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Minutes

To: NCPA Facilities Committee
From: Michelle Schellentrager
Subject: March 6, 2024 Facilities Committee Meeting Minutes

- 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 Alan Harbottle (Alameda), Josh Cook and Bo Shepard (Biggs), Elisa Arteaga (Gridley), Brad Wilkie (Lompoc), Shiva Swaminathan (Palo Alto), Nathan Tan (Port of Oakland), Kamryn Hutson (Redding), Brian Schinstock (Roseville), Basil Wong (Santa Clara), and Cindy Sauers (Ukiah). 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 BART, Healdsburg, Plumas-Sierra, and Shasta Lake were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. Approval of Minutes from the February 7, 2024 Facilities Committee meetings.**

Motion: A motion was made by Shiva Swaminathan and seconded by Jiayo Chiang recommending approval of the February 7, 2024 Facilities Committee meetings. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Ukiah. The motion passed.

- **Basil Wong (Santa Clara) was on the call but was not yet at his noticed location, and was unable to participate in the vote for this item.**

- 3. All NCPA Facilities, Members, SCPPA – Trimark Associates, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Trimark Associates, Inc. for miscellaneous meter maintenance, operations, data, and related design engineering services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA 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 an agreement in place for similar services with Ulteig Operations, LLC. 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 Josh Cook recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Trimark Associates, Inc. for miscellaneous meter maintenance, operations, data, and related design engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, and Ukiah. ABSTAIN = Redding. The motion passed.

- **Basil Wong (Santa Clara) was on the call but was not yet at his noticed location, and was unable to participate in the vote for this item.**

4. **All NCPA Facilities, Members, SCPPA – Ulteig Operations, LLC MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Ulteig Operations, LLC for miscellaneous meter maintenance, operations, data, and related design engineering services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA 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 an agreement in place for similar services with Trimark Associates, Inc. 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 Brad Wilkie and seconded by Elisa Arteaga recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Ulteig Operations, LLC for miscellaneous meter maintenance, operations, data, and related design engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

5. **All NCPA Facilities, Members, SCPPA – GEI Consultants, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with GEI Consultants, Inc. for dam safety and structural engineering related services, with a not to exceed amount of \$5,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA 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 AECOM Technical Services, Condor Earth, HDR Engineering, and Mead & Hunt, Inc. 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 Cindy Sauers and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with GEI Consultants, Inc. for dam safety and structural engineering related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not to exceed amount of \$5,000,000, for 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, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

6. **All NCPA Facilities – PME Babbitt Bearings Second Amendment to MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a Second Amendment to the five-year Multi-Task General Services Agreement with PME Babbitt Bearings for off-site maintenance and labor services at its facility located in Minden, Nevada, increasing the not to exceed amount from \$235,000 to \$750,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA.

NCPA entered into a five-year Multi-Task General Services Agreement with PME Babbitt Bearings, effective June 24, 2020, for an amount not to exceed \$190,000, for use at any facilities owned and/or operated by NCPA. NCPA then entered into a First Amendment to the MTGSA, effective October 3, 2023, to further increase the not to exceed amount from \$95,000 to \$235,000,

NCPA has used this vendor extensively to provide casting and machining babbitt and re-babbitt of bearings. NCPA now desires to enter into a Second Amendment to the Multi-Task General Services agreement to increase the not to exceed amount from \$235,000 to \$750,000 to ensure sufficient funds are available through the remainder of the contract term, should this vendor be the successful bidder on this or any future work. 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 an agreement in place for similar services with TCB Industrial, Inc.

Motion: A motion was made by Brian Schinstock and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Second Amendment to the Multi-Task General Services Agreement with PME Babbitt Bearings for off-site maintenance and labor services at its facility located in Minden, Nevada, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$235,000 to \$750,000, for continued use at any facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

7. **NCPA Geothermal Facility – Konocti Ridge Corporate dba California Exterminators Alliance 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 Konocti Ridge Corporate dba California Exterminators Alliance for pest control and weed spraying services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1225,000 to \$500,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at NCPA's Geothermal Facility.

NCPA entered into a five-year Multi-Task General Services Agreement with Konocti Ridge Corporate dba California Exterminators Alliance, effective July 28, 2020, for an amount not to exceed \$225,000, for use at NCPA's Geothermal Facility.

NCPA has used this vendor extensively for pest control and weed spraying services, and the agreement is running low on funds. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not to exceed amount from \$225,000 to \$500,000 to ensure sufficient funds are available for the remainder of the contract term. Exhibit B – Compensation Schedule and Hourly Fees will also be amended as requested by the vendor to reflect an increase in labor costs for existing and additional services. 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 an agreement in place for similar services with Clark Pest Control.

Motion: A motion was made by Jiayo Chiang and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Konocti Ridge Corporate dba California Exterminators Alliance for pest control and weed spraying services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$500,000 and amending Exhibit B – Compensation Schedule and Hourly Fees, for continued use at NCPA's Geothermal Facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Redding. The motion passed.

8. **NCPA Geothermal Facility – Bureau of Land Management Site License Renewals** – Staff presented background information and was seeking a recommendation for Commission approval authorizing the General Manager or his designee to execute Site License Agreement CACA 5084 (NCPA 1) and Site License Agreement CACA 13308 (NCPA 2) with the Bureau of Land Management to allow NCPA to continue to operate and maintain the geothermal power plants, with any non-substantial changes recommended and approved by the NCPA General Counsel, for a period of thirty years.

NCPA operates and maintains a Geothermal Facility consisting of two geothermal power plants: NCPA Geothermal Plant 1 and NCPA Geothermal Plant 1. NCPA's ability to operate and maintain these geothermal plants was established through two Site License Agreements between NCPA and the Bureau of Land Management (BLM). These original site license agreements carried a term of thirty years, and have now expired. NCPA is now seeking approval to renew these Site License Agreements, which will allow NCPA to continue to operate and maintain the geothermal power plants for another thirty-year term.

Motion: A motion was made by Cindy Sauers and seconded by Brad Wilkie recommending Commission approval authorizing the General Manager or his designee to execute Site License Agreement CACA 5084 (NCPA 1) and Site License Agreement CACA 13308 (NCPA 2) with the Bureau of Land Management to allow NCPA to continue to operate and maintain the geothermal power plants, with any non-substantial changes recommended and approved by the NCPA General Counsel, for a period of thirty years. YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Port of Oakland, Roseville, Santa Clara, and Ukiah. ABSTAIN = Palo Alto and Redding. The motion passed.

- 9. NCPA Transmission Owner Rate Case Program Agreement** – Staff presented background information and was seeking a recommendation for Commission approval authorizing the General Manager of Northern California Power Agency (NCPA) to enter into the Transmission Owner Rate Case Program Agreement on behalf of NCPA, including any modifications to the Transmission Owner Rate Case Program Agreement approved by the NCPA General Counsel.

NCPA was directed by the Commission to establish facilitates, staff and the capability to act on behalf of Members who elect to participate (“Participants”) in certain activities pertaining to proceedings that effect transmission costs. As a result of the direction, NCPA developed the Transmission Owner Rate Case Program Agreement (“Program Agreement”) to provide such services to the Participants. This agreement establishes the terms and conditions under which NCPA will supply these services.

Services provided under the Program Agreement will 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 Members, monitoring, analyzing and participating in Transmission Owner (“TO”) rate cases before FERC and any related judicial appears, engaging in other related filings and industry developments that may affect the cost or provision of transmission service under TO rate cases, and engaging in other transmission cost related activities as approved by the Participants.

The Commission will be ultimately responsible for general administration of the Program Agreement, but it was noted that the Program Agreement specifically delegates the provision of Services and normal day-to-day engagement to NCPA’s General Manager. Additionally, the General Manager may consult with Participants from time to time (as needed) to seek advice and direction regarding levels of engagement to TO Rate Cases. Any formal actions of the Commission will occur at a Commission meeting and 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. 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 agreement will become effective once executed by the Participants and NCPA. This agreement is considered Evergreen, and will remain in effect until terminated by election of the Parties (there is no specific end date). Any costs incurred under the program (direct and indirect) will be allocated to the Participants based on the Program Participant Percentages, as reflected in Exhibit A of the Program Agreement. New Members can join the program, and existing Participants can withdraw from the program, subject to the requirements of the Program Agreement.

Motion: A motion was made by Basil Wong and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager of Northern California Power Agency (NCPA) to enter into the Transmission Owner Rate Case Program Agreement on behalf of NCPA, including any modifications to the Transmission Owner Rate Case Program Agreement approved by the NCPA General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, Santa Clara, and Ukiah. The motion passed.

- 10. NCPA Geothermal Facility – First Amendment to Resolution 22-93 for the NCPA Geothermal Plant 1 Cooling Tower Refurbishment Project** – Staff provided background information and was seeking a recommendation for Commission approval of Amendment to Resolution 22-93 authorizing additional funds of \$1,741,353 for the Geothermal Plant 1 Cooling

Tower Refurbishment 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 an updated total not to exceed cost of \$4,600,000, with \$1,800,000 of the project funds contingent upon future approval of the FY25 budget, and approval to spend up to \$150,000 from the planned FY24 Maintenance Reserve fund and to spend up to \$150,000 from the contingent FY25 Maintenance Reserve fund.

NCPA staff determined that the Geothermal Plant 1 Cooling Tower was in need of refurbishment and thermal upgrade services. Staff identified possible thermal performance deficiencies due to aging structure and cooling tower fill technology. New cooling tower fill will reduce the cooling tower circulating temperature and improve the condenser back pressure, increasing generation by a minimum of 1.5 MW. The Geothermal Plant 1 Cooling Tower Project was originally approved by the Commission on August 25, 2022 (Resolution 22-93) for an amount not to exceed \$2,858,647. This project is broken into three phases:

- Phase 1 – Material Procurement and Delivery (FY23)
- Phase 2 – Cooling Tower Refurbishment Installation – Unit 2 (FY24)
- Phase 3 – Cooling Tower Refurbishment Installation – Unit 1 (FY25)

In March 2022, a Request for Proposal (“RFP”) for the Geothermal Plant 1 Cooling Tower Refurbishment Project was released. Two vendors submitted proposals, but both proposals were deemed non-responsive due to various technical exceptions. After negotiating directly with both vendors, NCPA awarded purchase of the cooling tower fill product to EvapTech, Inc. Unfortunately, the original 2022 project scope did not include prevailing wages in the labor costs or trucking and disposal costs of the old cooling tower fill. As a result, NCPA did not have sufficient funds for installation of the purchased fill.

In November 2023, an RFP was sent out for installation of the new cooling tower fill, with the previously-missing prevailing wage costs included. NCPA also sent out a separate RFP for removal and disposal of the old cooling tower fill. NCPA intends to award installation of the cooling tower fill to Alliance Cooling Products & Construction, Inc. The trucking and disposal costs of the old fill material will be awarded to MP Environmental Services. Award of the work to both of these vendors is pending Commission approval of the First Amendment to the Plant 1 Cooling Tower Refurbishment Project.

The original cost of the Plant 1 Cooling Tower Refurbishment Project was not to exceed \$2,858,647. Staff is now seeking approval for an additional \$1,741,353 to complete Phases 2 and 3 of the project, as well as the trucking and disposal of the old cooling tower fill material, for

Phase 1 – Material Procurement & Delivery (FY23) COMPLETE	\$1,000,000
Total	\$1,000,000
Phase 2 – Cooling Tower Refurbishment (FY24) Replacement for Unit 2 in FY24	\$1,152,129
Disposal and Trucking of old fill	\$250,000
Tower Maintenance Activities (to be funded from Maintenance Reserve)	\$150,000
Contingency (~7%)	\$97,871
Total	\$1,650,000
Phase 3 – Cooling Tower Refurbishment (FY25) Replacement for Unit 2 in FY25	\$1,285,627
Disposal and Trucking of old fill	\$275,000
Tower Maintenance Activities (to be funded from Maintenance Reserve)	\$150,000
* Contingency (~13%)	\$239,373
Total	\$1,950,000
Total Project Cost	\$4,600,000

an updated total project cost of not to exceed \$4,600,000. Funds from the remaining phases of this project will come from the FY24 and FY25 budgets. Funds from the FY25 budget are contingent upon future approval of the budget, and no commitment of funds will be made until that date. A breakdown of project costs is included in the table below.

Phases 2 and 3 of this project include line items for Tower Maintenance Activities, which covers potential discovery maintenance work inside the cooling towers, to be funded from the Maintenance Reserve fund.

Motion: A motion was made by Basil Wong and seconded by Brad Wilkie recommending Commission of Amendment to Resolution 22-93 authorizing additional funds of \$1,741,353 for the Geothermal Plant 1 Cooling Tower Refurbishment 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 an updated total not to exceed cost of \$4,600,000, with \$1,800,000 of the project funds contingent upon future approval of the FY25 budget, and approval to spend up to \$150,000 from the planned FY24 Maintenance Reserve fund and to spend up to \$150,000 from the contingent FY25 Maintenance Reserve fund.. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Roseville, Santa Clara, and Ukiah. ABSTAIN = Port of Oakland and Redding. The motion passed.

11. NCPA Preliminary Studies and Investigations Procedure – Staff provided background information and was seeking a recommendation for Commission approval of the NCPA Preliminary Studies and Investigations Procedure (GS-201), establishing a process for the use of funds in the Preliminary Studies and Investigations (PS&I) budget account, including the requirements for project evaluation approvals, funds tracking, and reimbursement.

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. On February 7, 2024, NCPA presented the PS&I Procedure to the Facilities Committee as an informational item for further question and comments.

Staff presented an updated flow chart of the PS&I Procedure. Step 1 – Conceptual Projects details the process through which project screening will take place. will be brought to the Facilities Committee and Utility Director’s for review and feedback. Step 1 essentially acts as a preliminary assessment of a project’s suitability for further consideration. Step 2 – Recommend Study Package is where projects that the Facilities Committee and Utility Director’s would like to move forward for further study are brought to the Commission for approval. This step is where PS&I funds are approved to be spent for study for a potential project. Step 3 – Study Package Results is where NCPA will present the results of the study to the Facilities Committee and Utility Director’s. NCPA may at this time recommend a Phase II Agreement depending on the initial findings. Step 4 – Phase II Agreement is where any Phase II agreement would be presented to the Commission for approval. The Phase II Agreement budget would include reimbursement of the PS&I funds. The funding allocation for the PS&I account will be updated annually. Unspent funds will be encumbered into the next FY budget.

Facilitates Members requested that NCPA staff add a table to the Procedure showing how funds for the PS&I account will be allocated before the procedure is brought to Commission for approval. Members also requested that staff document which steps will results in funds being spent. Due to these change requests, NCPA staff determined it would be best to bring this back

to the Facilities Committee with the requested revisions, for further review and potential approval in the April 2024 Facilities Meeting.

INFORMATIONAL ITEMS

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

Yuba City Strategic Reserve (SC Services) – CDWR has inquired about NCPA supplying Scheduling Coordinator (“SC”) services for the Yuba City Strategic Reserve Project. This project consists of two 30 MW Combustion Turbines. While the project is owned by CDWR, it is currently operated and maintained by Calpine. CDWR is still in negotiations with Calpine, and since first approaching NCPA, CDWR has posted an RFP for potential re-siting/repurposing of the units, leading NCPA staff to question whether the units will remain in operation. NCPA staff will keep the Facilities Committee updated as to the status of this potential opportunity.

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 project is owned by Glenarm Power Plant, a share of Magnolia Power Plant. Responses to the RFP are due on Thursday, March 7. NCPA is undecided on whether to submit a response at this time.

NCPA RFP for Renewable Energy Resources – Staff re-issued the ongoing RFP for renewable/energy storage resources on February 15, 2024. Responses to the RFP are due April 12, 2024. NCPA staff have received a number of questions regarding the RFP, as well as 1 proposal for a Battery Energy storage project. After the RFP closes, NCPA staff will schedule a dedicated meeting with Members to review any proposals received.

Grace Solar Update – Staff is currently still engaged in active 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. This project is still available, and any Members who are interested should reach out the NCPA staff.

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 20-year term. Dynamic/Pseudo scheduled into CAISO BAA at SP15. This project is still available, and any Members who are interested should reach out the NCPA staff.

13. Proposed FY2025 Annual Budget Review – Staff provided an informational overview and summary of the agency FY2024 budget, incorporating changes and feedback from the February 14, 2024 Special Facilities Committee Meeting.

NCPA staff outlined changes that were made since the initial FY2025 budget review. While there was an increase in costs in some areas (projects at the plants, decommissioning costs, insurance costs, benefits/salaries due to increased pension costs and potential new positions, IS software costs, increased costs associated with the DRC2 project due to additional required tenant improvements for the building), other areas saw a decrease in costs.

NCPA Staff reviewed the revised budgets for Generation Resources (including each plant individually), Power Management, Executive & Administrative Services, and Staffing, Salaries & Benefits. Facilities Members requested clarification on what was driving the increase in costs associated with the DRC2 project, and requested that these costs be discussed with the Commission in the March 28 regular meeting. Members also requested that the budget clearly reflect that the additional positions earmarked in the Power Management budget are contingent upon award of certain New Business opportunities.

The FY2025 proposed budget will be presented to the Utility Directors for review at the March Utility Director's retreat, and previewed by the Commission in the March Commission meeting. Staff will then make any final budget adjustments/revisions to allocations, and the final FY2025 budget will be presented to the Commission for approval in the April 25, 2025 meeting.

14. Grace Solar PPA Update – Staff shared a presentation with updates regarding the Grace Solar Project.

The Grace Solar Project is being developed by NextEra Energy Resources Development (NextEra). The total project will be 400-500 MW, 50 MW of which would be NCPA's tentative "slice". Estimated completion is December 2027. This resource is categorized as energy only, with no RA at this time.

NCPA is currently negotiating terms and conditions of the PPA. Staff reviewed some of the key terms of the PPA that is in-development. The term has a 20 year delivery period. NCPA would act as the SC, retaining CAISO revenues and charges. The seller would act as the GO/GOP, and will operate the facility.

NCPA staff presented an overview of the corresponding Third Phase Agreement which is also in-development. This agreement would be between NCPA and the Participating Members, and would be the mechanism that would enable NCPA to enter into the PPA. By executing the Third Phase Agreement, the Participating Members agree to purchase Products produced by Grace Solar under a "take-or-pay" agreement. Key provisions of the Third Phase Agreement include specifying the rights and obligations of NCPA and the Participants, product delivery based on Participants' Project Participation Percentage, each Participant agreeing to pay for their share of Project Costs, Administrative Services Costs, scheduling coordination costs, and all other related costs, establishment of Security Deposit Requirements, and establishment of rules for governance and other administrative functions.

The Third Phase Agreement is being drafted with a two-step member assignment structure, where Primary Participants (initial signatories) are identified, with subsequent assignment to other Participating Members based on an established project schedule for assignments of additional Members. It was noted that, if assignments were not completed by the deadline, amounts would be retained by the Primary Participants. Alternatively, if all interested Members are able to execute the Third Phase Agreement by the deadline established in the project schedule, the two-step member assignment structure would not be needed, and the Third Phase Agreement could be drafted with the final project participation schedule already established.

NCPA staff will begin meeting with interested Members in an effort to finalize the Participant List and establish desired Participant percentages. This information would be used to establish the Primary Participants list. NCPA hopes to bring this to the Facilities Committee and Commission for final approval in April.

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

CTs – CT1 had 3 starts of 2 forecasted. FYTD total is 66 starts. CT2 had 0 starts of 0 forecasted. FYTD total is 27 starts.

- **Outages**
 - **CT1 Lodi** – Available.
 - **CT1 Alameda U1/U2** – Available.
 - **CT2 STIG** – Available.
- **CT1 Lodi Run Hours**
 - YTD hours 5.43 of 200 Allowed (based on calendar year)
- **CT1 Alameda Diesel Hours**
 - U1= 5.27 hrs. of 42 (during any consecutive 12-month period)
 - U2= 3.66 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 completed the Bi-annual emissions testing with no major issues; currently awaiting final report.
- **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 February 2024.

Geo – There was one vehicle accident in the month of January, in which an employee backing up in a company vehicle hit another car that was also backing up, causing minor damage to both vehicles. This accident took place off-site. There was also a Lesson Learned incident, in which the NCPA team used stop work authority on the Mercury Tank cleaning job and evacuated personnel from Plant 1 as a precaution due to increased Sulfur Pastilles heat levels which was causing damage to the Vac. Trk. Hose. It was discovered that the contractor cleaning the tank was using metal tools to break up the pastilles. Since sulfur dust is susceptible to ignition when dry, the use of metal tools can cause sparks. When the job resumed the following day, the contractor used a hydro blaster and plastic shovels to break up the debris with water for removal. The average net generation for the month of February was 51.1 MW. The total net generation was 35.6 GWh. CY 2024 net generation goal = 743.8 GWh. CY forecast net generation goal was 495.5 GWh. The CY actual net generation was 334.5 GWh at 32.5% below the forecast due to the recent unit outages at Geo. were shared with the Committee of the progress the Unit 2 Transformer Repairs, the Unit 1 Lube Oil Cooler cleaning, and the BOP Transmission Line Repairs. The Plant 1 Unit 1 turbine was delivered on Monday, March 4. Staff shared an update on the Plant 1, Unit 2 upgrade. While NCPA staff anticipated that some blades on the Unit 2 rotor would need replacement, once the rotor arrived off-site for a more thorough inspection, erosion was found on additional blades. Staff is currently gathering information from the vendor regarding the cost to repair these additional rotors, and intends to call a Special Facilities Committee Meeting later this month to present the Committee with options regarding these latest findings. Geothermal staff shared the January 2024 Asset Report, as well as monthly GS Metrics for the plants. The full FY2024 Asset Report will be uploaded for Committee Members to review after the meeting.

Hydro – During the month of February, Collierville (CV) Power House was at 100% availability and New Spicer Meadows (NMS) Power House was at 97% availability. The monthly generation profiles for CV and NMS were shared with the Committee. In February, NCPA was invited to participate in the first joint snow survey since before the COVID pandemic. Precipitation for February was good. February has started very well during the first week. Average precipitation is at 94% for the year, with the snow water content at 104% to-date. NMS just received 6.5' of snow. California is on-track for a seasonally normal range of snow/rain.

New Spicer Meadows Reservoir Storage

- 2,191, acre feet increase (2%) month-over-month.
- 92,649-acre feet to 93,296-acre feet.
- Optimizing stored water – Spicer drafts at minimums.
- Initiating annual water/power optimization modeling.

The quinquennial third-party engineering audit of NCPA's Owner's Dam Safety Program ("ODSP") was recently completed. This review included an examination of NCPA's dam safety documentation, as well as interviews with NCPA staff. The third-party concluded that, "NCPA's ODSP meets or exceed all requirements of an adequate program." The final audit report included a recommendation that NCPA increase training of dam safety staff, especially when positions are backfilled, and also emphasized the criticality of replacing the Chief Dam Safety Engineer (that position is currently vacant). The report also recommended presenting NCPA's ODSP to the Commission at some point.

18. Planning and Operations Update

- Resource Integrations
 - Lodi Strategic Reserve Resource – March 2024
 - Scarlet Solar / BESS – Mid-2024
 - Proxima Solar / BESS – Mid-2024
 - Other BESS integrations
- SCPA SC Transition Activities – Updated from April 1, 2024 to May 1, 2024
- Resource Development
 - ZWEDC – negotiations complete
 - Grace Solar Project – active negotiation
 - Wildcat Solar Project – active proposal
 - Sunrise Energy – active proposal
 - NCPA has issued the refreshed Renewable RFP – Responses are due April 12, 2024
- Ongoing daily operational activities

19. Next Meeting – The next regular Facilities Committee meeting is scheduled for April 3, 2024.

ADJOURNMENT

The meeting was adjourned at 12:42 pm by the Committee Chair.

**Northern California Power Agency
 March 6, 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	Alan Harbottle
BART	
BIGGS	Josh Cook, Bo Shepard
GRIDLEY	Elisa Arteaga
HEALDSBURG	
LODI	Jiayo Chiang - In Person
LOMPOC	Brad Wilkie (left @ 10:31am)
PALO ALTO	shiva S aminathan
PLUMAS-SIERRA REC	
PORT OF OAKLAND	Nathon Tang
REDDING	Kamryn Hutson
ROSEVILLE	Brian Schinstock
SANTA CLARA	Basil Wong
SHASTA LAKE	
TID	Peter Lorenz - non voting Rep
UKIAH	Cindy Savers

**Northern California Power Agency
March 6, 2024 Facilities Committee Meeting
Attendance List**

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

<u>NAME</u>	<u>AFFILIATION</u>
Tony Z.	NCPA
Mike W.	NCPA
Jane C.	NCPA
Jiayo C.	Wodi
Michelle S.	NCPA