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Minutes

Date: April 8, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: April 1, 2020 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock at 9:06 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle, and Alex Smith (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Jiayo Chiang (Lodi), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Jared Carpenter (Port of Oakland), Brian Schinstock (Roseville), and Steve Hance, Basil Wong, and Paulo Apolinario (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, Redding, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. Approve Minutes from the March 4, 2020 Facilities Committee Meeting.**

Motion: A motion was made by Steve Hance and seconded by Jiayo Chiang recommending approval of the March 4, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 3. All Generation Services Facilities, Members, SPCPA – ORR Protection Systems, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with ORR Protection Systems, Inc. for fire system maintenance services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SPCPA, and SPCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. It is an enabling agreement with no commitment of funds. Geothermal staff contacted ORR Protection Systems, Inc. because they offer California Registered Fire Protection Engineer (FPE) services. Fire preparation/wildfire mitigation is a high

priority for NCPA facilities. After having met with this vendor, staff recommends that NCPA enter into an enabling agreement with ORR Protection Systems, Inc., so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. Other agreements in place for similar services include Sabah International, Inc., Bay Cities Fire Protection, Inc., and Fire Safety Supply, Inc. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Brian Schinstock and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with ORR Protection Systems, Inc. for fire system maintenance services, 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 4. All Generation Services Facilities, Members, SCPPA – Famand, Inc. dba SitelogIQ MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Famand, Inc. dba SitelogIQ for heating, ventilation, and air-conditioning services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor, who acquired Indoor Environmental Services (IES). It is an enabling agreement with no commitment of funds. NCPA had a previous agreement in place with IES. SitelogIQ recently acquired Famand Inc., dba IES, and notified NCPA that they will now be operating as Famand, Inc. dba SitelogIQ. Staff recommends that NCPA enter into an enabling agreement with Famand, Inc. dba SitelogIQ so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. Other agreements in place for similar services include ACCO Engineered Systems, Inc., Pullman Heating & Cooling, Inc., and Johnson Controls, Inc. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Steve Hance and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Famand, Inc. dba SitelogIQ for heating, ventilation and air-conditioning ("HVAC") maintenance 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 all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 5. All Generation Services Facilities, Members – Vince Sigal Electric, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Vince Sigal Electric, Inc. for general specialized electrical services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA or NCPA Members. All purchase orders will be

issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. It is an enabling agreement with no commitment of funds. Geothermal staff contacted Vince Sigal Electric, Inc., because they have worked near the Geysers area. After having met with this vendor, staff recommends that NCPA enter into an enabling agreement with Vince Sigal Electric, Inc., so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. Other agreements in place for similar electrical services include HART High-Voltage, Knight's Electric, Contra Costa Electric, Inc., and Schneider Electric USA, Inc. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Steve Hance 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 Vince Sigal Electric, Inc. for specialized electrical services, including labor and materials for miscellaneous maintenance purposes, 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 all facilities owned and/or operated by NCPA and NCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. The motion passed.

6. **All Generation Services Facilities, Members, SCPPA – Stephens Mechanical Corporation MTGSA** – Staff is seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Stephens Mechanical Corporation for miscellaneous mechanical 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, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. ***This item was pulled from the agenda.***
7. **All Generation Services Facilities – OSIssoft Enterprise Program Agreement** – Staff gave background information and was seeking a recommendation for Commission approval of a five-year PI Software License Agreement with OSIssoft for PI software licensing and remote monitoring, with a not to exceed amount of \$481,000, for use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA is seeking a third renewal of the PI Enterprise Program Agreement with OSIssoft, LLC. PI Software is a tool used at all NCPA facilities, including Roseville Dispatch, to track historical project data for reporting purposes and remote asset monitoring. The software allows NCPA to aggregate disparate data including process data, performance data, emissions data (CEMS), plant equipment data, vibration data, among others to allow monitoring asset performance, and helps to optimize plant operations. The current agreement expired on March 17, 2020. This 2020 PI Software renewal is the third licensing renewal, and usage dates back to 2003. NCPA is heavily invested in PI Software and has a good working relationship with OSIssoft, LLC. As this is specialized software, there are no other agreements with other vendors for the same product. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Steve Hance and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager to enter into an Enterprise Program Agreement with OSIssoft, LLC for PI Software, which shall not exceed \$481,000 over five years, for use at all facilities owned and/or operated by NCPA. A vote was taken by roll call: YES =

Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 8. All Generation Services Facilities, Members, SCPPA – Safety Management Systems, LLC MTCSA** – Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Safety Management Systems, LLC for safety consulting and training services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. It is an enabling agreement with no commitment of funds. A staff member who has previously worked with this vendor, recommends NCPA pursue an enabling agreement with them, based on the level of knowledge this vendor possesses and the quality of work from this vendor on previous projects. NCPA desires to enter into a Multi-Task Consulting Services Agreement with Safety Management Systems, LLC, so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors who can perform these services, which will result in more competitive bidding when services are needed. Other agreements in place for similar services include Yorke Engineering, LLC, Emergency Care Training & Supply, Trinity Consultants, and Cintas Corporation.

Motion: A motion was made by Steve Hance and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Safety Management Systems, LLC for safety training and consulting services, with any non-substantive 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, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

- 9. All Generation Services Facilities, Members, SCPPA – Pacific Power Engineers, Inc. First Amendment to MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Pacific Power Engineers, Inc., accepting assignment of the agreement to Ulteig Engineers, Inc., with no change to the not to exceed amount, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

On April 26, 2019, NCPA entered into a five year Multi-Task General Services Agreement with Pacific Power Engineers, Inc. to provide meter maintenance, operation, and date services. It is an enabling agreement with no commitment of funds. On January 2, 2020, Pacific Power Engineers, Inc. notified NCPA that it has been acquired by Ulteig Engineers, Inc., and wishes to accept assignment of the contract via a First Amendment to the Multi-Task General Services Agreement. One other enabling agreement is in place for similar services with Trimark Associates, Inc. A draft Commission Staff Report and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the consent calendar.

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 Pacific Power Engineers, Inc. to transfer assignment of the agreement to Ulteig Engineers, Inc., with any non-substantive changes recommended and approved by the NCPA General Counsel, which shall not exceed

\$2,000,000 over five years, for continued use at all facilities owned and/or operated by NCPA, its Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. The motion passed.

INFORMATIONAL ITEMS

10. FY2021 Annual Budget – Staff provided an informational update on the final FY2021 Annual Budget.

Since the last Facilities Committee meeting on March 4, 2020, the Utility Director's reviewed the proposed budget on March 13, 2020, and the Commissioners reviewed it on March 26, 2020. The overall proposed budget for FY2021 is up by approximately \$25 million largely due to market conditions, contracts, transmission, and business changes. The generation resources have increased by approximately \$14 million due to a lower forward curve resulting in reduced plant revenues. Western has also revised their forecast, which may result in an adjustment for a reduced cost to Members. The final proposed FY2021 budget with final adjustments and allocations, will be ready for Commission approval at the April 16, 2020 Commission meeting. The proposed FY2021 budget is available on NCPA Connect.

11. FY2021 Scheduling Coordination Program Agreement (SCPA), Balancing Account Requirement – Staff presented an informational update to the calculation and deposit requirement for the SCPA program.

Under section 10.1 of the SCPA, prior to NCPA providing Scheduling Coordination Services, a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the three highest months of estimated CAISO invoices from the previous 12 months. Deposits can be satisfied in whole or in part, either in cash or through a clean, irrevocable letter of credit (LOC) satisfactory to the General Manager. NCPA shall maintain a detailed accounting of the share of each Participant's deposit in the Balancing Account. To minimize the impact to Members for the FY2021 deposit requirement, staff would like to mitigate these payments. After discussion, the preference of Members is to bill this out on a quarterly basis starting in July 2020. Payments will be due July 2020, October 2020, January 2021, and April 2021. Payments will be included on the previous months AR Bill. Please contact staff with any questions.

12. Geothermal Cotenancy Update – Staff provided an update regarding Geothermal Cotenancy activities.

NCPA is a cotenant and Party to the Agreement of Cotenancy in the Castle Rock Junction to Lakeville 230-kV transmission line, which connects the NCPA Geothermal projects to the CAISO controlled grid. Parties in the Cotenancy Agreement include PG&E, CDWR, SVP, and NCPA. CDWR provided notice of its intent to withdraw from the Agreement on July 30, 2018, as they currently have no resources in the Geysers area. PG&E attempted to file a unilateral amendment to the Cotenancy Agreement at FERC to formally obligate CDWR to pay for decommissioning costs. FERC ruled that PG&E doesn't have the right to unilaterally amend the Agreement. This issue still remains outstanding.

Staff would like to reengage in negotiations with CDWR and PG&E. NCPA Members need to establish a position on how much capacity to maintain for the transmission line, as well as how to address the long term decommissioning costs. PG&E and CDWR have conflicting positions about the responsibility of the decommissioning costs. PG&E proposed a pro-rata allocation among NCPA, SVP, and PG&E. Key considerations during the negotiations include exposure to wild fire risk, an increase of capacity to enable future developments, such as battery storage, or

even possible withdrawal of NCPA and SVP, if another mechanism in place, could retain NCPA's project deliverability.

The transmission network associated with the Cotnenancy line has been changed over time. Staff has requested PG&E provide a detailed inventory of what equipment and facilities make up the Cotnenancy line. Next steps include working with PG&E to schedule a date on which NCPA and supporting experts will have access to PG&E's maintenance records, and take an active role in monitoring PG&E's maintenance practices. Staff would like to discuss the long-term liability and decommission concepts with CDWR prior to next steps with PG&E.

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

Sonoma Clean Power (SCP) issued a RFP for Schedule Coordinator (SC) Services. NCPA submitted a Statement of Qualifications on February 11, 2020. Staff participated in an interview on February 25, 2020. Staff has just been informed that NCPA has been tentatively selected as SCP's preferred services provider. Staff will present a draft agreement with a limited scope of services for the SC services. The initial term of services will be three years with an automatic extension. Services provided will include scheduling ISTs, loads, and limited resources, similar to EBCE. The estimated costs for services will be \$205,000 per year, with a 2% escalation per year. The liability proposal will include liability for select services limited to cost for services in the event of NCPA's active negligence. This scope of services will not require any additional NCPA staff at this time. Staff will update the Committee as needed.

14. NCPA Generation Services 2020 Outage Schedule Update – Plant Staff provided the Committee with an informational update on the 2020 NCPA plant outage schedules.

CTs – The CT1 Lodi annual maintenance outage has been completed. The CT1 Alameda, Unit 1 annual maintenance outage has also been completed. These two outages were completed a couple of days early. The CT1 Alameda, Unit 2 outage is still in progress with an expected completion of April 15, 2020. The CT2 (STIG) annual maintenance outage has been rescheduled to May 1 – 31, 2020. There is no RA scheduled for this unit during that time. The LEC is in an outage due to turbine failure, and scheduled to be back online June 30, 2020.

Geo – The Geo Plant 2, Unit 4 outage scheduled for April 6 – 16, 2020 was started early as a forced outage due to low turbine oil pressure causing high vibration. It is still scheduled to return to service April 16, 2020. Geo Plant 1, Unit 2 has shortened their originally scheduled outage to April 20 – 23, 2020. Another outage has now been scheduled for Geo Plant 1, Units 1 and 2, October 5 – 12, 2020.

Hydro – Collierville Units 1 and 2, have dual unit trip tests October 10 – 11, 2020. Collierville Unit 1 annual maintenance is scheduled October 12 – 23, 2020. Collierville Unit 2 annual maintenance is scheduled November 9 – 20, 2020. An additional PG&E outage has now been scheduled April 2 – May 9, 2020 for New Spicer Meadow Units 1, 2, and 3. Staff have requested to move the scheduled annual maintenance outages in September for each unit, to be done during this newly scheduled outage.

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

Hydro – March was a better month for the precipitation index bringing the percent of average to 54%. The Central snow water content is now at 56%. More snow and rain is predicted April 4-7, 2020. A new PG&E transmission induced outage has been added for New Spicer Meadow, Units 1, 2, and 3, from April 2 – May 9, 2020. The CA OES Emergency Action Plan is going through the third revision process. The 230-kV Insulator Project was awarded to Wilson Construction for \$2.66 million. The materials have been ordered and construction could start as

early as June. The project should take approximately six weeks with no impact to operations. 157 towers with six insulators on each, will be replaced.

CTs – March was a quiet month for the CTs, with one actual start at CT1. Neither CT had any forecasted starts. The YTD starts for CT1 is 214, with CT2 at 36. There were zero forced outages, and one planned outage at Alameda. Planned outage activities include a generator major, which has been slightly delayed due to Covid-19. Other activities include routine maintenance. The Unit 1 generator circuit breaker is back in service, with Unit 2 installed and waiting to be tested. A transformer leak was found during the Unit 2 outage. The expected completion date is April 15, 2020.

Geo – There were no safety incidents to report for the month of March. Established safety measures are in place to prevent Covid-19 exposure. Plant 1 and 2 were online for most of March averaging 93.5 MW net, with an estimated net generation total of 69.6 GWhrs. The FY2020 net generation is up to 472 GWhrs, of 557.4 GWhrs forecasted. Generation is still down due to the Kincadee fire, but is slowly building back up. An outage was originally planned for Plant 2, Unit 4, from April 6-16, 2020. The unit was taken off line early on March 24, 2020 due to low turbine oil pressure with high bearing vibration. The unit is still scheduled for completion on April 16, 2020 so the outage duration has been extended to 23.5 days. The scope of work includes, turbine rotor repair or replacement, lube oil pump repair, steam ejector replacement, Siemens T3K upgrade, and Stretford repairs.

16. Planning and Operations Update –

- NCPA “Rolling” Renewable RFP on behalf of the Members – Staff issued this RFP on March 25, 2020, which is available on the public website. Staff are developing a proposal tracking tool, and as well as a review team. NCPA has received a couple of RFPs and will present to the Members on a regular frequency.
- Covid-19 Planning and Business Resiliency – NCPA is currently operating in a dual mode operation for Dispatch and Scheduling, with the SCs working at the DRC, and the Dispatchers working at the HQ Dispatch Center. Some staff are working remotely to reduce the risk of exposure. Preventative measures are in place with social distancing, awareness, and cleaning shared surfaces often at all NCPA facilities.
- Resource Adequacy Developments – The CPUC Central Procurement issued Rulemaking 17-09-020 regarding RA enhancements, and import allocations.

17. Next Meeting – The next regular Facilities Committee meeting is scheduled for May 6, 2020.

ADJOURNMENT

The meeting was adjourned at 12:08 pm.

Teleconference call only due to Covid19.

Northern California Power Agency April 1, 2020 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 | |
| LOMPOC | |
| PALO ALTO | |
| PLUMAS-SIERRA REC | |
| PORT OF OAKLAND | |
| REDDING | |
| ROSEVILLE | |
| SANTA CLARA | |
| TID | |
| UKIAH | |