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Minutes

Date: April 20, 2023
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: April 5, 2023 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Alan Harbottle (Alameda) at 9:08 am. Attending via teleconference and/or on-line presentation were Midson Hay (Alameda), Josh Cook (Biggs), Cliff Wagner (Gridley), Melissa Price (Lodi), CJ Berry (Lompoc), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Jared Carpenter (Port of Oakland), Basil Wong (Santa Clara), and Cindy Sauers (Ukiah). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and online presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Redding, Shasta Lake, and TID were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approval of minutes from the March 1, 2023 Facilities Committee meeting, and the March 15, 2023 Special Facilities Committee meeting.**

Motion: A motion was made by Cliff Wagner and seconded by CJ Berry recommending approval of the minutes from the March 1, 2023 Facilities Committee meeting, and the March 15, 2023 Special Facilities Committee meeting. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Port of Oakland, Roseville, Santa Clara, and Ukiah. The motion passed.

- 3. All NCPA Facilities, Members, SCPPA – Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy First Amendment MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy for chiller, HVAC, and boiler related maintenance services, modifying Exhibit A and Exhibit B to add to the scope of work and modify pricing, with no changes to the contract term or not-to-exceed amount, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA entered into a five year Multi-Task General Services Agreement with Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy effective December 9, 2019, for use at all NCPA, NCPA Members, SCPPA, and SCPPA Member facilities.

NCPA has utilized Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy regularly for chiller services at its CT2 plant. NCPA recently discovered this vendor can also perform boiler work. NCPA now desires to enter into a First Amendment to the Multi-Task General Services Agreement to modify Exhibit A to add boiler maintenance services to the Scope of Work and to modify Exhibit B to update pricing and add clarifying language regarding billing. NCPA has agreements in place with ACCO Engineered Systems, Inc. and Johnson Controls, Inc. for similar 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. A draft Commission Staff Report, the original agreement, and First Amendment 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 Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy for chiller and HVAC maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, modifying Exhibit A and Exhibit B, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara and Ukiah. The motion passed.

4. **All NCPA Facilities, Members, SCPPA – OST Trucks and Cranes, Inc. MTGSA – Staff** presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with OST Trucks and Cranes, Inc. for crane related services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

OST Trucks and Cranes Inc. 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. NCPA has agreements in place for similar services with American Crane Rental, Hatton Crane & Rigging, Maxim Crane Works, Summit Crane and Titan Crane & Rigging. 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. 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 Cindy Sauers recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with OST Trucks and Cranes, Inc. for crane related 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. The motion passed.

5. **All NCPA Facilities, Members, SCPPA – Tetra Engineering Group, Inc. MTPSA – Staff** presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Tetra Engineering Group, Inc. for HRSG inspection, steam plant assessments, root cause failures, and consulting engineering related services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

Tetra Engineering Group, Inc. 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. NCPA has agreements in place for similar services with Groome Industrial, HRST, Inc., Nooter Eriksen and N&T Consulting Service Inc. (pending). 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. 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 Cliff Wagner and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Tetra Engineering Group, Inc. for inspection services related to HRSG, power piping, steam plant assessments, root cause failures and consulting engineering, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. The motion passed.

- 6. All NCPA Facilities, Members, SCPPA – Baker Tilly US, LLP First Amendment to MTPSA –** Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task Professional Services Agreement with Baker Tilly US, LLP for auditing services, recognizing the name change to Baker Tilly US, LLP; elect to extend the agreement for three more years, and increase the not to exceed amount from \$500,000 to \$1 million for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

As a public agency, NCPA is required to have an annual audit and attestation of NCPA's financial statements performed by an independent auditor. In June 2018, the Commission approved a two-year Multi-Task Professional Services Agreement with Baker Tilly Virchow Krause LLP with a not-to-exceed amount of \$500,000 for the audits of NCPA fiscal years 2018 and 2019. The Agreement included NCPA's option to extend the term of the agreement for two additional three-year terms. In 2020, NCPA notified Baker Tilly Virchow Krause LLP of its intent to exercise the first three-year extension for the audit of the agency's financial statements for fiscal years 2020-2022, and the audit firm agreed to the extension. The audit firm has since changed its name to Baker Tilly US, LLP.

NCPA has notified Baker Tilly US, LLP of its intent to exercise the second three-year extension for the audit of the agency's financial statements for fiscal years 2023-2025, and the audit firm has agreed to extend the expiration date from July 1, 2023 to July 1, 2026. In order to fund the second extension, NCPA needs to increase the current not-to-exceed amount from \$500,000 to \$1,000,000.

Motion: A motion was made by Cliff Wagner and seconded by Josh Cook recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with Baker Tilly Virchow Krause LLP for annual audit services to change the audit firm's name to Baker Tilly US, LLP, to extend the term to July 1, 2026, and to increase the Not to Exceed amount of \$500,000 to a Not to Exceed amount of \$1,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. The motion passed.

7. **All NCPA Facilities – Parker Landscape Development, Inc. MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a Five Year Multi-Task General Services Agreement between NCPA and Parker Landscape Development, Inc. for commercial landscape maintenance and services, in an amount not to exceed \$300,000 for use at all facilities owned and/or operated by NCPA.

In February of 2023, staff issued a RFP soliciting proposals from landscape maintenance companies to perform landscape maintenance services including but not limited to general grounds keeping, horticultural maintenance, irrigation, cleanup of landscape areas, maintenance of irrigation systems, and replacement of plant materials as needed for NCPA headquarters and the Disaster Recovery Center on Sunrise.

NCPA has utilized this vendor in the past and has a good working relationship with them. The vendor proposed the lowest cost escalation over the term of the agreement. NCPA desires to enter into a five-year, multi-task general services agreement with Parker Landscape Inc. These activities are intended to provide NCPA properties with well-maintained landscaping, water efficiencies, and overall property appeal. 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. 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 Cliff Wagner recommending Commission approval authorizing the General Manager or his designee to enter into a Five-Year Multi-Task General Services Agreement with Parker Landscape Development, Inc. for professional commercial landscape maintenance services, including; horticulture maintenance, irrigation, maintenance to irrigation, and special projects at NCPA headquarters and the Disaster Recovery Center on Sunrise, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$300,000 over five years, for use only at any facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. The motion passed.

8. **NCPA Cyber Security Insurance Renewal** – Staff presented background information and was seeking a recommendation for Commission approval to renew the Agency’s Cyber Security Insurance Liability Program for April 2023 – April 2024.

Alliant Insurance Services has aggressively marketed the Cyber Security Insurance Program to ensure best-in-class pricing, terms, and conditions. Earlier in the year, the Insurance Markets indicated that insurers were seeing twenty to thirty percent year-over-year increases; these increases were later confirmed during market solicitation meetings with Alliant in December of 2022. The IS team and Plant personnel were instrumental in assisting with completing the insurer’s lengthy application. The insurer requested no follow-up questions or clarifications. This effort led to the pricing improving substantially; Alliant estimates that the 2023 renewal premium will increase by approximately 10%. Staff recommends a not-to-exceed of \$258,000 to provide sufficient headroom for the General Manager to bind coverage.

Coverage details are listed below:

- **Business Interruption and Extra Expense** –responds to a loss of income and operating expenses when business operations are interrupted or suspended due to a network security failure.
- **Data Recovery** –responds to a loss of digital information assets, including customer databases resulting from a network security failure.

- **Cyber Extortion** –reimburses for payments made to settle network security-related extortion demands (e.g., threats to shut down websites, release confidential customer information, or vandalism of computer networks).
- **Privacy and Security** –responds to and covers claims arising from disclosing personally identifiable or confidential corporate information from various sources (e.g., phishing). Coverage extends to data in all forms (electronic and hard copy).
- **Breach Event and Crisis Management Coverage** –responds to the costs to retain vendors/services to assist in managing and mitigating a covered privacy or network security incident.

Motion: A motion was made by Cindy Sauers and seconded by Cliff Wagner recommending Commission approval authorizing the General Manager or his designee to negotiate and bind the Cyber Liability Insurance program for the term starting April 27, 2023, and ending April 27, 2024, at a not-to-exceed premium of \$258,000 for the Northern California Power Agency and Lodi Energy Center. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. The motion passed.

9. Plumas-Sierra Rural Electric Cooperative Admission to MPP – Staff provided background information and seeking a recommendation for Commission approval of admission of Plumas-Sierra Rural Electric Cooperative (PSREC) as a new Participant to the Amended and Restated Market Purchase Program Agreement (MPP).

Pursuant to the MPP Agreement, NCPA may act on behalf of MPP Agreement Participants to transact energy and energy related commodities. PSREC has expressed its desire to become a MPP Agreement Participant. Section 11.1 of the MPP Agreement states that a Member may execute the MPP Agreement and become a MPP Agreement Participant provided that such joinder is approved by the NCPA Commission. Upon becoming a MPP Participant, PSREC will participate in the program pursuant to the terms and conditions as set forth in the MPP Agreement.

Motion: A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending Commission approval of Plumas-Sierra Rural Electric Cooperative (PSREC) becoming a Participant under the Amended and Restated Market Purchase Program Agreement (MPP Agreement) upon PSREC's execution of the MPP Agreement. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, Santa Clara, and Ukiah. ABSTAIN = Biggs. The motion passed.

10. Approval of Letter of Agreement 23-SNR-02937 – Staff presented background information and was seeking a recommendation for Commission approval of the Letter of Agreement 23-SNR-02937 (WAPA 2023 REC Program) between Western Area Power Administration (WAPA) and Northern California Power Agency (NCPA).

Certain resources in the CVP Project are RPS eligible. Western utilizes a voluntary REC Program to distribute RECs to Base Resource customers. A Letter of Agreement (LOA) sets forth rules and requirements for the program. The LOA is renewed each year. By July 1, 2023, Base Resource customers will have to elect to participate in the CY 2023 WAPA REC Program. NCPA has participated in the program on behalf of the Pool Members in the past. Palo Alto has elected to participate in the program separately. Costs associated with entering into the WAPA 2023 REC Program Letter of Agreement 23-SNR-02937 are estimated to be less than \$10,000 for the term of the agreement, and will be allocated according to Base Resource percentages of the represented Members.

Motion: A motion was made by Alan Harbottle and seconded by Mike Brozo recommending Commission approval of the 2023 REC Program Letter of Agreement, and to authorize the General Manager of NCPA to execute the 2023 REC Program Letter of Agreement on behalf of NCPA, including any non-substantive modifications to the 2023 REC Program Letter of Agreement approved by NCPA's General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Ukiah. ABSTAIN = Santa Clara. The motion passed.

- 11. Approval of Exhibit C, Revision 25 to Contract 96-SNR-00110 (WAPA O&M Funding Commitment)** – Staff presented background information and was seeking a recommendation for Commission approval of Exhibit C, Revision 25 to Contract 96-SNR-00110, and authorizing the General Manager of NCPA to execute Exhibit C, Revision 25 to Contract 96-SNR-00110, on behalf of NCPA.

NCPA is a party to the O&M Agreement, on behalf of certain NCPA Members who have assigned their Base Resource percentages to NCPA. WAPA periodically requests participants to the O&M Agreement to execute revisions to the individual Customer Commitment and Contribution, or Exhibit C, which reflect allocated shares of the total funding obligation approved through the customer approval process.

Execution of Exhibit C, Revision 25 to Contract 96-SNR-00110 would establish a commitment by NCPA, specifically the Assigning Members, to provide funds associated with Federal Fiscal Year 2025 in the amount of \$11,720,811.88. The obligation to provide funds survives termination of the O&M Agreement, but any and all future obligations would be absolved coincident with the termination of the Base Resource contract. WAPA will invoice and collect funds according to a monthly schedule. Approximately one (1) month following payment, WAPA will return funds to NCPA through a bill credit on the monthly WAPA power bill. Therefore, the net fiscal impact is approximately zero dollars (\$0.00). Costs associated with this commitment will be allocated to the Assigning Members based on Western Allocation percentages.

Motion: A motion was made by Shiva Swaminathan and seconded by Mike Brozo recommending Commission approval of Exhibit C, Revision 25 to Contract 96-SNR-00110, and to authorize the General Manager of NCPA to execute Exhibit C, Revision 25 to Contract 96-SNR-00110, on behalf of NCPA, including any non-substantive modifications to Exhibit C, Revision 25 to Contract 96-SNR-00110 approved by NCPA's General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Ukiah. ABSTAIN = Santa Clara. The motion passed.

- 12. Approval of General Services Agreement Between NCPA and Ulteig Engineers, Inc. for Meter Maintenance and Approval of an Amendment to the Pooling Agreement adding Pooling Schedule 14** – Staff presented and was seeking a recommendation for Commission approval of (i) a General Services Agreement between NCPA and Ulteig Engineers, Inc. for Meter Maintenance, and (ii) an amendment to the Second Amended and Restated Pooling Agreement adding a new Pooling Schedule 14 for meter maintenance services, and authorizing the General Manager of NCPA to execute the General Services Agreement between NCPA and Ulteig Engineers, Inc. for Meter Maintenance, on behalf of NCPA.

Pursuant to Section 7.4 of the Second Amended and Restated Pooling Agreement (Pooling Agreement) each Participant is required to install and maintain meters and metering equipment in accordance with all applicable metering requirements, including CAISO metering requirements. Section 7.4 of the Pooling Agreement also states that each Participant shall be solely responsible for maintaining their respective metering equipment; provided, however, a Participant may contract with NCPA to supply meter maintenance services pursuant to separate agreements.

To enable NCPA to acquire meter maintenance services on behalf of the Pooling Agreement Participants, NCPA has developed the new Pooling Schedule 14 (Meter Maintenance Program) to be incorporated into the Pooling Agreement. Pooling Schedule 14 (Meter Maintenance Program) directs NCPA, acting on behalf of the Pooling Agreement Participants, to acquire meter maintenance services from a qualified third party services provider, establishes the obligation for the Pooling Agreement Participants to pay for all direct and indirect costs associated with meter maintenance services, and describes the authority upon which approval of such services may be granted by the Commission.

The Pooling Agreement Participants have requested NCPA to contract with a qualified third party services provider to provide meter maintenance services for Pooling Agreement Participant meters and metering equipment. In response to this request, NCPA conducted a competitive solicitation with qualified third party services providers, and based on the responses received in such process, NCPA determined that a proposal made by Ulteig Engineers, Inc. to supply meter maintenance services best met the needs of the Pooling Agreement Participants. As such, NCPA has developed a General Services Agreement with Ulteig Engineers, Inc. for Meter Maintenance services, including the following scope of work: meter maintenance, meter and communication troubleshooting, and other miscellaneous work.

Motion: A motion was made by Jiayo Chiang and seconded by Cindy Sauers recommending Commission approval of (i) the General Services Agreement between NCPA and Ulteig Engineers, Inc. for Meter Maintenance, and (ii) adding Pooling Schedule 14 (Meter Maintenance Program) to the Second Amended and Restated Pooling Agreement, and to authorize the General Manager of NCPA to execute the General Services Agreement between NCPA and Ulteig Engineers, Inc. for Meter Maintenance, on behalf of NCPA, including any non-substantive modifications to the General Services Agreement between NCPA and Ulteig Engineers, Inc. for Meter Maintenance approved by NCPA's General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, and Ukiah. ABSTAIN = Roseville and Santa Clara. The motion passed.

- 13. NCPA Combustion Turbine and Geothermal Facilities, City of Redding, City of Roseville – Siemens Energy, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Siemens Energy, Inc. for T3000 maintenance and support services, with a not to exceed amount of \$6,000,000, for use at NCPA Combustion Turbine and Geothermal facilities, and for use at the City of Redding and the City of Roseville. All purchase orders will be issued following NCPA procurement policies and procedures.

In February 2016, a Power Plant Working Group was created which includes Members from NCPA, City of Redding, City of Roseville and Silicon Valley Power. The group meets quarterly to discuss safety, environmental and plant technical issues. During these discussions, it was discovered that the LEC, GEO, City of Redding and City of Roseville facilities all utilize the Siemens T3000 Control System. T3000 maintenance and support services are required from time to time related to project support at NCPA LEC and GEO facilities as well as the City of Redding and the City of Roseville. By collectively establishing one agreement with Siemens for these services, all of the facilities will benefit from discounted pricing on services as well as parts purchases. The cities of Redding and Roseville will utilize this agreement through NCPA's Shared Services Program. By combining efforts with Roseville and Redding, NCPA is able to negotiate a discount applicable to all participants. If the City of Redding and/or the City of Roseville opt to not use this agreement, NCPA will not be able to apply the discounted pricing.

Motion: A motion was made by Brian Schinstock 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 Siemens Energy, Inc. for T3000 maintenance and support

services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$6,000,000 over five years, for use at NCPA Lodi Energy Center (LEC) and Geothermal (GEO) facilities as well as the City of Redding and the City of Roseville. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, Santa Clara and Ukiah. The motion passed.

14. NCPA Geothermal Facility – Second Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project – Staff presented background information and was seeking a recommendation for Commission approval of a Second Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project: 1) delegating authority to the General Manager or his designee to execute Proof of Loss forms for \$3,559,999 (gross) for the Plant 2 Unit 4 Steam Turbine Damage Claim and deposit the balance back into the Maintenance Reserve account; 2) amending the SOW to include the overhaul of the spare rotor; and 3) authorizing an increase in the total not-to-exceed amount of this project from \$5,000,000 to \$6,409,275, with \$1,409,275 to come from the Maintenance Reserve Fund.

On December 2, 2021, the NCPA Commission approved the NCPA Geothermal Plant 2 Unit 4 Overhaul Project (SR: 244:21, Resolution: 21-109) with a budget of not to exceed \$3,500,000. During the course of work, damage to the rotor and the turbine internal components were discovered as a result of a steam strainer failure. The damaged steam turbine internals were sent to the vendor's shop in Missouri for further inspection and repair.

On December 1, 2022, the NCPA Commission approved an Amendment to the NCPA Geothermal Plant 2 Unit 4 Overhaul Project (SR: 260:22, Resolution: 21-109), increasing the total not to exceed amount of the project to \$5,000,000 to cover the cost to repair the stationary steam turbine internals. The repaired components were installed in early January 2023, and Unit 4 was returned to service in early February 2023.

NCPA has been working with FM Global on a potential insurance claim for the damages to the steam turbine internals. The gross insurance claim is \$3,599,999 minus the deductible of \$1,000 for a total insurance proceed of \$2,599,999.

Repairs to the damaged rotor were not included in the previous amendment to the project. NCPA used a spare rotor to bring Unit 4 back into service as a part of the overhaul project. NCPA staff would now like to complete the repairs to the damaged rotor to ensure a spare is available and on-site should it be needed in the future. Only a portion of the repairs are due to the loss. The other portion is due to normal wear and tear. NCPA has negotiated with FM Global with guidance from the turbine vendor as to what the share split should be.

This project is currently funded to \$5,000,000. This Second Amendment will result in an updated total not to exceed amount of \$6,409,275, with \$1,409,275 of funds being requested from the Maintenance Reserve. The proceeds from the pending insurance claim would be used to replenish the Maintenance Reserve.

Motion: A motion was made by Brian Schinstock and seconded by Jiayo Chiang recommending Commission approval of Second Amendment to Resolution 21-109 for the NCPA Geothermal Plant 2 Unit 4 Overhaul Project: 1) delegating authority to the General Manager or his designee to execute Proof of Loss forms for \$3,599,999 (gross) for the Plant 2 Unit 4 Steam Turbine Damage Claim and deposit the balance back into the Maintenance Reserve account; 2) modifying the Scope of Work and increasing the total not to exceed amount of this project from \$5,000,000 to \$6,409,275; and 3) authorizing the use of an additional \$1,409,275 from the Maintenance Reserve. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Roseville, Santa Clara and Ukiah. ABSTAIN = Palo Alto. The motion passed.

15. FY2024 Annual Budget Review and Approval – Staff presented and reviewed the final budget for FY2024, and was seeking a recommendation for Commission approval of the FY 2024 Annual Budget.

All changes resulting from the budget review meetings have been incorporated into the proposed FY2024 annual budget. The proposed FY2024 annual budget total is \$671.7 million (net of revenues). The overall results represent a 19.4% or \$109.1 million dollar increase over the FY2023 approved annual budget. The budget is up 19.4% largely due to the forward curve, load costs, and transmission costs.

The entire budget document is available on the Agency's extranet site, [NCPA Connect](#).

Motion: A motion was made by Josh Cook and seconded by Basil Wong recommending the Commission adopt and approve the FY2024 Annual Budget and Working Capital and Funding Requirement as outlined in Resolution 23-XX and as detailed in the attached budgetary support and Annual Budget document. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, Santa Clara and Ukiah. The motion passed.

INFORMATIONAL ITEMS

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

NCPA Project Development (PPA) – Zero Waste Energy Development (ZWED)

- SB 1383 Compliance Goal
- 1.6 MW LF Gas – Existing Facility
- Participants: Santa Clara and Palo Alto
- Products: Energy, RPS, RA
- Term: 10 Year Term
- Operations: Seller to act as Scheduling Coordinator
- Price: To Be Discussed
- Negotiation Status: Active

Scheduling Coordinator Services – City of Lodi Strategic Reserve – Lodi is working with CDWR to install additional capacity in support of a State Strategic Reserve Program. This would be a 48+ MW natural gas facility operated by Enchanted Rock. NCPA's role would be to act as the Schedule Coordinator for the facility interconnected with the City of Lodi. This facility is to only be dispatched under limited circumstances such as CAISO system emergency (EEA1, EEA2, and EEA3) in response to a local transmission emergency. The goal of this project is to be operational in the summer of 2023. Staff is now engaging in initial discussions.

Geysers Geothermal – Next Steps

- Project Participation Percentage Transfer Deadline
 - Deadline: April 30, 2023
- Key Steps Required:
 - Provide written notice of intent to accept transfer to NCPA
 - Execute the Geysers Geothermal Third Phase Agreement by the Transfer Completion Deadline

17. NCPA 2023 Wildfire Mitigation Plan – Staff presented the draft NCPA 2023 Wildfire Mitigation Plan (WMP) for review and comment, including an overview of updated revisions recommended by the qualified independent evaluator.

Each local publicly owned electric utility and electrical cooperative shall update its plan annually and submit the update to the California Wildfire Safety Advisory Board (WSAB) by July 1 of each year. Last year's 2022 Ignitions, Wire Downs and "Fall In" tree mitigation were all zero, indicating good performance. This year's addition will include a metric for fire break maintenance at Geo, and a water drop tank deployment as part of fire spread risk reduction.

A Dudek revision is being conducted to assure that the NCPA WMP comprehensively addresses all of the applicable statutory requirements. Dudek review of program metrics should further establish that NCPA has taken reasonable actions to minimize the risk that its lines or equipment will cause a wildfire or contribute to spread risk.

Staff will provide a report to Facilities Committee in early May seeking a recommendation for Commission approval of the NCPA 2023 WMP and the comprehensive statutory required 3-year reviews, with updated revisions based on the qualified independent evaluators assessment and WSAB recommendations.

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

Hydro – Collierville (CV) Power House was at 99% availability and New Spicer Meadows (NMS) Power House was at 87% availability during the month of March. March precipitation was 17.7 inches based on the 5 – Station Index. The SWC is 237 and is at 239% of average for this date. Collierville experienced a tailrace landslide during the month.

Hydrology

- **New Spicer Meadows Reservoir Storage**
 - 11,131 acre feet decrease (18%) month-over-month
 - 62,481 acre feet to 51,350 acre feet
 - High snow water content
 - Forecasts indicate Spicer will fill and spill
 - ~250,000 acre feet of snow water content in snowpack above Spicer
 - ~150,000 acre feet of available space in Spicer presently
 - Optimizing stored water
 - Spicer draft 400 - 600 cfs beginning 1/18
 - Anticipate elevated drafts based on required flushing flows, likelihood of Spicer spill, market conditions
 - Flushing flows to be complete on 4/8/2023
 - Monitoring snowpack, runoff, and market

Current Events

- **Projects**
 - FEMA/OES damage coordination
 - USFS annual meeting
 - Monthly CCWD coordination meetings
 - Annual meeting with USFS
 - Base mapping underway for Clarks Creek along CV PH
 - 230 KV T-line vegetation management commencing

CTs – CT1 had 15 starts (Alameda Excitation System Commissioning and CT1 Lodi Emissions Testing) of 15 forecasted. FYTD total is 104 starts. CT2 had 0 starts of 0 forecasted. FYTD total is 21 starts.

- **Outages**
 - CT1 Lodi- Forced outage on 3/25/23 from 0700-1330 to adjust new excitation system settings
 - CT1 Alameda- U1/U2- Spring Outage complete. **Outage on 5/15 thru 5/17

- CT2 STIG- 4/1/23 thru 4/30/23 – In progress
- **CT1 Lodi Run Hours**
 - YTD hours 16.5 of 200 Allowed (based on calendar year)
- **CT1 Alameda Diesel Hours**
 - U1= 4.64 hrs. of 20 (based on rolling year)
 - U2= 5.32 hrs. of 20 (based on rolling year)
- **Safety and Environmental**
 - No Safety issues to report.
 - As previously noted, CT1 Lodi had an emissions deviation while performing excitation system commissioning. During operation, the CT was run at different loads. Inadvertently, the CT ran without water injection for two periods which caused the emissions deviation. Emissions deviation was reported to SJVAPCD on 2/23/23.
- **Alameda U1/U2 May Outage (May 15-17, 2023)**
 - Alameda island is currently on a single feed from PG&E due to Station “J” transformer issue. We had schedule our 6-year NERC PRC-005 testing during this outage. Unfortunately, the 115kV substation line differential 87B relay can’t be tested and CT’s for the relays can’t be de-energized. In order to test this relay, AMP has to open their two switchyard breakers CB242/232, close the shoo-fly to bypass the Alameda switch yard. The above sequence will interrupt power to the island. The testing request was halted by PG&E and AMP.
 - PG&E is forecasting that on April 10th, the Alameda island should be back on normal feed. Based on contractor’s schedule/availability and our LEC/STIG outage in April, we cannot complete the testing sooner. We had to reschedule the testing for **May 15-17, 2023.**
- Staff reviewed the CAISO Commitment Runs for March 2023.

Geo – There were no safety incidents to report for the month of March. Safety training is 49.7% complete. Severe winter weather hampered outage activities, and created safety hazards causing several near misses. The average net generation level for March was 51.1 MW. Total average net generation was 38.2 GWh. The FY 2023 net generation goal is 734 GWh. Currently FY 2023 actual net generation is 524.5 GWh YTD at 4% under the forecasted net generation YTD. Unit 2 returned to service on March 28, 2023. Unit 1 is currently still out of service. The return to service is TBD.

19. Planning and Operations Update –

- **Resource Integrations In Progress**
 - City of Lodi Strategic Reserve – June 2023
 - Dagget Solar / Storage – Q3 2023
 - Scarlet Solar / Storage – Q3 2023
 - West Tambo Solar – Q3
 - Proxima Solar / Storage – Q1 2024
- Over generation has started at the CAISO, which is causing lots of congestion. Lodi CTs are running with DA market clearing. The CAISO will most likely experience a couple months of over generation due to the high water amounts this year.

20. Next Meeting – The next regular Facilities Committee meeting is scheduled for May 3, 2023.

ADJOURNMENT

The meeting was adjourned at 12:04 pm by the Committee Chair.

**Northern California Power Agency
April 5, 2023 Facilities Committee Meeting
Attendance List**

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

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Guayo Chiarez</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	<i>B. S. [Signature]</i>
SANTA CLARA	
SHASTA LAKE	
TID	
UKIAH	