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Minutes

Date: March 5, 2018
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: February 28, 2018 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Mike Brozo at 9:02 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Hanger and Debbie Whiteman (Alameda), Paul Eckert (Gridley), Melissa Price (Lodi), Tikan Singh (Lompoc), Jonathan Abendschien (Palo Alto), Jared Carpenter (Port of Oakland), and Steve Hance (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approve minutes from the January 31, 2018 Facilities Committee Meeting.** A motion was made by Shannon McCann and seconded by Mike Brozo recommending approval of the January 31, 2018 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.
- 3. All Generation Services Facilities, Members, SCPPA – Nor-Cal Battery Co. MTGSA –** Staff was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Nor-Cal Battery Company for battery maintenance services, with a not to exceed amount of \$250,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Nor-Cal Battery Company for battery maintenance services, with any non-substantial changes recommended and approved by the

NCPA General Counsel, which shall not exceed \$250,000 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. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

4. **All Generation Services Facilities, Members, SCPPA – Bay Cities Fire Protection, Inc. MTGSA** – Staff was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Bay Cities Fire Protection, Inc. for fire sprinkler system maintenance, inspection, and testing, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Shannon McCann recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Bay Cities Fire Protection, Inc. for maintenance, inspection, testing and other necessary services on fire sprinkler systems, 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. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

5. **All Generation Services Facilities, Members, SCPPA – T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting MTGSA** – Staff was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting for preventative roof/siding maintenance, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with T.A. Krause, Inc. dba T.A. Krause Construction and Custom Painting for preventive roofing and siding maintenance, including application of sealant, primer, and coating, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

6. **All Generation Services Facilities – GE Betz, Inc. dba GE Water and Process Technologies First Amendment to MTGSA** – Staff was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement GE Betz, Inc. dba GE Water and Process Technologies accepting assignment to SUEZ WTS USA, Inc., with no changes to the terms and conditions or the original not to exceed amount, for use at all facilities owned and/or operated by NCPA. All purchase orders issued pursuant to the

agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Shannon McCann recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement GE Betz, Inc. dba GE Water and Process Technologies accepting assignment to SUEZ WTS USA, Inc., with no changes to the terms and conditions or the original not to exceed amount, for use at all facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 7. Geothermal Facilities – Dow Chemical Company Sales Contract** – Staff was seeking a recommendation for Commission approval of a Sales Contract with Dow Chemical Company for Iron Chelate shipments, with a not to exceed amount of \$1,500,000, for use at the NCPA Geothermal Facility. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review. There are no other vendors in the area that provide Iron Chelate shipments.

Motion: A motion was made by Shannon McCann and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Sales Contract with Dow Chemical Company for Iron Chelate, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years for use at the Geysers Geothermal Facility. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Port of Oakland. The motion passed.

- 8. Geothermal Facilities – Plant 2 Sulfur Platform Project Public Works Agreement** – Staff was seeking a recommendation for Commission approval increasing the not to exceed amount for the Sulfur Platform Project at NCPA Geo 2, as well as authorizing a 10% contingency to cover possible changes orders, and delegating authority to the General Manager to issue purchase orders and change orders for the updated not to exceed amount. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Alan Hanger recommending Commission approval increasing the not to exceed amount for the Sulfur Platform Public Works Project at NCPA Geothermal Plant #2 from \$731,944 to \$803,910, to cover the increase in material and labor costs, and delegating authority to the General Manager to issue purchase orders and change orders for the updated not to exceed amount. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Port of Oakland. The motion passed.

- 9. All Generation Services Facilities, Members, SCPPA – HRST, Inc. MTGSA** – Staff is seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with HRST, Inc. for inspection services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. Please note: the Agreement provided for Committee review is in draft form, pending vendor comments. ***This item was pulled from the agenda and will be moved to the Special Facilities Committee Meeting on March 13, 2018.***

10. Lodi CT1 Area Future Development – Information-Only Presentation – Staff presented drawings from the Lodi Planning Commission outlining future development around the Lodi CT1 site.

The City of Lodi purchased the land around the Lodi CT1 project. Future proposed plans from the Lodi Planning Commission include building a hotel, as well as three story apartment buildings near the facility. NCPA is working with the city managers regarding this proposed project. If the city moves forward with the proposed apartments, the plant may need to shut down due to noise mitigation issues and low frequency vibrations. The plant has already had 13 exceptional dispatches this year. NCPA is currently in active discussions with the city and will keep the committee updated as needed.

11. Geothermal Plant Load Cycling – Information-Only Presentation – Staff presented options to increase the operational flexibility of NCPA’s geothermal facility to meet the challenges of a changing generation landscape.

The 50% RPS requires an additional 10,000 to 15,000 MW of renewables between 2020 and 2030. Over-generation and real-time negative energy prices are expected to increase as more variable renewable resources are integrated into the system. Some cycling options to avoid negative price periods include wellfield curtailment and turbine bypass valves. Individual well site testing will begin next month. Storing energy to use during higher price periods is also an option. Storage possibilities include: 1) Batteries; 2) Liquid Air Storage; 3) Hydrogen Storage; and, 4) Other Storage Opportunities. Staff will start the testing of the wellfield sties for cycling as well as evaluating options for storage. Updates will be provided to the committee as needed.

12. Approval of Services Agreement with San Jose Community Energy – Staff presented background information and was seeking a recommendation for approval of a Services Agreement between NCPA and San Jose Community Energy (SJCE), under which NCPA will supply certain wholesale power supply services to SJCE.

SJCE would like to implement their Community Choice Aggregator (CCA) program in multiple phases including a phase 1 & 2 implementation. Key dates of the CCA implementation include submitting a LSE historical load forecast by March 16, 2018, and the 2019 Year-ahead forecast by April 20, 2018. The compressed contract negotiation and development schedule proposed by SJCE is a function of meeting the CY 2019 RA compliance deadline that is quickly approaching and specific load forecast submittal deadlines. NCPA is proposing to assist SJCE to develop material that is required to meet the impending deadlines while NCPA continues to work through the details of the contract with SJCE. All filings would be made in SJCE’s name. NCPA would simply be assisting with the analytical work.

The scope of services for SJCE includes scheduling coordinator services, control center services, and portfolio management and procurement services. These services are generally consistent with the scope of services currently being provided to Pioneer Energy and East Bay Community Energy.

Motion: A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending the Commission authorize continued negotiations with SJCE, consistent with the presentation provided to the Facilities Committee and if necessary to enter into an agreement for a limited set of support services to enable San Jose to meet regulatory submittal obligations. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

13. New Services Staffing Update – IS staff gave an update of the new services staffing study regarding the Information Services, and Power Settlements departments.

According to the study, the current Database Administration staffing level may not support continued growth in additional fee for service clients, regardless of the type of client. The addition of each new client adds to the number of databases and servers that need to be maintained in production as well as in creating redundancy through backups at the Disaster Recovery Center, in addition to those utilized for core NCPA functions. Staff proposes adding one additional full time position focused on Database Administration, bringing the staffing level to two. The addition of a Database Administrator also fulfills Information Services' succession planning needs in this area.

Based on further analysis the current Business Analyst staffing level may be able to support continued short term growth in additional fee for service clients; however, may not be able to support continued growth in the long term. The current staffing level of one Business Analyst supports various projects assigned to NCPA's Software Developers, the SharePoint Administrator, and SCADA Analysts. Projects with hard deadlines, such as CAISO market changes and fee for service client implementations take first priority. As with the Database Administrator, competing priorities have prevented some necessary projects from moving forward. Pending further experience with fee for service work level efforts, staff is assessing the need to add one additional full time Business Analyst position.

Power Settlements staff is able to incorporate new SCID/Power Management Services accounts as well as responding to the needs of existing members and participants to the extent that the workgroup maintains a fully trained staff. Given the unique skillset and time required for a settlement analysts to achieve proficiency in the areas of CAISO settlements, NCPA's business model and related business rules, in addition to NCPA's data structure and bid-to-bill systems, Power Settlements has requested that a settlements analyst intern be added to the FY 2019 budget to develop and train in-house expertise. This is essential to maintain consistent production levels and process timelines.

These changes will be incorporated into the new services staffing analysis, and brought back for final review at the next Facilities Committee meeting.

14. Planning and Operations Update –

- The TO18 TAC trial has concluded. The ruling for the trial should be out by this June.
- The discovery phase has now been started for TO19.
- Order 890 Complaint – Not too much going on currently because of the TO tariffs. FERC ordered TOs show cause hearing – just and reasonable with consistency and transparency. PG&E is feeling the effects of the ruling and are more willing to work with NCPA, so will provide a redline version for the planning and tariff process.
- New Services Update – NCPA has four new entity services contracts with PCWA, Pioneer Community Energy, East Bay Community Energy, and San Jose Community Energy is currently in negotiations for services with NCPA.
- NCPA has a new banner celebrating our 50th anniversary. Historical photos will be hung on the walls throughout the building. As well, there will be a new lapel pin every month as the celebrations continue.
- Internal interviews have been scheduled for Friday, 3/9, for the Resource Analyst I/II position. Melissa Price and Mike Brozo will participate on the interview panel.

- The Engineer III/IV position is still open and accepting applications.
- The UD Retreat will take place March 7-9 in Healdsburg. Staff reviewed the draft agenda.
- The Beaver Creek Adit 4 work has been completed. NCPA received a draft agreement regarding insurance coverage, and will bring this item to the Special Facilities Committee Meeting scheduled on March 13, for review and discussion.
- IS staff presented a new reporting app for standardized reports per each Member on NCPA Connect. This is a more robust communication tool with Members refreshing everyday and very interactive. Please contact NCPA with specific needs. The collaboration page will still publish the Power Management excel based reports.



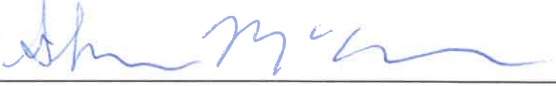
15. Schedule next meeting date – the next regular Facilities Committee meeting is scheduled for April 4, 2018.

ADJOURNMENT

The meeting was adjourned at 12:01 pm.

**Northern California Power Agency
February 28, 2018 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	
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
ROSEVILLE	
SANTA CLARA	
TID	
UKIAH	