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# Minutes

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**To:** NCPA Facilities Committee  
**From:** Carrie Pollo  
**Subject:** February 7, 2024 Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Shiva Swaminathan (Palo Alto) at 9:05 am. Attending via teleconference and on-line presentation were Midson Hay and Chris Ferrara (Alameda), Yuliya Shmidt (BART), Josh Cook (Biggs), Brad Wilkie (Lompoc), Nick Rossow (Redding), and Monica Nguyen and Basil Wong (Santa Clara). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and on-line presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from Gridley, Healdsburg, Plumas-Sierra, Port of Oakland, Shasta Lake, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

- 2. Approval of Minutes from the December 6, 2023 and the January 3, 2024 Facilities Committee meetings.**

**Motion:** A motion was made by Brad Wilkie and seconded by Brian Jiayo Chiang recommending approval of the December 6, 2023 and the January 3, 2024 Facilities Committee meetings. A vote was taken by roll call: YES = Alameda, BART, Biggs, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

- **Catalina Sanchez (Gridley) joined the meeting prior to the presentation of the next item.**

- 3. All NCPA Facilities, Members, SCPA – American Power Systems, LLC MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with American Power Systems, LLC for battery testing related services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPA, and SCPA Members.

This is a current NCPA vendor whose agreement is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has agreements in place for similar

services with Exponential Power, LLC and Nor-Cal Battery Co. A draft Commission Staff Report and agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

**Motion:** A motion was made by Brian Schinstock and seconded by Monica Nguyen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with American Power Systems, LLC for battery testing related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA and SCPA Members. A vote was taken by roll call: YES = Alameda, BART, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

- 4. All NCPA Facilities, Members, SCPA – KW Emerson, Inc. MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with KW Emerson, Inc. for routine asphalt, concrete, dam patching and other related maintenance services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPA, and SCPA Members.

This is a current NCPA vendor whose agreement is expired. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has agreements in place for similar services with Capital Industrial Restoration, Ford Construction, Epidendio Construction, Inc., Granite Construction Co., Gold Electric, Inc. and Syblon Reid. A draft Commission Staff Report and agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

**Motion:** A motion was made by Shiva Swaminathan and seconded by Brad Wilkie recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with KW Emerson, Inc for general maintenance related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

- 5. All NCPA Facilities, Members, SCPA – Alliance Cooling Products and Construction, Inc. First Amendment to MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc. for miscellaneous maintenance services, increasing the not to exceed amount from \$1,000,000 to \$6,000,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPA, and SCPA Members.

NCPA entered into a five-year Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc., effective March 25, 2022, for an amount not to exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPA, and SCPA Members.

NCPA has upcoming work for which Alliance Cooling Products and Construction, Inc. will be a potential bidder. This agreement does not have enough funds remaining for this potential work. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$1,000,000 to \$6,000,000 to ensure sufficient funds are available should this vendor be the successful bidder on this or any future work. Exhibit B – Compensation Schedule and Hourly Fees will also be amended as requested by the vendor to reflect an increase in labor costs. This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has agreements in place for similar services with EvapTech, Inc., American Cooling Tower, Inc., and Energy Options, Inc.

**Motion:** A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Alliance Cooling Products and Construction, Inc. for maintenance services, including cooling tower structures and equipment, stretford systems, buildings, structures, fiberglass piping, and other miscellaneous maintenance, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1,000,000 to \$6,000,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

**6. NCPA Casualty Insurance Renewals –** Staff presented background information and was seeking a recommendation for Commission approval to renew the Agency’s excess liability, worker’s compensation, and automobile insurance programs for March 2024 to March 2025.

Alliant Insurance Services has aggressively marketed the primary liability program to ensure best-in-class pricing, terms, and conditions. Staff diligently answered questions and provided supporting data to keep premium increases to a minimum.

In November 2023, AEGIS shifted its position on wildfire surcharges and rating for the remainder of 2023 and all subsequent 2024 renewals. For 2024, AEGIS anticipated rate increases from 8-10%, as announced at the annual policyholder conference, but then increased anticipated rate increase guidance upwards to 10-13% as the renewal period approached. In addition, AEGIS is shifting from a wildfire “surcharge”, which would proactively fund for a loss and not be subject to annual book trend increases, to including wildfire coverage within the overall premium and imposing a rate lift on the combined premium. Due to increased loss frequency and severity driven by wildfires, AEGIS is increasing wildfire rates across the membership by at least 25% and up to 40% for those in wildfire-prone states. There are continued material cost impacts in securing wildfire liability capacity, particularly in California. The City of Lompoc was threatened to not get any wildfire insurance coverage.

Due to the hardening market, inflationary pressures, and increased loss frequency and severity, the remaining lines of the Excess Tower, not including Workers’ Compensation Insurance, will see premium increases between 17% and 31%, resulting in a premium of approximately \$2,200,000. Staff, however, recommends establishing a not-to-exceed of \$2,265,000 to provide sufficient headroom for the General Manager to bind coverage should any unexpected changes occur.

**Motion:** A motion was made by Brad Wilkie and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to negotiate and bind the Casualty Insurance program for the term starting March 1, 2024, and ending March 1, 2025, at a not-to-exceed premium of \$2,500,000 for the Northern California Power Agency and Lodi Energy

Center. A vote was taken by roll call: YES = Alameda, BART, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. ABSTAIN = Biggs. The motion passed.

➤ **Cindy Sauers (Ukiah) joined the meeting prior to the presentation of the next item.**

- 7. Nexant Cost Allocation Model Billing Determinants for FY 2025** – Staff presented background information and was seeking a recommendation for Commission approval of the billing determinants that will be used in the FY 2025 Nexant Cost Allocation Model. This review does not include FY 2025 budget amounts and does not include offsetting Power Management Services revenues.

In preparation for FY 2025, the Nexant model uses the previous year's calendar year data for 2023 as determinants for use as allocators for Members' budget costs. Determinants include resource data such as nameplate and maximum operating capacity values, Day Ahead, Hour Ahead and real time energy and ancillary service schedules used internally within NCPA and those sent to the CAISO in addition to intertie schedules, inter-SC trades, load meter data, contract deals, etc. There are no changes proposed to the Nexant Model for FY 2025.

The indicative, allocated results for FY 2023 indicate the biggest increases to Lompoc, Palo Alto and Alameda, by approximately 18.51%, 6.46%, and 6.42% respectively, with the final updated CY 2023 determinants. Members with the biggest decreases include Port of Oakland, TID, and Gridley at 27.32%, 17.70%, and 15.16% respectively. Other Members allocated amounts remained relatively flat. Staff reviewed the underlying operational data, and provided an analysis regarding the cost drivers that resulted in the relative percentage changes in the allocations to Members. The Nexant gross costs to Participating Members for new resources was also reviewed. It is recommended to place this item on the Commission Consent calendar.

**Motion:** A motion was made by Brian Schinstock and seconded by Shiva Swaminathan recommending Commission approval of the Nexant Model cost allocations based on updated CY 2023 bill determinants and updated Step 2 allocation parameter values for use as weights to allocate budgeted Power Management, Risk Management, Settlements, and Information Services costs to Members. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

- 8. Approval of Letter of Agreement 24-SNR-XXXXX** – Staff provided background information and was seeking a recommendation for Commission approval of Letter of Agreement 24-SNR-XXXXX (WAPA 2024 REC Program) between Western Area Power Administration (WAPA) and Northern California Power Agency (NCPA).

Certain resources in the CVP Project are RPS eligible. WAPA utilizes a voluntary REC program to distribute RECs to Base Resource customers. A Letter of Agreement (LOA) sets forth rules and requirements for the program. The LOA is renewed every year. By April 1, 2024, Base Resource customers will have to elect to participate in the CY 2024 WAPA REC Program. NCPA has participated in the program on behalf of the Pool Members in the past. Palo Alto has elected to participate in the program separately. Cost for participation is limited to REC transfer costs, and other administrative costs passed-through by WAPA. Historically the cost is less than \$10,000 per year.

**Motion:** A motion was made by Jiayo Chiang and seconded by Brad Wilkie recommending Commission approval of the 2024 REC Program Letter of Agreement, and to authorize the General Manager of NCPA to execute the 2024 REC Program Letter of Agreement on behalf of NCPA, including any non-substantive modifications to the 2024 REC Program Letter of Agreement approved by NCPA's General Counsel. A vote was taken by roll call: YES =

Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Santa Clara, and Ukiah. ABSTAIN = Redding and Roseville. The motion passed.

**9. Transmission Owner Rate Case Program Agreement** – Staff provided background information and was seeking a recommendation for Commission approval of the Transmission Owner Rate Case Program Agreement.

NCPA has been directed by the Commission to establish facilities, staff, and the capability to act on behalf of Members who elect to participate (Participants) to engage in certain activities pertaining to proceedings that effect transmission costs directly, indirectly, and in conjunction with legal counsel and subject matter experts. In response to this direction, NCPA has developed the Transmission Owner Rate Case Program Agreement (Program Agreement) to provide such services to the Participants. The Program Agreement establishes the terms and conditions under which NCPA will supply the Services. The Program Agreement will be deemed a Special Conditions Services Agreement (Services Agreement) under the Power Management and Administrative Services Agreement (PMASA) by the Commission. As such, many of the general Program Agreement terms and conditions will defer to the PMASA, or to the standard provisions contracted in many other NCPA services agreements which are very similar to the PMASA.

The Scope of Services shall include engaging in certain activities, either directly, indirectly, or in conjunction with legal counsel and subject matter experts, pertaining to proceedings that effect the CAISO transmission costs, or other transmission costs as may be applicable, to protect Participating Member interests, representing the interests of the Participants by monitoring, analyzing, and participating in TO rate cases before FERC and any related judicial appeals, engaging in other related filings and industry developments that affect the cost or provision of transmission service under TO rate cases, and engaging in other transmission costs related activities as may be approved by the Participants.

The Commission is responsible for general administration of the Program Agreement, but the Program Agreement specifically delegates the provision of Services and normal day-to-day engagement to the General Manager of NCPA. The General Manager, or their designee, will be responsible for providing Services and all day-to-day activities. Formal actions of the Commission shall occur at a Commission meeting, and actions will require an affirmative vote of eighty percent (80%) or more of the Participants. An annual budget for the program will be approved by the Commission each fiscal year as part of the regular NCPA budget process. Actions for Commission consideration can be referred to the Facilities Committee for review. Authority to update or change the Program Participant Percentages is delegated to the Commission; and would not trigger further Member action.

The general consensus of the Committee is to move forward with this Program Agreement. Members feel this is absolutely the right thing to do. This agreement will be going through the Legal Committee for review. This item will be brought back in March for final approval and a recommendation for Commission approval. Please contact staff with comments regarding this agreement.

**10. NCPA Hydroelectric Facility – Lake Alpine Handrails and Walkway Replacement Project** – Staff provided background information and was seeking a recommendation for Commission approval authorizing the Lake Alpine Handrail and Walkway Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders and change orders for the project in accordance with NCPA Purchasing Policies and Procedures, without further approval by the Commission, for a total not-to-exceed amount of \$1,690,000, and authorizing \$235,000 from the approved FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A FEMA

claim has been submitted and if any collections are received, funds will be refunded during the final settlements for the fiscal year they were received.

NCPA operates the Upper Utica Hydroelectric Project (FERC Project No. 11563) on behalf of the project owners. One of the project features is Lake Alpine Dam located at Lake Alpine, approximately two miles Northeast of Bear Valley in Alpine County. The Lake Alpine Dam has an integral handrail and walkway system which was severely damaged in the winter of 2022-2023 due to heavy snow loads. The irreparable handrails require removal and replacement to restore safe access to the dam. The Federal Energy Regulatory Commission (FERC) and California Division of Safety of Dams (DSOD) have determined that the removal and replacement work is routine maintenance and therefore no permits are required. Site work is planned for June through August 2024.

The total cost of the Lake Alpine Handrail and Walkway Replacement Project is estimated to be \$1,690,000 which includes maintenance work, engineering and inspection services during the project, and contingency funds. This Project will be funded using \$235,000 of the available FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A breakdown of project costs is included in the table below.

<b>Funding</b>	<b>Amount</b>
Maintenance P.O.	\$1,322,810
Engineering Services During Work (12%)	\$159,000
Contingency (14%)	\$208,190
<b>Total</b>	<b>\$1,690,000</b>

FEMA has indicated that this project is a candidate for reimbursement. NCPA staff provided the FEMA inspection team with an inspection tour of the site on September 18, 2023, and continues to work closely with FEMA providing responses to all of their requests for information. If any FEMA collections are received, they will be refunded during the final settlements for the fiscal year they were received.

**Motion:** A motion was made by Brad Wilkie and seconded by Basil Wong recommending Commission approval authorizing the Lake Alpine Handrail and Walkway Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not-to-exceed amount of \$1,690,000, and authorizing \$235,000 from the approved FY24 budget and the remaining \$1,455,000 collected in the FY25 Hydroelectric budget. A FEMA claim has been submitted and if any collections are received, funds will be refunded during the final settlements for the fiscal year they were received. Facilities Committee requests NCPA staff add a discussion of the potential benefits and risks of filing a claim with NCPA's insurance company for Commission consideration and potential action. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

**11. NCPA Hydroelectric Facility – FERC 2409 Part 12 Independent Consultant Inspection (IC) Project** – Staff provided background information and was seeking a recommendation for Commission approval authorizing the FERC 2409 Part 12 Independent Consultant (IC) Inspection Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders and change orders for the project in

accordance with NCPA Purchasing Policies and Procedures, without further approval by the Commission, for a total not-to-exceed amount of \$709,500, and authorizing \$70,950 from the approved FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget.

NCPA operates the North Fork Stanislaus Hydroelectric Project (FERC Project No. 2409) on behalf of the project owners. New Spicer Meadow Dam and McKays Point Diversion Dam are the two dams in Project 2409 that require Part 12 reviews. Every five years, FERC Projects are required to retain the services of a qualified, and FERC-approved, independent dam safety engineering consultant(s) (IC) to conduct Part 12 inspections. On November 11, 2023, FERC issued a letter requiring McKays Point Periodic Part 12 Inspection (PI) due by April 2025 and the New Spicer Meadows Comprehensive Assessment (CA) due by June 2025. The New Spicer CA will be the first performed by NCPA, whereas the McKays 5-year PI is considered more routine. NCPA staff has already commenced the collection and sorting through 1980's construction files which will be utilized for the deep study effort associated with the new CA.

The total cost of the FERC 2409 Part 12 Independent Consultant (IC) Inspection Project is estimated to be \$709,500 which includes research, dam safety engineering, inspections, workshops, risk analyses, and reporting. In order to meet the FERC deadlines of April and June 2025, this Project will be funded using \$70,950 of available resources in the FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget. FERC issued new regulations to NCPA on November 11, 2023, and provided clarifying review schedule timelines during a mandatory pre-bid FERC-Licensee conference call on January 11, 2024 which necessitates the issuance of a FERC Part 12 IC inspection contract in early March 2024 in order to maintain FERC regulatory compliance. A breakdown of project costs is included in the table below.

<b>Funding</b>	<b>Amount</b>
Part 12 (IC) Contract Estimate	\$645,000
Contingency (10%)	\$64,500
Total	\$709,500

**Motion:** A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the FERC 2409 Part 12 Independent Consultant (IC) Inspection Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA Purchasing Policies and Procedures, without further approval by the Commission, for a total not-to-exceed amount of \$709,500, and authorizing \$70,950 from the approved FY24 budget and the remaining \$638,550 collected in the FY25 Hydroelectric budget. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

**12. NCPA Geothermal Facility – Fourth Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2, Unit 4 Overhaul Project** – Staff provided background information and was seeking a recommendation for Commission approval of the Fourth Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2, Unit 4 Overhaul Project, increasing the total not to exceed amount of this project from \$7,400,000 to \$7,591,623 for settlement of the final invoice to close out the project.

Throughout this project, numerous issues arose, resulting in extra delays and financial impacts. Among the items that NCPA was tracking and estimating were the extended oil flush duration and delay impacts due to the crane breaking. RTS did not indicate a change order was needed for these items, and NCPA estimated these costs would be within budget, as there was still a small

amount remaining. Most of this outstanding work was billed on a Time and Materials basis, the final costs of which were not yet calculated. RTS continued to proceed with work, and exceeded the authorized purchase order amount without authorization from NCPA.

When RTS calculated the final costs, the billing exceeded authorization by 2.6%, or \$191,623. NCPA conducted a detailed review of these costs with RTS and is satisfied that the charges are all valid. That RTS worked at risk over the authorized budget amount was a benefit to the NCPA Geo project members. Had RTS informed NCPA of this issue in advance, NCPA would have had to stop work and request additional funding through special meetings. A stop work would have had one of two detrimental impacts: 1) a demobilization and then a subsequent remobilization, or 2) payment of standby charges. In addition, at this time, the Geo margin was running approximately \$130k per day, and this would have been lost for each day of delay added.

The work is now complete and the unit was returned to service on December 19, 2023. NCPA staff is now requesting to increase the project not to exceed amount from \$7,400,000 to \$7,591,623 to account for the 2.6% of valid charges for the work performed in excess of the authorized amount.

These charges were double checked by staff and validated. Basil Wong (Santa Clara) thanked the staff for the additional information, and their time and effort into this matter.

**Motion:** A motion was made by Basil Wong and seconded by Brian Schinstock recommending Commission approval of the Fourth Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project increasing the total not-to-exceed amount of this project from \$7,400,000 to \$7,591,623 for settlement of the final invoice to close out the project. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 13. Resolution Commending Alan Harbottle** – Adopt a resolution by all Facilities Committee Members commending the service of Alan Harbottle, acting in the role of Facilities Committee Chair during Calendar Year 2023.

**Motion:** A motion was made by Midson Hay and seconded by Basil Wong recommending approval of the Resolution commending Alan Harbottle as the 2023 Facilities Committee Chair. A vote was taken by roll call: YES = Alameda, BART, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Redding, and Roseville. The motion passed.

## **INFORMATIONAL ITEMS**

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

**City of Pasadena RFP** – Staff was approached by the City of Pasadena regarding this RFP for Power Management services including same day and day ahead scheduling and resource management, daily and intraday gas scheduling and trading, joint resource scheduling, credit services, risk management, and reporting services. This would be a benefit to Members as well as additional revenue and is interconnected in the CAISO BAA. The RFP is due February 29, 2024. The City of Pasadena data provided includes 320 MW historic peak load with 1.1 million MWh annual energy consumption. The portfolio includes gas-fired, large and small hydro, coal, nuclear, solar, wind geothermal and landfill gas. Ownership of the project is Glenarm Power Plant, a share of Magnolia Power Plant.

**Grace Solar Update** – Staff is currently in negotiations with NextEra. A draft PPA is being considered by both parties. Member interest includes Biggs, Gridley, Healdsburg, Lodi, Lompoc, Port of Oakland, Plumas-Sierra, Shasta Lake, Ukiah, and Santa Clara.



**Sunrise Energy – McCloud Solar Project** – This is a 140 MW Solar PV Project with BESS option located in NP15 at Corning, CA. Solar is energy only, with the BESS deliverability pending. Solar PV is a 25-year term with the BESS a 15-year term. Estimated COD is 2029. This project is part of Cluster 14. Phase 1 has been completed. Interconnection is through CAISO BAA with a possible BANC interconnection.

**RAI Energy – Wildcat Energy Farm** – This is a 100 MW Solar PV Project with a BESS option. It's located in IID and delivered to SP15. Estimated COD is 9/1/2026 with a 20year term. Dynamic/Pseudo scheduled into CAISO BAA at SP15.

- 15. NCPA Preliminary Studies and Investigations Procedure** – Staff presented an updated copy of the proposed NCPA Preliminary Studies and Investigations (PS&I) Procedure (GS-201) to the Committee for review and comment.

In March 2023 the NCPA Commission directed NCPA to establish a Preliminary Studies and Investigations (PS&I) budget account and procedure to fund such activities towards new projects that might be of interest to members. On January 3, 2024, NCPA proposed both a PSI procedure and two potential transmission projects to the Facilities Committee. Neither moved forward, the Facilities Committee requested clarification on the PS&I process and intent. This item was brought to the NCPA Commission meeting on January 18, 2024 for further clarification and discussion. Clear control points are now in place for the funding of potential project investigations.

Conceptual projects will be brought to the Facilities Committee and Utility Director's for review and to seek a recommendation for Commission approval to move forward with studies for a new project. This is Phase 0. If the project does not move forward into Phase II after the studies, the PS&I budget account pays for the studies, and all members pay for the studies. If the project moves into Phase II then the interested members are allocated accordingly to pay for the project. This item will be brought back in March to seek a recommendation for Commission approval of the PS&I procedure.

- 16. NCPA Facilities – Plant Decommissioning Studies** – Staff shared a presentation regarding CT and Geo Plant Decommissioning studies.

Information related to the CT1 Lodi, the CT1 Alameda, the CT2 STIG, and Geo decommissioning studies were shared with the Committee. Initial studies were done in 2016 with escalation costs, and refreshed in 2023 with no escalation costs provided. A detailed decommissioning and demolition plan is needed for all site-specific activities. Direct costs include physical labor and time to teardown the equipment. Indirect costs include engineering plans, temporary construction, equipment rentals, and construction management. Scrap value was also estimated with no resale of equipment. The approximate cost for decommissioning CT1 Lodi is \$9,117,000, CT1 Alameda is \$21,876,000, the CT2 STIG is \$20,395,000, and Geo is \$89,248,000. A conservative rate is assumed due to contract-specific nature. These costs will be rolled into future budgets starting in FT 2026 over a 10-year forecast. Staff will update the Committee as necessary.

- 17. NCPA Generation Services Plant Updates** – Plant Staff provided the Committee an update on current plant activities and conditions.

**CTs** – CT1 had 5 starts of 0 forecasted. FYTD total is 62 starts. CT2 had 0 starts of 0 forecasted. FYTD total is 27 starts.

- **Outages**

- **CT1 Lodi** – Annual maintenance outage from January 1 – 30, 2024

- **CT1 Alameda U1/U2** – AT&T telemetry outage January 2 – 3, 2024 due to a section of AT&T cables that were cut. Both units were force out January 27 – 28, 2024 due to an initial spike followed by low gas pipeline pressure indication. Everline found their gas pipeline monitoring pressure transducer malfunctioning. The meter was rebuilt and placed back into service.
- **CT2 STIG** – AT&T telemetry outage January 3, 2024 due to a section of AT&T cables that were cut.
- **CT1 Lodi Run Hours**
  - YTD hours 5.43 of 200 Allowed (based on calendar year)
- **CT1 Alameda Diesel Hours**
  - U1= 4.98 hrs. of 42 (during any consecutive 12-month period)
  - U2= 3.54 hrs. of 42 (during any consecutive 12-month period)
- **Safety and Environmental**
  - No safety issues to report
  - No environmental issues to report – Alameda U1 & U2 Bi-annual emissions testing Feb 13 & 14
- **2024 Planned Outages**
  - CT2 STIG- 4/1/24 thru 4/30/24
  - CT1 Alameda U1/U2- 5/1/24 thru 5/31/24

Staff reviewed the CAISO Commitment Runs for January 2024 and shared outage photos with the Committee.

**Geo** – There were no safety incidents for the month of January. A tour of the Geo project was provided to University of Seoul, South Korea students on January 30, 2024. The average net generation for the month of January was 50.2 MW. The total net generation was 27.3 GWh. CY 2024 net generation goal = 743.8 GWh. CY forecast net generation goal was 434.3 GWh. The CY actual net generation was 298.9 GWh at 31.2% below the forecast due to the recent unit outages at Geo. RTS was back on-site January 9, 2024 for the Unit 1 and 2 overhauls. Photos were shared with the Committee of the progress on both overhauls. The turbine rotor and diaphragms were pulled and shipped to the RTS shop for repairs for Unit 2. Unit 2 is also undergoing transformer repairs. The Unit 1 diaphragms and seals have been returned to the plant. Still waiting on the turbine rotor. The A-site condensate tank was replaced during the month. Cooler tower fill replacement is also on site at Geo.

**Hydro** – Collierville (CV) Power House and New Spicer Meadows (NMS) Power House were at 100% availability during the month of January. The monthly generation profiles for CV and NMS were shared with the Committee. Precipitation for January was over half of average. February has started very well during the first week. Average precipitation is at 69%, with the snow water content at 75% now. NMS just received 48” of new snow.

#### **New Spicer Meadows Reservoir Storage**

- 1,544-acre feet decrease (2%) month-over-month
- 92,649-acre feet to 91,105-acre feet
- Optimizing stored water – Spicer drafts at minimums

### **18. Planning and Operations Update**

- Resource Integrations
  - Lodi Strategic Reserve Resource – Feb 2024
  - Scarlet Solar / BESS – Mid-2024
  - Proxima Solar / BESS – Mid-2024
- SCPA SC Transition Activities – April 1, 2024
- Resource Development
  - ZWEDC – negotiations complete
  - Grace Solar Project – active negotiation

- Wildcat Solar Project – active proposal
- Sunrise Energy – active proposal
- NCPA working to refresh Renewable RFP – Q1 2024
  - Influenced by IARP presented to the Commission in January 2024
- Ongoing daily operational activities

### **NCPA Program Agreements Update**

- NCPA supplies Power Management and Administrative Services to Members using a number of Service Agreements
- In the recent past, the NCPA Commission adopted a resolution approving a revised methodology for calculating certain Member Security posting requirements
- Certain Service Agreements that contain this Security posting requirement will now need to be amended to reflect this adopted methodology
- The following Services Agreements are in this scope:
  - SCPA, MPP, GPP, SMSA
- Next Steps – Staff will work to distribute draft documents for review during the next few months

**19. Next Meeting** – A Special Joint Facilities and Finance Committee meeting is scheduled for February 14, 2024 to review the FY 2025 Budget. The next regular Facilities Committee meeting is scheduled for March 6, 2024.

### **ADJOURNMENT**

The meeting was adjourned at 2:00 pm by the Committee Chair.



**Northern California Power Agency  
February 7, 2024 Facilities Committee Meeting  
Attendance List**

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

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Joayo Clwary</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	<i>B. S. L. D.</i>
SANTA CLARA	
SHASTA LAKE	
TID	
UKIAH	