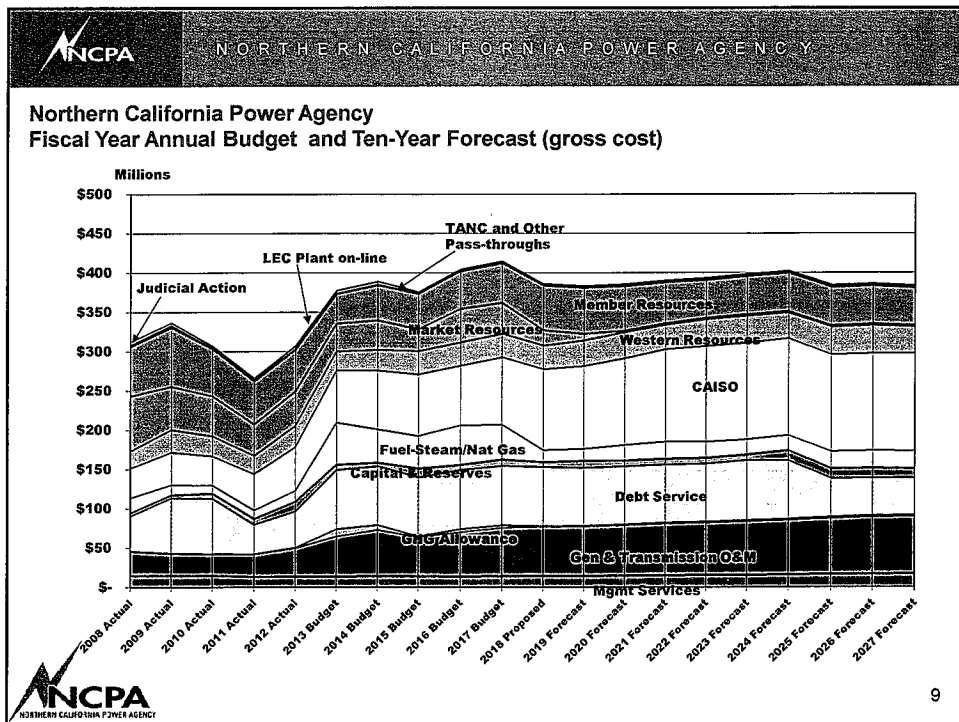
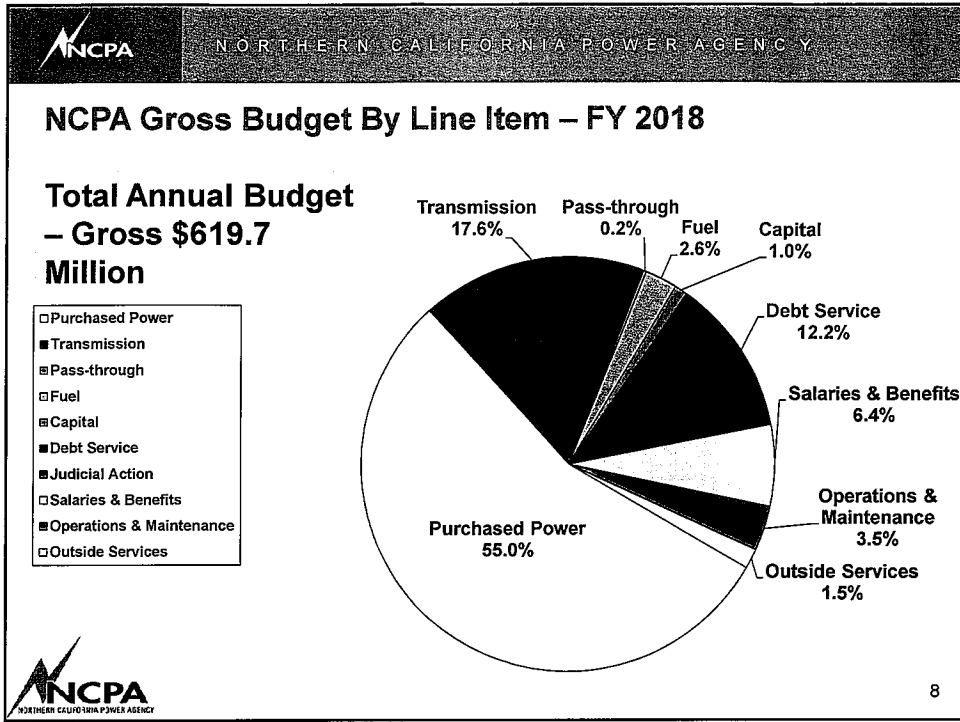
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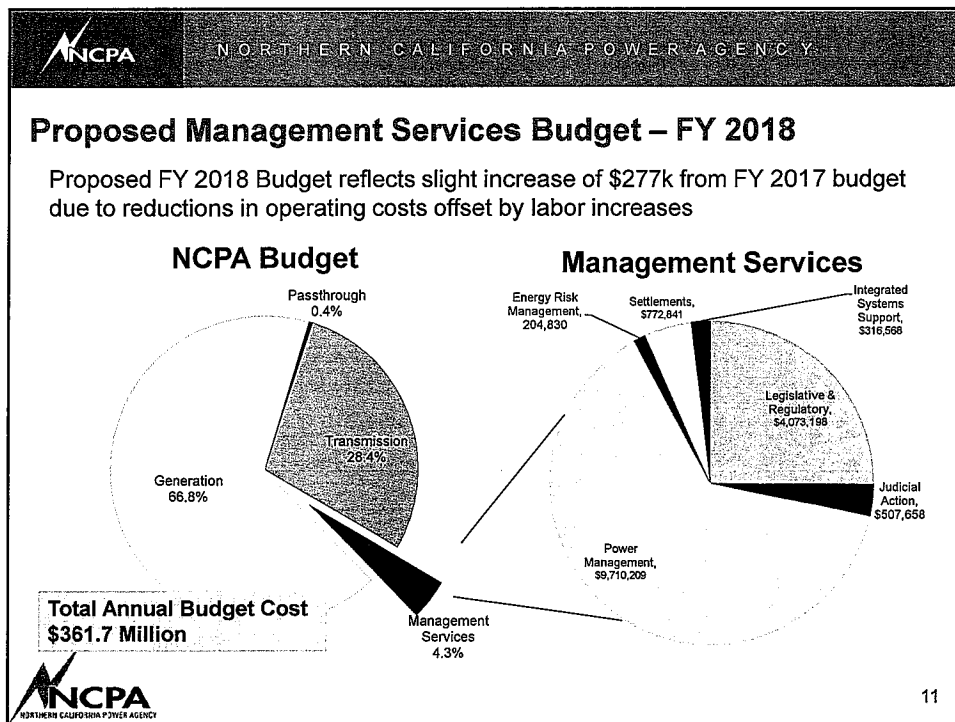
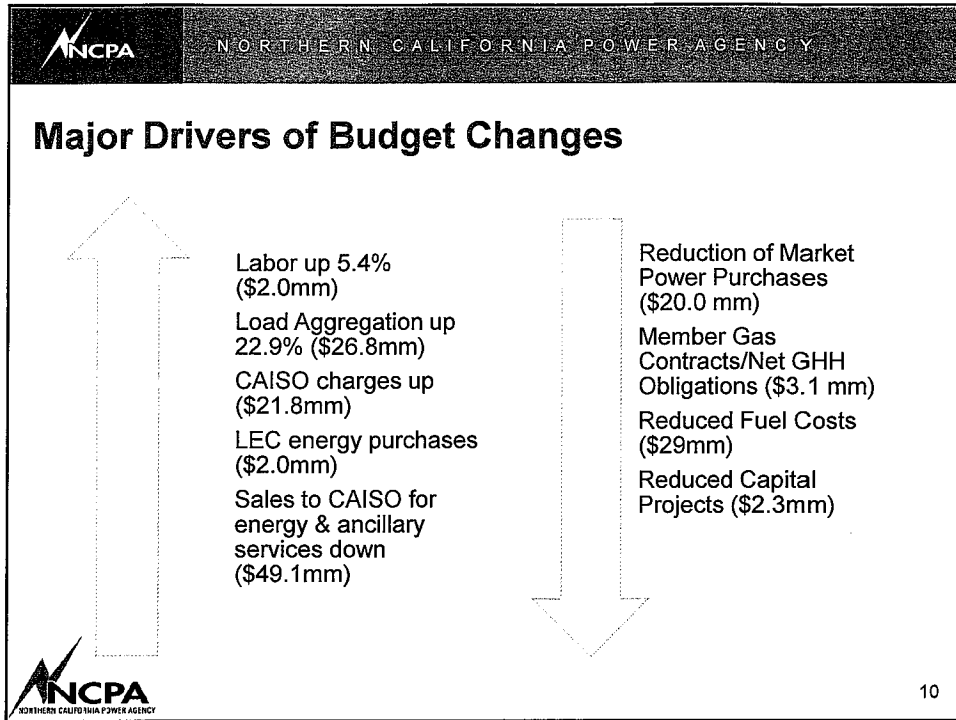
		FISCAL YEAR ENDED JUNE 30		
		Approved 2017	Inc/(Dec)	Proposed 2018
<b>GENERATION RESOURCES</b>				
NCPA Plants -				
Controllable Plant Operating Costs	\$ 66,405,943	\$ 18,166,277	\$ 84,572,220	
Total NCPA Plants	66,405,943	18,166,277	84,572,220	
Member Resources - Energy	45,637,694	7,751,340	53,389,034	
Member Resources - Natural Gas	1,675,438	(898,073)	677,365	
Western Resources	19,990,976	(18,031,691)	1,959,285	
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Load Aggregation Costs	56,011,961	26,791,561	82,803,522	
Net GHG Obligations	2,539,910	(2,093,993)	445,917	
<b>TOTAL GENERATION RESOURCES</b>	<b>231,564,285</b>	<b>11,601,083</b>	<b>243,165,368</b>	
<b>TRANSMISSION - Independent System Operator</b>				
	81,001,343	21,810,939	102,812,282	
<b>MANAGEMENT SERVICES</b>				
Legislative & Regulatory	3,939,286	133,912	4,073,198	
Judicial Action	625,000	-	625,000	
Judicial Action - Direct to Programs	-	(117,342)	(117,342)	
Power Management	9,955,063	350,146	10,305,209	
Power Management - Direct to Programs	(1,327,666)	(34,209)	(1,361,775)	
Energy Risk Management	211,807	(6,977)	204,830	
Settlements	861,331	(88,490)	772,841	
Integrated Systems Support	310,400	6,168	316,568	
<b>TOTAL MANAGEMENT SERVICES</b>	<b>14,575,321</b>	<b>243,208</b>	<b>14,818,529</b>	
<b>PARTICIPANT PASS THROUGH COSTS (TANC, DUES, ETC)</b>	<b>1,383,747</b>	<b>142,160</b>	<b>1,525,907</b>	
<b>TOTAL NET ANNUAL BUDGET COST</b>	<b>328,524,696</b>	<b>33,797,390</b>	<b>362,322,086</b>	
PM Service Revenue	-	(595,000)	(595,000)	
<b>TOTAL NET ANNUAL BUDGET COST</b>	<b>\$ 328,524,696</b>	<b>\$ 33,202,390</b>	<b>\$ 361,727,086</b>	

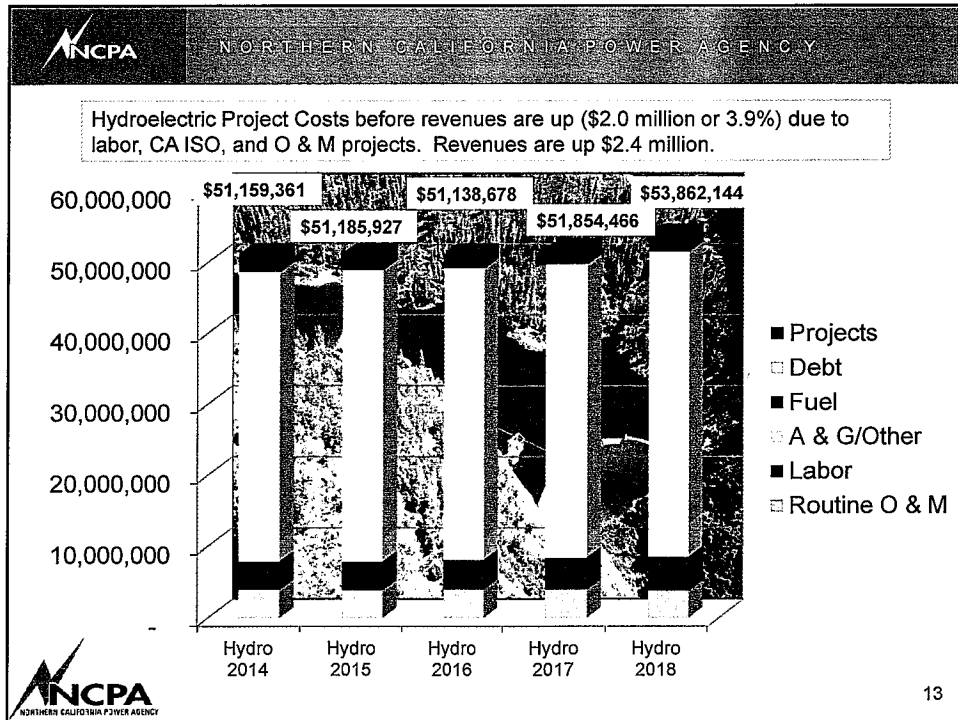
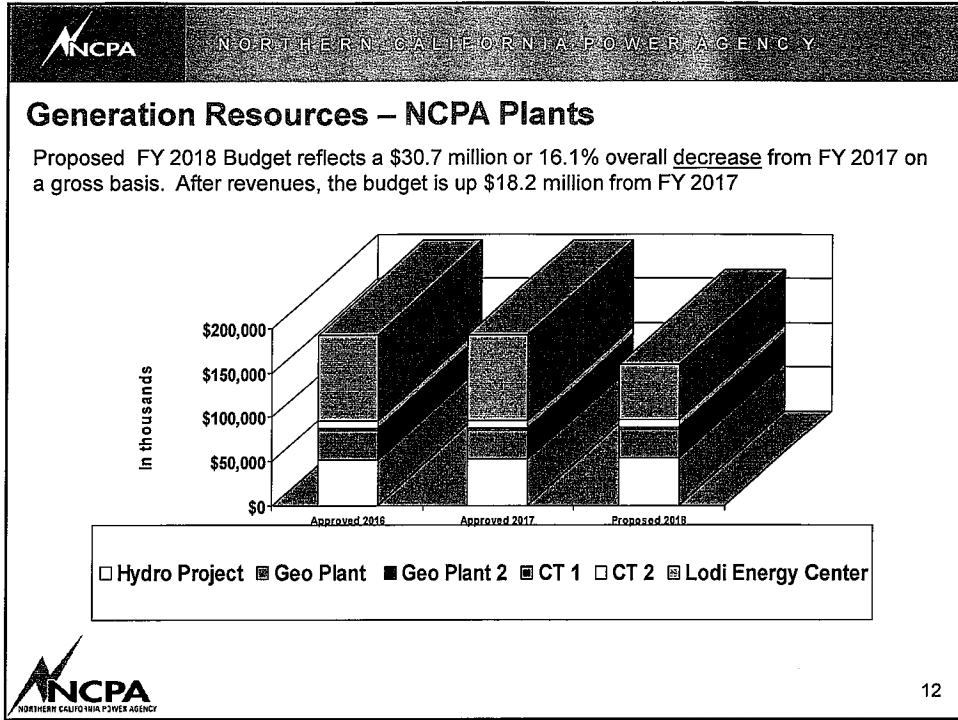
10% Increase

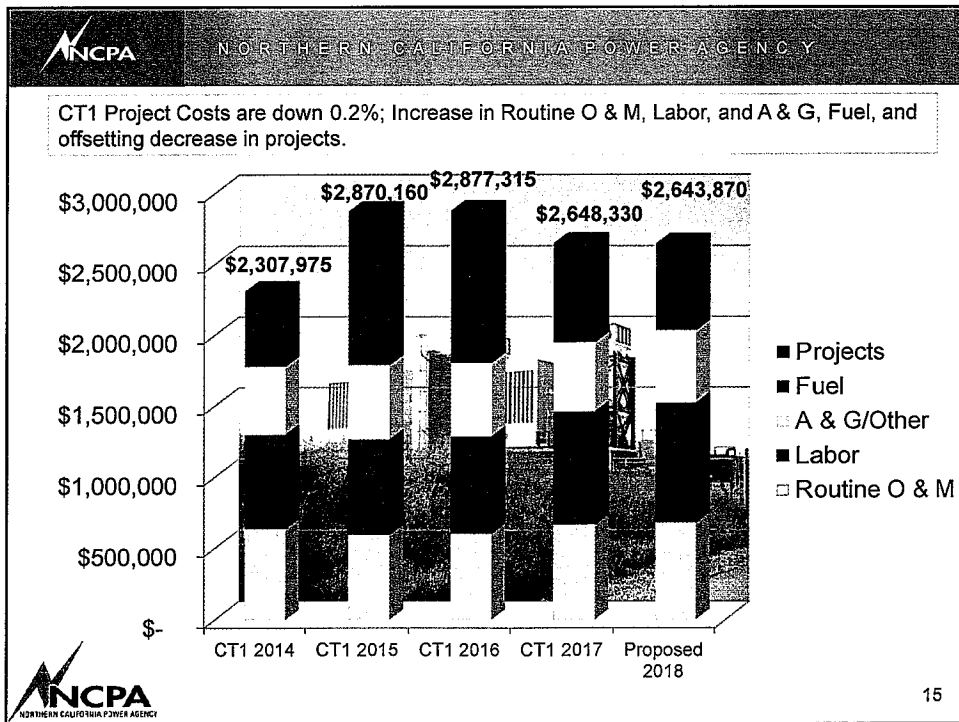
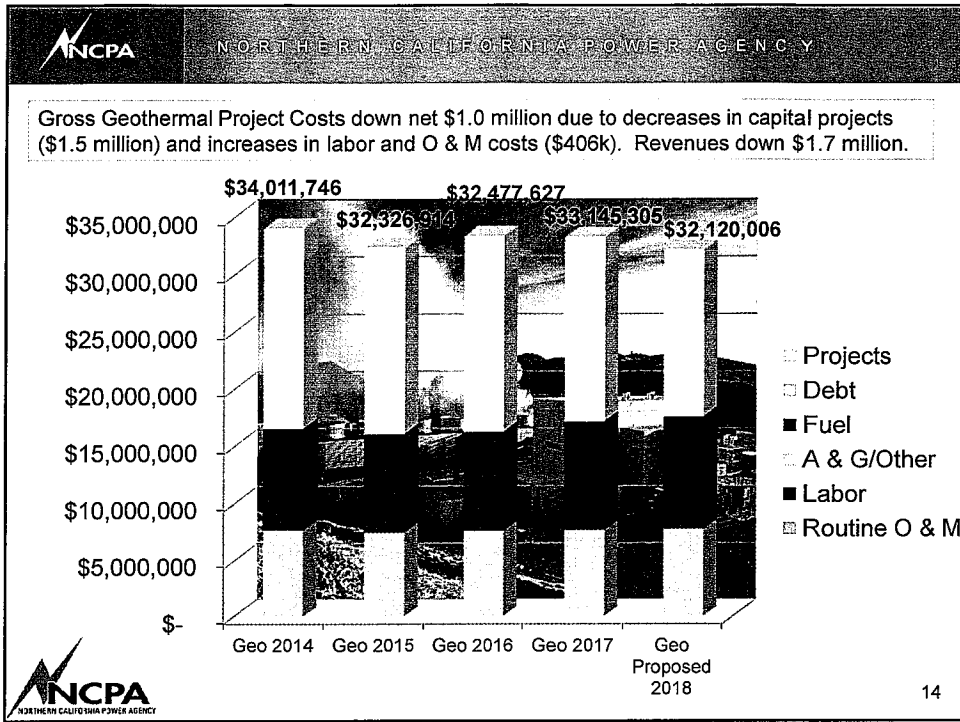


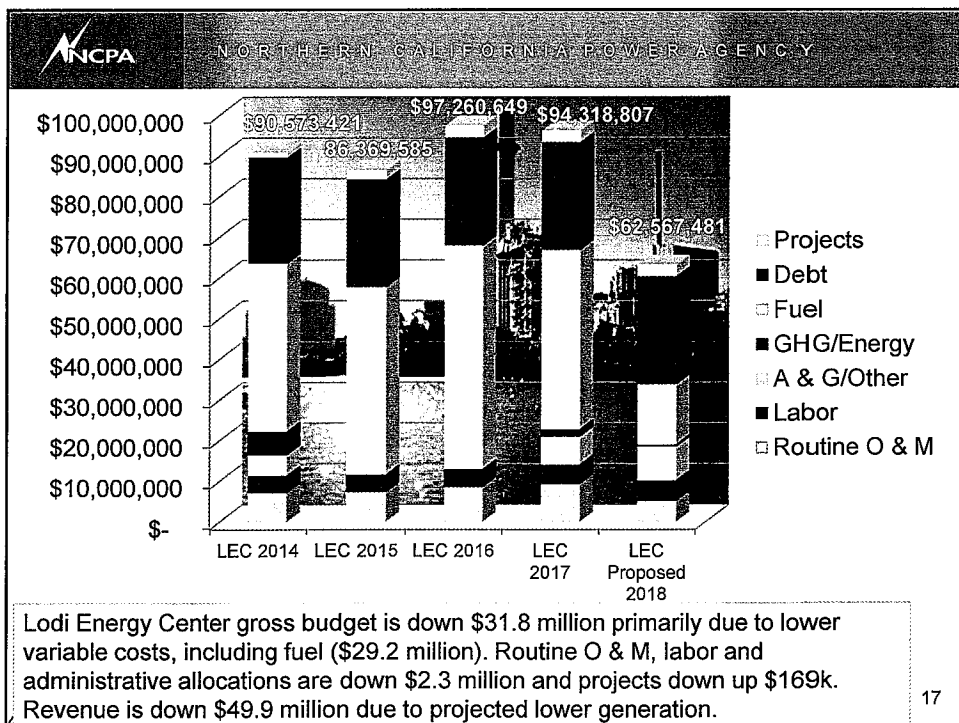
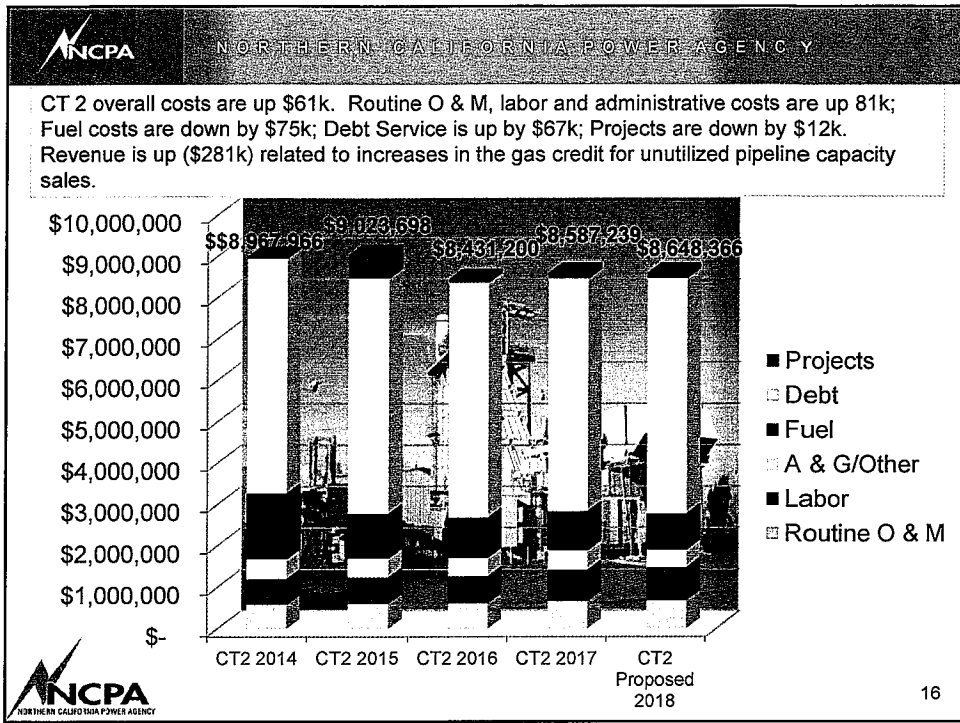


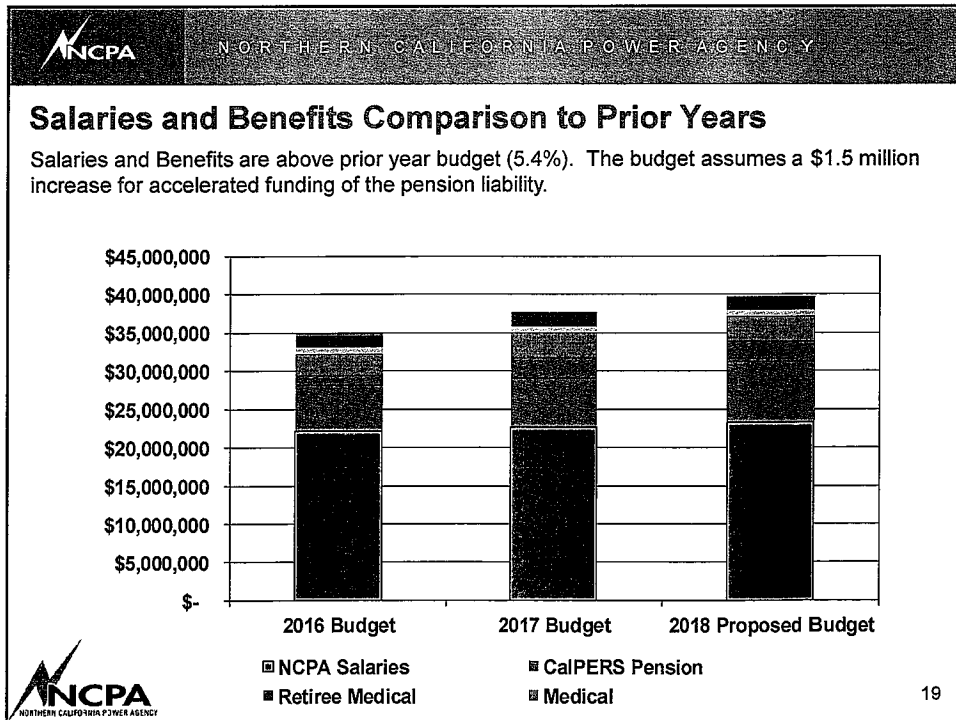
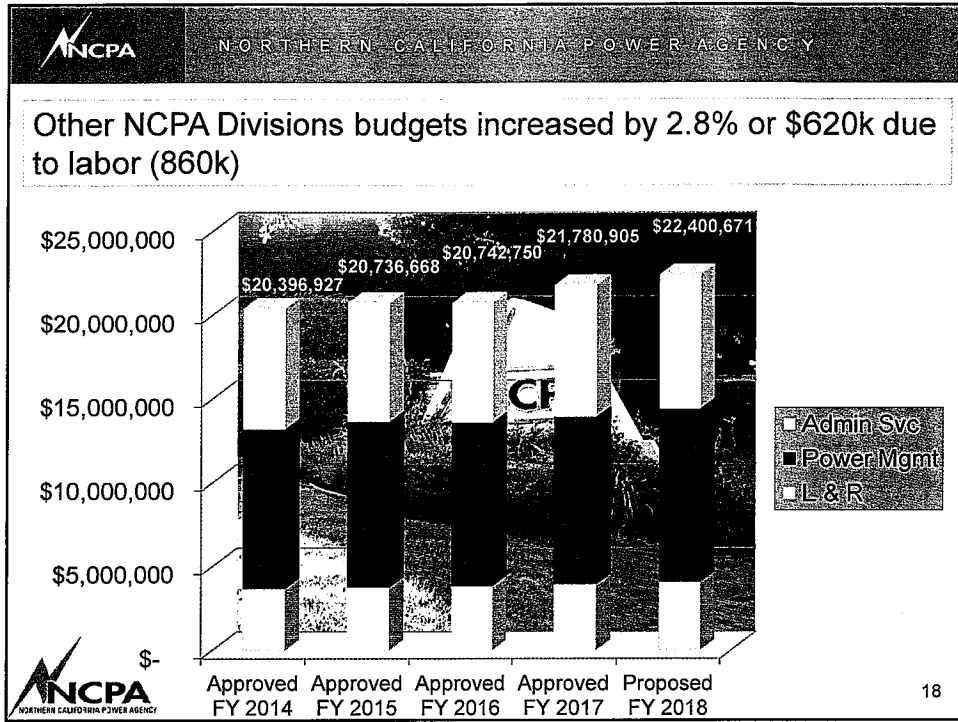


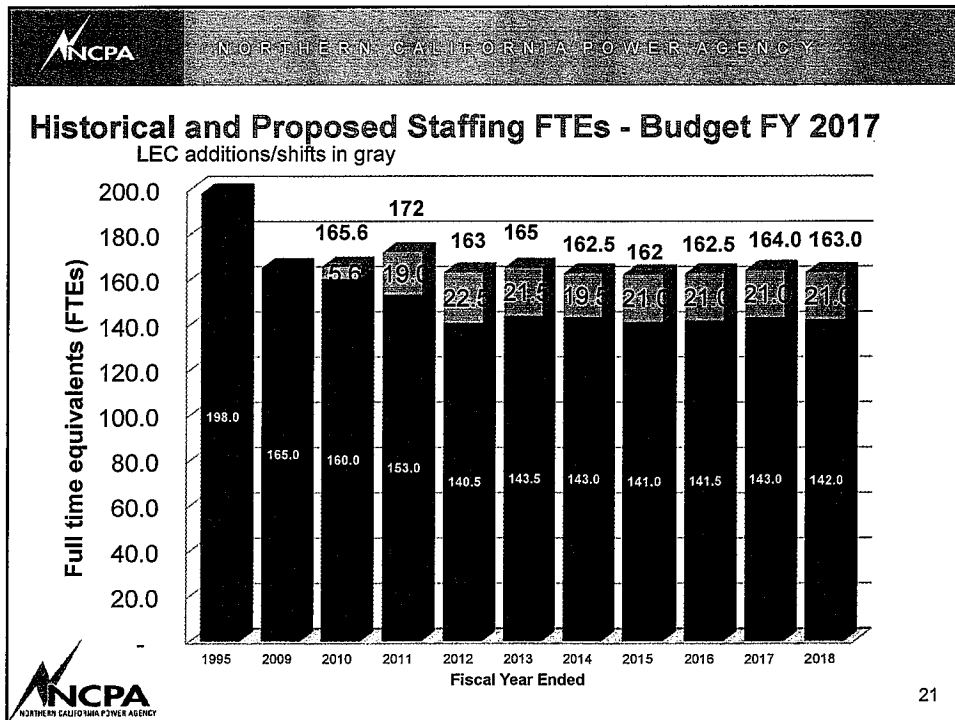
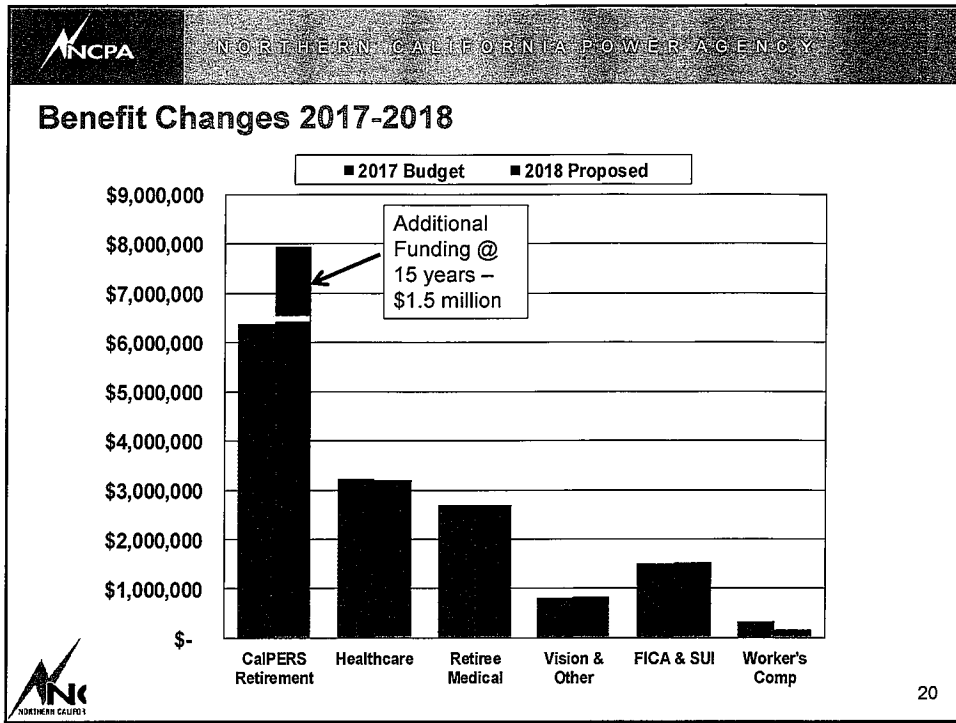














		NORTHERN CALIFORNIA POWER AGENCY	
<p><b>Proposed staffing changes for full time positions; net reduction 1.0 FTE</b></p>			
Action	FTE	Project/Program	Position
Delete	- 1.0	Geothermal Plant	Supervisor I
<p><b>Net change - 1.0</b></p>			

		NORTHERN CALIFORNIA POWER AGENCY	
<p><b>Proposed staffing changes for part-time casual positions</b></p>			
Action	FTE	Project/Program	Position
Add	0.25	Human Resources	Student Intern (HR)
Add	0.38	Human Resources	Student Intern (HR)
<p><b>Net change 0.63</b></p>			

