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# Minutes

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**To:** NCPA Facilities Committee  
**From:** Trisha Hubbard  
**Subject:** March 30, 2016, Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Alan Hanger at 9:06am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Chris Hutchinson (Palo Alto), Kathleen Hughes, Steve Hance, and Peter Virasak (Santa Clara), Basil Wong (Port of Oakland), Mike Brozo (Plumas-Sierra), and Mark Sorensen (Biggs) as a non-voting member. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established at 9:20am.

## **PUBLIC FORUM**

No public comment.

- 2. Approve minutes from the March 2<sup>nd</sup> and March 16<sup>th</sup> Facilities Committee meetings.** A motion was made by Shannon McCann and seconded by Melissa Cadek recommending approval of the March 2<sup>nd</sup> and March 16<sup>th</sup> Facilities Committee meeting minutes. A vote was taken by roll call:  
March 2<sup>nd</sup> Meeting Minutes: YES = Alameda, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville and Santa Clara. ABSTAIN = Lompoc.  
March 16<sup>th</sup> Meeting Minutes: 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 & SCPPA Members – Baskin Engineering, Inc. First Amendment.** - Staff provided information regarding the recommendation to approve the first amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering, Inc. for consulting services for protection relay upgrades and electrical engineering support increasing the not-to-exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. The term of this agreement will not change, which is set to expire in 2019.

Motion: A motion was made by Melissa Cadek and seconded by Ron Stassi recommending Commission approval of a first amendment to the existing five year Multi-Task Consulting Services Agreement with Baskin Engineering Inc. for protection relay upgrades and electrical engineering support, increasing the not-to-exceed amount from \$225,000 to \$750,000 and revising various provisions to expand the scope of work to include all facilities owned and/or operated by NCPA, its members, SCPPA or by SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

4. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Groome Industrial Service Group, Inc.** – Staff provided information regarding the recommendation to approve a five year Multi-Task General Services Agreement with Groome Industrial Service Group, Inc. for an amount not to exceed \$850,000 for inspection and maintenance services for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Shannon McCann and seconded by Steve Hance recommending Commission approval of a multi-task general services agreement with Groome Industrial Service Group, Inc. for inspection and maintenance services for a not-to-exceed amount of \$850,000 over five years for use at all facilities owned and/or operated by NCPA, its members, SCPPA or by SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

5. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Nor-Cal Controls ES, Inc.** – Staff provided information regarding the recommendation to approve a five year Multi-Task Professional Services Agreement with Nor-Cal Controls ES, Inc. for an amount not to exceed \$350,000 for engineering and technical support services on various plant control systems for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Melissa Cadek and seconded by Shannon McCann recommending Commission approval of the Multi-task Professional Services Agreement with Nor-Cal Controls ES, Inc. which shall not exceed \$350,000 for engineering and technical support services for use at all facilities owned and/or operated by NCPA, its members, SCPPA, and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

6. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Syblon Reid, Inc.** – Staff provided information regarding the recommendation to approve a five-year Multi-Task General Services Agreement with Syblon Reid, Inc. for an amount not to exceed \$5,000,000 for routine maintenance on structures and systems including earthwork grading and drainage, asphalt placement and patch paving, minor road/drainage maintenance, utility easement maintenance, dam and embankment maintenance, concrete patching and maintenance, and tunnel maintenance for use at all facilities owned and/or operated by NCPA, its Members, SCPPA and SCPPA members.

Motion: a motion was made by Ron Stassi and seconded by Shannon McCann recommending approval of this multi-task general services agreement with Syblon Reid which shall not exceed \$5,000,000 over five years for routine maintenance on structures and systems for use at all facilities owned and/or operated by NCPA, its members, SCPPA and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland. The motion passed.

7. **All Generation Services Facilities, Members, SCPPA & SCPPA Members – Schweitzer Engineering Laboratories, Inc.** - Staff provided information regarding the recommendation for Commission approval of a five year Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc. for an amount not to exceed \$1,000,000 for protective relay and automation design, installation, testing and commissioning services for use at all facilities owned and/or operated by NCPA, is Members, SCPPA, and SCPPA Members.

Motion: A motion was made by Basil Wong and seconded by Steve Hance recommending Commission approval of a multi-task professional services agreement with Schweitzer Engineering for an amount which shall not exceed \$1,000,000 over five years for protective relay and automation design services for use at all facilities owned and/or operated by NCPA, its members, SCPPA, and SCPPA members. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

8. **Shasta Lake Power Management** – The City of Shasta Lake has expressed interest in becoming a member of NCPA. Their plans are to join the Legislative and Regulatory Program and requested an estimate for the cost of also participating in Power Management and Administrative Services. Staff developed an estimate of the cost to provide Power Management and Administrative Services based on the Nexant Model and presented those results. Staff has provided this information to Shasta Lake for their consideration and decision making purposes.
9. **Planning and Operations Update** – The Hydro Project flushing flows are going forward as planned. As of today, 54 acre-feet have been released with 6 acre-feet to go which staff believes could quite possibly be accomplished with natural flows.

Service Offers Update:

City of Shasta Lake - As mentioned earlier, a cost estimate has been submitted to the City of Shasta Lake.

PCWA Services Agreement - PCWA Services Agreement will be discussed in detail in agenda item 11.

City of Roseville - There has been no word yet on the results of the proposal submitted.

Marin Clean Energy - There has been no word yet on the results of the proposal submitted.

Placer County CCA - Recently the Agency was contacted by Placer County officials expressing an interest in possibly forming a Community Choice Aggregation (CCA). NCPA is not equipped to help them form this CCA, however, we could possibly provide Power Management Services sometime in the future. A meeting has been set up with Placer County staff to discuss their options. This is completely independent from the Placer County Water Agency deal.

10. **Hydro Operating Procedures** – This item was pulled from the Agenda. No discussion.
11. **PCWA Services Agreement** – Staff is currently negotiating an agreement with Placer County Water Agency (PCWA) under which NCPA may supply services. PCWA would like to seek approval of this agreement with their governing board. Staff presented the draft agreement and discussed its key concepts and detailed the services to be provided to PCWA. The term of this Agreement would be three years with an automatic two year extension unless the Agreement is terminated by either Party. Termination will require a one year notice. Compensation amounts were presented and discussed. NCPA staff will continue to negotiate a final draft agreement with PCWA. When a final draft is developed, the agreement will be brought back to the Facilities Committee for review and to seek a recommendation of Commission approval. Staff would like to have the agreement ready for Commission approval in May.
12. **Lodi Single Member Services Agreement** - Staff provided information regarding the recommendation for Commission approval of the Lodi Single Member Services Agreement (SMSA) Advisory Services Attachment A, under which NCPA may act on their behalf as its Agent regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. Staff discussed in detail the regular activities to be performed acting as Lodi's agent. All costs associated with the work to be performed on Lodi's behalf will be invoiced on a time and materials basis.

Motion: A motion was made by Shannon McCann and seconded by Ron Stassi recommending Commission approval of the Lodi SMSA Advisory Services Attachment A allowing NCPA to act on behalf of the City of Lodi regarding management of the RE Astoria 2 PPA and Buyers Joint Project Agreement. 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.

**13. Transmission Access Charge Policy Discussion** – Staff provided background and information regarding SB350 – Article 5.5 Transformation of ISO. The CAISO has distributed a Regional Integration Timeline. The focus during today’s meeting is on the CAISO Transmission Access Charge (TAC) stakeholder initiative. Policy direction is needed to shape and respond to 2016 Q4 filings (via NCPA or other entities). Staff recognized the difficulty in reaching an Agency-wide position consensus. Staff pointed out that the main driver of this issue is that Pacificorp is evaluating full participation in an expanded CAISO, necessitating that the CAISO develop a method for allocating TAC and Transmission Planning across a broader regional footprint.

CAISO’s draft proposal separates existing facilities and new facilities. Existing facilities will be a sub-region and will have a sub-regional rate. Only facilities eligible for regional cost allocation will be “new regional facilities”.

Staff’s concerns with the CAISO proposal include:

- CAISO will have limited need for “new facilities.”
- Some part of “existing facilities” will clearly benefit others in an expanded regional footprint.
- California has significant exposure to regionalized “new facility” cost risk above and beyond known projects.
- New sub-regions will likely face similar outcomes and will try to spread cost regionally.
- The number of “new projects” within the WECC interconnect.
- Does not go far enough to provide cost certainty for transactions across 38 BAAs.
- Potential for innumerable special deals with each sub-region that ultimately decides to become a PTO.
- Fails to account for extensive transmission planning efforts that have taken place, BAA choices in deciding to join a particular Order 1000 Planning Region.

NCPA is participating in calls amongst the municipal entities. These entities are not all aligned in their positions. There are differences of opinion on license plate vs. postage stamp rate approach. Positions have been developed without the benefit of detailed analytics to support positions.

NCPA’s current proposal:

- Existing Facilities be charged based on license plate with no allocation between sub-regions.
- New Facilities be charged based on license plate, except for Public Policy Projects, with no allocation between sub-regions. Sub-regions should be defined as current Order 1000 regions.

Staff discussed and explained the rationale for NCPA’s proposal.

BAMx current proposal:

- Existing Facilities be charged based on postage stamp with transition.
- New Facilities be benefit based with some spreading of costs to new sub-regions.
- Public Policy Facilities, new and existing, to be paid by beneficiary.

Staff also presented and discussed CMUA's current proposal:

- Generally license plate with some spreading of existing costs to new sub-regions.
- In regards to New Facilities they are willing to consider several concepts as part of an augmented stake holder process.
- Public Policy Facilities, supports the concepts embodied in BAMx proposal in that new and existing should be paid by beneficiary.

CMUA is working on analytics to support more informed decision making. The Facilities Committee was asked what specific studies are needed or desired; if there is enough information available to begin staking out an Agency position, if so, what should that position be; and what their preferences are in regards to NCPA vs BAMx vs CMUA approaches.

Roseville – need to discuss in-house prior to commenting on their position.

Lodi – need to begin discussions and coordinating with their transmission consulting firm.

Lompoc- not yet involved enough to comment.

Truckee – agrees with NCPA's current proposal.

Santa Clara – need to discuss in-house with staff that has been more involved with this issue.

Port of Oakland – defers to their management staff to comment.

Plumas-Sierra – views the license plate rates more favorably, however, need to become more knowledgeable on this issue.

Alameda – requested a glossary of terms.

## **CLOSED SESSION**

**14. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: two cases

### **REPORT FROM CLOSED SESSION**

Upon return to open session, Assistant General Counsel Ruthann Ziegler reported there was no reportable action on Closed Session Item 14.

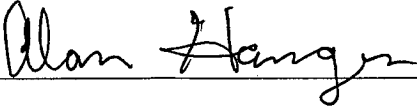
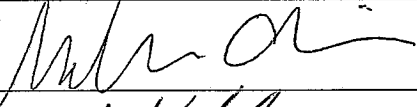
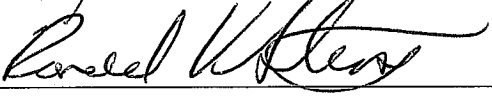
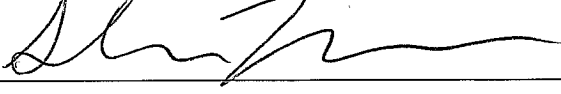
**15. Schedule next meeting date** – the next regular Facilities Committee meeting is scheduled for May 4<sup>th</sup>.

## **ADJOURNMENT**

The meeting was adjourned at 12:50 pm.

**Northern California Power Agency  
Facilities Committee Meeting of March 30, 2016  
Facilities Committee  
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	

