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Minutes

Date: April 14, 2022
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: April 6, 2022 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Jiayo Chiang, (Lodi) at 9:08 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Danny Howard (Gridley), Melissa Price (Lodi), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Nick Rossow (Redding), and Steve Hance, Monica Nguyen, and Bill Her (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, Port of Oakland, TID, and Ukiah 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 March 2, 2022, regular and special Facilities Committee meetings.**

Motion: A motion was made by Brian Schinstock and seconded by Steve Hance recommending approval of the March 2, 2022 regular and special Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities, Members, SCPA – RADCO Communications, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with RADCO Communications for microwave tower and communications systems maintenance services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPA and SCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with RADCO Communications LLC which is expiring. RADCO is a specialized large-scale communications network vendor able to work on alignment of passive repeaters, erection of microwave towers, programming of communication equipment and other communication systems maintenance. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA does not have any agreements in place for similar services with additional vendors at this time. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission 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 RADCO Communications LLC for microwave tower and communication system maintenance, 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 4. All NCPA Facilities, Members, SCPPA – DRS Marine, Inc. MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with DRS Marine for underwater maintenance and inspection services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with DRS Marine, Inc., which is expiring. NCPA Hydro has utilized this vendor extensively in the past for power inlet trash rack cleaning at McKays Dam and a low-level outlet guard installation at Alpine Dam. DRS is very competitively priced and frequently a low bidder on projects. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Global Diving and Salvage. A draft Commission Staff Report and the draft 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 Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with DRS Marine, Inc. for underwater maintenance and inspection 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 5. All NCPA Facilities, Members, SCPPA – TCB Industrial, Inc. MTGSA –** Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with TCB Industrial for service of major mechanical systems, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated

by NCPA, NCPA Members, by SCPPA and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with TCB Industrial, Inc., which is expiring. NCPA has utilized this vendor in the past for a service water piping replacement at the LEC as well as outage assistance. TCB was also the low bidder to help with a new Howell-Bunger Valve liner replacement at the New Spicer Meadows Powerhouse. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Reliable Turbine Services, Voith US, Northwest Industrial, Andritz, Bay Valve, and Syblon Reid. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Steve Hance and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with TCB Industrial, Inc. for mechanical systems maintenance, 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 6. All NCPA Facilities, Members, SCPPA – Global Diving and Salvage, Inc. MTGSA – Staff** provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Global Diving for underwater maintenance and inspection services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with Global Diving and Salvage, Inc., which is expiring. NCPA Hydro has utilized this vendor in the past for power tunnel inlet trash rack cleaning at McKays Dam and a low-level outlet inspection services at Utica Dam. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has an agreement in place for similar services with DRS Marine, Inc. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission 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 Global Diving and Salvage, Inc. for underwater maintenance and inspection 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 7. All NCPA Facilities, Members, SCPPA – RESA Service, LLC MTGSA – Staff** presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with RESA Service for transformer maintenance, switchgear

and 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, by SCPPA and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

RESA Service, LLC is a relatively new vendor for NCPA. RESA was the successful bidder for a transformer overhaul project at the Geothermal Facility for which a single-task general services agreement was put into place. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects to increase the pool of qualified vendors for these types of services. NCPA has agreements in place for similar services with North American Substation Services (NASS), Kinectrics, and Transmission and Distribution Services (TDS). A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with RESA Service, LLC for transformer maintenance, switchgear and 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 8. All NCPA Facilities, Members, SCPPA – HDR Engineering, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with HDR Engineering, Inc. for engineering 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. All purchase orders will be issued following NCPA procurement policies and procedures.

The current agreement with HDR Engineering, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Black & Veatch Corporation, Power Engineers, Inc. and Worley Group, Inc. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Steve Hance and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with HDR Engineering, Inc. for engineering 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 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, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 9. All NCPA Facilities, Members, SCPPA – Power Engineers, Inc. MTPSA –** Staff provided background information and was seeking a recommendation for Commission approval of a five-year

Multi-Task Professional Services Agreement with Power Engineers, Inc. for engineering 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. All purchase orders will be issued following NCPA procurement policies and procedures.

The current agreement with Power Engineers, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Black & Veatch Corporation, HDR Engineering, Inc. and Worley Group, Inc. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Power Engineers, Inc. for engineering 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 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, and Roseville. ABSTAIN = Redding. The motion passed.

- 10. All NCPA Facilities, Members, SCPPA – Knights’ 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 Knights’ Electric, Inc. for miscellaneous electrical maintenance services, with a not to exceed amount of \$750,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

The current agreement with Knights’ Electric, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. 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 desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar services with Coastal Mountain Electric, Contra Costa Electric, Inc. and Eaton Corporation. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan 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 Knights’ Electric, Inc. for electrical maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 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, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 11. All NCPA Facilities, Members, SCPPA – Archer Energy Solutions, LLC MTCSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Archer Energy Solutions, LLC for NERC

Cyber Security Supply Chain Management Services and other NERC CIP or Operations and Planning Standards related tasks, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

On October 1, 2020 NERC began enforcing NERC Standard CIP-013-1 “Cyber Security – Supply Chain Risk Management” for Registered Entities that Own and/or operate medium impact BES Cyber Systems. On October 1, 2022 the revised standard CIP-13-2 becomes enforceable. Additionally, NERC is currently developing revised version CIP-013-3; the effective date is unknown at this time. The goal of NERC Standard CIP-013 is to minimize the risk associated with procurement of vendor product and services. NCPA desires to develop a NERC CIP-013 Compliance Program even though NCPA currently does not have Medium Impact Cyber Systems.

NCPA issued a RFP for NERC Cyber Security Supply Chain Management Services on January 19, 2022. Archer Energy Solutions, LLC submitted a proposal for this RFP, and was the successful bidder. NCPA now desires to enter into an agreement with this vendor for these services. NCPA has two other agreements in place for similar services with Utility Services of Vermont, LLC and Utility System Efficiencies, Inc., but these services are not specific to NERC CIP-013 evaluation. 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 the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Archer Energy Solutions, LLC for NERC Cyber Security Supply Chain Management Services and other NERC CIP or Operations and Planning Standards related tasks, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at 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, Redding, Roseville, and Santa Clara. The motion passed.

- 12. All NCPA Facilities, Members, SCPPA – Stearns, Conrad, and Schmidt, Consulting Engineers, Inc. dba SCS Engineers MTCSA** – Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Stearns, Conrad and Schmidt, Consulting Engineers, Inc. dba SCS Engineers for Low Carbon Fuel Standard (LCFS) fuel pathway application, verification, and validation consulting services, with a not to exceed of \$350,000, for use by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA and 12 NCPA Members are currently registered reporting entities for the California Air Resources Board’s Low Carbon Fuel Standard (LCFS) program. The LCFS program is designed to decrease the carbon intensity of California’s transportation fuel pool and incentivize low-carbon and renewable fuel alternatives, including electricity. NCPA and participating Members are able to generate LCFS credits by reporting the use of alternative fuels, including electric vehicle (EV) charging at owned EV chargers, and NCPA Members with residential customers generate LCFS credits associated with an estimate of residential EV charging. LCFS credits can then be sold and the proceeds used to fund programs and projects that support transportation electrification.

Participants in the LCFS program can increase the number of LCFS credits generated by creating fuel pathways with a lower carbon-intensity (CI) than average grid power in California, or by using a liquid fuel cleaner than gasoline or diesel. NCPA and certain Members have created, or are

considering creating, fuel pathways for compressed natural gas (CNG), renewable natural gas (RNG), and large hydroelectric power. CARB requires applications for certain types of fuel pathways to include a life-cycle analysis and modeling of carbon-intensity. For approved fuel pathways, CARB requires certain fuel types to undergo independent validation and verification processes.

NCPA issued Request for Proposal (RFP) LR 2105 on December 17, 2021, to solicit proposals from qualified consultants providing LCFS fuel pathway application, validation, and verification consulting services. NCPA created a review group for the RFP consisting of staff from NCPA and NCPA Member entities, and this review group evaluated and scored timely proposals submitted to the RFP. Seven vendors responded to the RFP by the deadline of January 18, 2022. Based on the scoring review group's evaluation, two vendors were selected to provide fuel pathway application, validation, and verification consulting services, and one additional vendor was selected to provide only fuel pathway validation and verification consulting services. The review group selected SCS Engineers based on its experience, work plan, and costs. NCPA is also entering into agreements with EcoEngineers and Tetra Tech, Inc. for similar services. A draft Commission Staff Report and the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Shiva Swaminathan and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Stearns, Conrad, and Schmidt, Consulting Engineers, Inc. dba SCS Engineers ("SCS Engineers") for Low Carbon Fuel Standard fuel pathway application, validation, and verification consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$350,000 over five years, for use by NCPA, NCPA Members, SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Redding, Roseville, and Santa Clara. The motion passed.

- 13. All NCPA Facilities, Members, SCPPA – Tetra Tech, Inc. MTCSA** – Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Tetra Tech, Inc. for Low Carbon Fuel Standard (LCFS) fuel pathway verification and validation consulting services, with a not to exceed of \$250,000, for use by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA and 12 NCPA Members are currently registered reporting entities for the California Air Resources Board's Low Carbon Fuel Standard (LCFS) program. The LCFS program is designed to decrease the carbon intensity of California's transportation fuel pool and incentivize low-carbon and renewable fuel alternatives, including electricity. NCPA and participating Members are able to generate LCFS credits by reporting the use of alternative fuels, including electric vehicle (EV) charging at owned EV chargers, and NCPA Members with residential customers generate LCFS credits associated with an estimate of residential EV charging. LCFS credits can then be sold and the proceeds used to fund programs and projects that support transportation electrification.

Participants in the LCFS program can increase the number of LCFS credits generated by creating fuel pathways with a lower carbon-intensity (CI) than average grid power in California, or by using a liquid fuel cleaner than gasoline or diesel. NCPA and certain Members have created, or are considering creating, fuel pathways for compressed natural gas (CNG), renewable natural gas (RNG), and large hydroelectric power. CARB requires applications for certain types of fuel pathways to include a life-cycle analysis and modeling of carbon-intensity. For approved fuel pathways, CARB requires certain fuel types to undergo independent validation and verification processes.

NCPA issued Request for Proposal (RFP) LR 2105 on December 17, 2021, to solicit proposals from qualified consultants providing LCFS fuel pathway application, validation, and verification consulting services. NCPA created a review group for the RFP consisting of staff from NCPA and NCPA Member entities, and this review group evaluated and scored timely proposals submitted to the RFP. Seven vendors responded to the RFP by the deadline of January 18, 2022. Based on the scoring review group's evaluation, two vendors were selected to provide fuel pathway application, validation, and verification consulting services, and one additional vendor was selected to provide only fuel pathway validation and verification consulting services. The review group selected Tetra Tech, Inc. based on its experience, work plan, and costs. NCPA is also entering into agreements with EcoEngineers and SCS Engineers for similar services. A draft Commission Staff Report and the draft 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 Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Tetra Tech, Inc. for Low Carbon Fuel Standard fuel pathway application, validation, and verification consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$250,000 over five years, for use by NCPA, NCPA Members, SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Redding, Roseville, and Santa Clara. The motion passed.

- 14. Approval of Exhibit C, Revision 24-1 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 24-1 to Contract 96-SNR-00110, and authorizing the General Manager of NCPA to execute Exhibit C, Revision 24-1 to Contract 96-SNR-00110, on behalf of NCPA.

In December 2004 NCPA executed the Western Agreement for the Funding of Operation and Maintenance of CVP Projects (Contract 96-SNR-00110). The program objectives include that the CVP customers provide funds for specific operations, maintenance, and capital projects related to CVP facilities to ensure CVP facilities are maintained to enhance reliability of the base resource deliveries. All funds paid are returned to CVP customers as credits on their power bills.

For each fiscal year, each customer commits to certain funding levels based on projected needs. The NCPA Pool share is \$11,918,438.68 for the federal FY 2024 funding. The net fiscal impact is zero dollars (\$0.00). The amounts initially funded are subsequently refunded by Western using bill credits. NCPA's authority to act on behalf of Pool Members is provided through the Assignment Administration Agreement (AAA Agreement) which requires an affirmative vote of all assigning Members at the Commission meeting.

Motion: A motion was made by Shiva Swaminathan and seconded by Mark Sorensen recommending Commission approval of Exhibit C, Revision 24-1 to Contract 96-SNR-00110, and to authorize the General Manager of NCPA to execute Exhibit C, Revision 24-1 to Contract 96-SNR-00110, on behalf of NCPA, including any non-substantive modifications to Exhibit C, Revision 24-1 to Contract 96-SNR-00110 approved by NCPA's General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, and Plumas-Sierra. ABSTAIN = Redding, Roseville, and Santa Clara. The motion passed.

- 15. Approval of First Amendment to Antelope Expansion 1B, LLC Power Purchase Agreement** – Staff will present and seek a recommendation for approval of the First Amendment to the Power Purchase Agreement between Northern California Power Agency and Antelope Expansion 1B, LLC.

NCPA purchased 17 MW of Solar PV on behalf of Participating Members through the Antelope Expansion 1B Power Purchase Agreement (PPA), dated June 25, 2018. The Seller has delivered certain Force Majeure notices to NCPA, claiming that due to the detention of solar modules the commercial operations date for project completion has been delayed. The Seller has informed NCPA that in order to preserve Seller's financing sources for the continued development and construction of the project, the Outside Commercial Operation Date in the PPA needs to be extended.

To be able to extend the Outside Commercial Operation date, the PPA must be amended. The First Amendment to the PPA will extend the Outside Commercial Operation Date to September 30, 2022. Extending the Outside Commercial Operation date will improve Seller's ability to acquire financing sources that are required to complete development of the project.

Motion: A motion was made by Jiayo Chiang and seconded by Mark Sorensen recommending Commission approval of the First Amendment to the Power Purchase Agreement between NCPA and Antelope Expansion 1B, LLC (PPA), and to authorize the General Manager of NCPA to execute the First Amendment to the PPA, including any non-substantive modifications to First Amendment to the PPA approved by NCPA's General Counsel. A vote was taken by roll call: YES = Biggs, Gridley, Lodi, and Plumas-Sierra. ABSTAIN = Alameda, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

16. Approval of San Jose Clean Energy Services Agreement – Staff will present and seek a recommendation for approval of a Services Agreement between San Jose Clean Energy and Northern California Power Agency for wholesale energy services.

➤ ***This item was pulled from the agenda and will be brought back to the Committee for review and discussion at a later date.***

17. FY 2023 Annual Budget Review and Approval – Staff provided updated information and reviewed the final budget for FY 2023, and was seeking a recommendation for Commission approval of the budget.

Major Changes from the March Review

- **Hydro**
 - Reduced debt service \$1.7m
- **Geo**
 - Reduced effluent revenue \$1.4m
 - Reduced labor \$237k
 - Reduced project costs \$225k
- **Updated Member Load Assumptions**
 - Reduced Load Aggregation \$1.8m
 - Reduced GHG obligations \$1.6m
 - Reduced Transmission WAC \$953k

The summary overview of the FY 2023 Annual Budget Generation Resources includes \$1.5 million net Hydro reduction; \$1 million net Geo increase; \$1.8 million reduction in load aggregation; \$1.6 million reduction of GHG obligations related to Member load forecast reduction; and \$953,000 WAC reduction.

The total net annual budget cost is \$149,612,917, with the total adjusted net annual budget cost at \$115,578,126. This is up 25.9% largely due to the forward curve, load costs, and transmission costs.

The required SCPA Balancing Account Collections was discussed during the meeting. The Current Balance Proposed Adjustments for FY 2023 billed to Participants totals \$9,482,701. Participants pay a certain percentage of this amount. Staff asked Members their preference on these Collections. Several Members prefer quarterly payments for their entity on the ARB starting in September 2022. Staff proposed these Collections to be due September 2022, December 2022, March 2023, and June 2023. Please contact staff with any questions or concerns.

Motion: A motion was made by Shiva Swaminathan and seconded by Steve Hance recommending the Commission adopt and approve the FY 2023 Annual Budget and Working Capital and Funding Requirement as outlined in Resolution 22-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, Palo Alto, Plumas-Sierra, Redding, Roseville, and Santa Clara. The motion passed.

18. Recommendation to add a Cyber Security Insurance Policy – Staff presented a recommendation to add cyber security insurance as a new coverage to the Agency’s insurance program.

Discussions with Alliant and FM Global identified a lack of Cyber Liability insurance as a delinquency in our current insurance program representing significant risk. NCPA policies in place will not respond to cyber extortion demands or costs associated with data recovery should there be a network security failure that impacts the Agency’s data or networked systems. The Agency must come out of pocket to retain vendors/services to assist in managing a privacy or network security incident. Previous examples of cyber-attacks on key infrastructure as well as current world events further emphasize the need to limit the Agency’s risk exposure.

Proposed coverage will include business interruption and extra expense, data recovery, cyber extortion, privacy and security, and breach event with crisis management coverage. The FY 2022 Risk Management budget has sufficient funds to accommodate the costs associated with the proposed Cyber Liability Insurance policy, and a budget augmentation is not required. FY 2023 Risk Management budget has a line item for Cyber Liability Insurance.

Motion: A motion was made by Steve Hance and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager to negotiate and bind for the policy year 2022 Cyber Liability insurance coverages at a not-to-exceed amount of \$250,000. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Redding, Roseville, and Santa Clara. The motion passed.

➤ ***This item will move forward to the next Commission meeting as a Closed Session item.***

Non-essential Members and NCPA staff left the meeting for the closed session discussion Item #19.

CLOSED SESSION

19. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – pursuant to Government Code Section 54956.8:

Property: 5034 Sunrise Blvd, Fair Oaks, CA,
Agency negotiator: Randy Howard, General Manager; Monty Hanks, AGM of Administrative Services \ CFO; Jonathan Ashcraft, Facilities Manager.
Negotiating parties: Ethan Conrad
Under negotiation: Offer Price and Terms of Payment

(Gov. Code, § 54954.5 (Deering, Lexis Advance through Chapter 11 of the 2022 Regular Session).)

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt stated the Committee gave direction to the Real Property Negotiations.

INFORMATIONAL ITEMS

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

SJCE RFP for Wholesale Energy Services

NCPA currently provides a variety of wholesale energy services to SJCE. The SJCE Services Agreement terminates on August 31, 2022. There is no extension option in the current agreement. SJCE issued a Request for Proposal (RFP) seeking wholesale energy services from third party suppliers. NCPA responded to SJCE's RFP by submitting a proposal to continue its supply of certain wholesale energy services, including CAISO Scheduling Agency services. NCPA has been short listed in SJCE's RFP process.

NCPA's Proposal summary for the RFP includes the services listed below:

- SC Agent services for scheduling
- Load forecasting
- Compliance reporting (Resource Adequacy)
- Performance reporting and deal capture
- Dispatch and operations
- Settlement validation
- Management of CRRs
- Development of risk management reports

Other key terms in the proposal include an initial term of three years with an option to extend the term for an additional three two-year terms, and compensation. The services cost estimate is based on the NCPA cost allocation model. The draft proposal for the services provided is for a \$785,000 annual fee, with a 2% per year escalation. The best and final offer is due April 8, 2022. Staff is requesting Member feedback on compensation and the best and final offer.

NCPA Renewables RFP Update

Staff has re-issued/refreshed the NCPA Renewables RFP with updated information currently stored on NCPA Connect. Staff will work to coordinate a periodic ad hoc review group to evaluate current proposals and help identify interest in the projects, and information gathering.

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

Geo – There were no safety incidents to report for the month of March. There was however, two near misses. An employee slipped on a slick surface at the fueling area, and a contractor received and electrical shock while working on low voltage wiring. Employee safety training is 18% complete.

The average estimated net generation level for the month was 78.4 MW. Total estimated net generation was 58.3 GWh. FY 2022 forecasted net generation was 522.6 GWh YTD, with FY 2022 actual net generation at 605.5 GWh YTD or 15.9% over forecast. Routine maintenance activities for the November 2022 Plant 2 overhaul preparation included shipping the turbine rotor to Fuji for refurbishment, and removal of 4th stage blades for transport. The Plant 1 outage, March 21 – 31, 2022, has been completed. Maintenance activities during the outage included Unit 1 transformer overhaul, transmission line inspection by WAPA, cleaning of the main condenser tubes, and Stretford repairs and cleaning. During the outage maintenance of the Steam Field included replacement of defective pipeline valves, clean out of the Steam Field condensate tanks, and pulling pressure relief valves for refurbishment. The old CO-2 tank was also replaced for the Fire System Modification Project during the outage.

CTs – March was a quiet month for the CTs. CT1 had 5 actual starts, bringing the FYTD total to 189, of 0 forecasted. CT2 had 0 starts this month, of 1 forecasted, keeping the FYTD total at 47 starts. Alameda Unit 1 is still in a forced outage due to an oil system leak. Allied Power will mobilize for the oil system in April. EMC will mobilize for the Generator Major and cleaning May 1, 2022. A planned outage is scheduled for Alameda Unit 2 in April for AMPS work. CT1 Lodi has used 1.6 hours of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 14.6 hours of 20, and Unit 2, 12.0 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for March 2022.

Hydro – Collierville (CV) Power House was 100% available during the month of March, and New Spicer Meadows Power House was at 99% availability due to PG&E transmission. New Spicer Meadows storage increased by 17,100 acre feet at 23% month over month from 73,900 acre feet to 91,000 acre feet. Last year's peak was at 94,600 acre feet. The California snow water content is 37% of average for this time of year in Central California. Current regulatory events included annual water rights filings, USGS annual review comments, application to FERC for dam maintenance, DSOD maintenance consultations, and revising all NCPA EAPs for CAOES. Staff plan to attend two upcoming USFS meetings. Current maintenance activities during the month included 230 kV ROW vegetation management, annual Collierville sump cleaning, and Beaver Creek fish screen cleaner repairs.

22. Planning and Operations Update

➤ Resource Integrations In Progress

- Camp Far West (SVP) – April 2022
- Antelope Solar (NCPA) – TBD
- Deer Creek – May 2022
- Tulare Solar – March 31, 2022 / April
- Sandborne Storage – December 2022



23. Next Meeting – The next Facilities Committee meeting is scheduled for May 4, 2022.

ADJOURNMENT

The meeting was adjourned at 12:34 pm by the Committee Chair.

**Northern California Power Agency
April 6, 2022 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	