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Notice - Call of Special PPC Meeting

Date:

April 21, 2014

To:

NCPA Lodi Energy Center Project Participant Committee

From:

George Morrow, Vice-Chairman

Subject:

April 22, 2014 LEC PPC Special Meeting Notice & Agenda

PLEASE TAKE NOTICE that pursuant to Government Code section 54956, a special meeting of the Northern California Power Agency Lodi Energy Center Project Participant Committee is hereby called for Tuesday, April 22, 2014 at 11:00 a.m. to discuss those matters listed in the attached Agenda. The meeting will be held at the Northern California Power Agency, 12745 N. Thornton Road, Lodi, California.

If you are unable to attend the meeting in person at the Lodi location and wish to attend via teleconference, in accordance with The Brown Act, you must attend at one of the locations listed on the Agenda and post the Agenda at that location by 11:00 a.m. on Monday, April 21, 2014, in a location that is accessible to the public until the completion of the meeting.

George F. Morrow, Acting Chairman



12745 N. Thornton Road Lodi, CA 95242

phone (209) 333-6370 fax (209) 333-6374 web www.ncpa.com

Agenda - SPECIAL MEETING

Date: April 21, 2014

Subject: April 22, 2014 Lodi Energy Center Project Participant Committee Special Meeting

Location: 12745 N. Thornton Road, Lodi, CA or via teleconference

Time: 11:00 A.M.

*** In compliance with the Brown Act, you may participate in person at the meeting location or via teleconference at one of the locations listed below. <u>In either case</u>, please: (1) post this notice at a publicly accessible location at the <u>participation</u> location at least 24-hours before the call begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.

CITY OF AZUSA 729 N. Azusa Avenue Azusa, CA	NCPA 12745 N. Thornton Road Lodi CA	PLUMAS-SIERRA RURAL ELECTRIC COOP 73233 Highway 70 Portola CA
BAY AREA RAPID TRANSIT 300 Lakeside Drive, 16 th Floor Oakland CA	CITY OF LOMPOC 100 Civic Center Plaza Lompoc CA	POWER & WATER RESOURCES POOLING AUTHORITY 2106 Homewood Way, Suite 100 Carmichael CA
CALIFORNIA DEPARTMENT OF WATER RESOURCES 3310 El Camino Ave Rm LL46 Sacramento CA	CITY OF LODI 1331 S Ham Lane Lodi CA	CITY OF SANTA CLARA 1500 Warburton Avenue Santa Clara CA
CITY OF GRIDLEY 685 Kentucky Street Gridley CA	CITY OF BIGGS 465 "C" Street Biggs, CA	NCPA 651 Commerce Drive Roseville CA
MODESTO IRRIGATION DISTRICT 1231 Eleventh Street Modesto, CA 95352	CITY OF UKIAH 300 Seminary Avenue Ukiah, CA 95482	

The Lodi Energy Center Project Participant Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an action item, a report, or an information item. If this Agenda is supplemented by staff reports, they are available to the public upon written request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA, 651 Commerce Drive, Roseville, CA or www.ncpa.com

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item considered by the Lodi Energy Center Project Participant Committee at this meeting before or during the Lodi Energy Center Project Participant Committee's PPC consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item within the jurisdiction of the Lodi Energy Center Project Participant Committee and not listed on the Agenda may do so at this time.

BUSINESS ACTION ITEM

- 2. Combustion Turbine Compressor Repair Staff seeking approval for repair of the Combustion Turbine compressor at a total estimated cost of \$400,000 plus additional approval of a 20% contingency in the amount of \$80,000 as may be necessary; and seeking approval of a budget augmentation in the amount of \$480,000 of the FY14 budget. All purchase orders or change orders issued pursuant to this agreement will be issued following NCPA procurement policies and procedures.
- 3. Other New Business

ADJOURNMENT

Next Meeting: May 12, 2014



Lodi Energy Center Project Participant Committee

Staff Report AGENDA ITEM NO.: 2

Date: April 22, 2014

To: Lodi Energy Center Project Participant Committee

Subject: Lodi Energy Center (LEC) Project – Combustion Turbine Compressor Repair

Proposal Proposal

Approve repair of the Combustion Turbine compressor by Siemens Energy, Inc. at a total estimated cost of \$400,000 plus additional approval of a 20% contingency in the amount of \$80,000; approve a budget augmentation for the FY14 budget in the amount of \$480,000; and seek to determine the root cause of the damage and pursue recovery of costs from Siemens Energy, Inc. as appropriate.

Background

On April 14, 2014 the scheduled outage for the Lodi Energy Center began. Upon completing the borescope inspection on the combustion turbine, it was found that one diaphragm in the compressor section is damaged with a significant crack. Siemens' recommendation is to remove the compressor top case and replace row 3 diaphragms.

Fiscal Impact

Responsibility for these repair costs is unknown at this time. The costs may be the responsibility of Siemens under the Long Term Service Agreement or could be the responsibility of NCPA depending upon the cause of the damage. The cause cannot be determined until the unit is disassembled and a complete inspection is performed.

The total cost could be up to the amount of \$480,000. All purchase orders or change orders issued pursuant to this agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

These activities are categorically exempt under Class 1, 2, 3, 4, and 11 from the provisions of the California Environmental Quality Act pursuant to Section 15301 (b) and 15302 (c) of the CEQA Guidelines.

Recommendation

NCPA staff recommends that the PPC approve repair of the Combustion Turbine Compressor by Siemens Energy, Inc. for a total estimated cost of \$400,000, plus additional approval of a 20% contingency in the amount of \$80,000; approve a budget augmentation for the FY14 budget in the amount of \$480,000; and seek to determine the root cause of the damage and pursue recovery of costs from Siemens Energy, Inc. as appropriate.

Prepared by:

/s/ KEN SPEER Assistant General Manager Generation Services



Combustion Turbine Compressor Repair

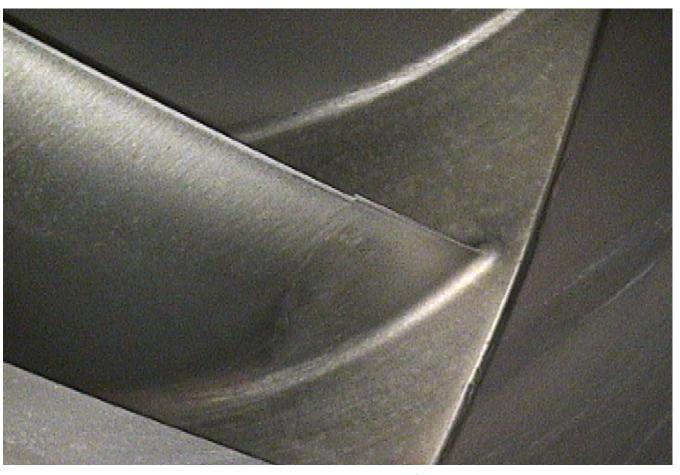
April 22, 2014



Project Description

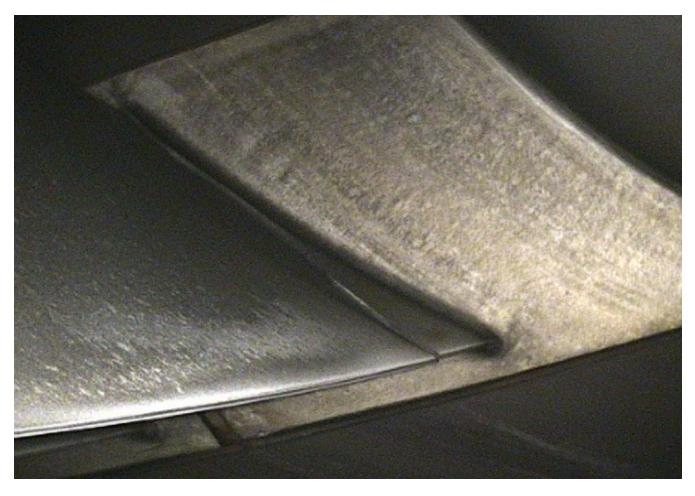
- During the scheduled outage, upon completing the borescope inspection of the Combustion Turbine, a significant crack was discovered in one diaphragm in the compressor section
- The cause of the crack has not yet been determined
- An inspection will be done to determine the root cause and responsibility for cost to repair





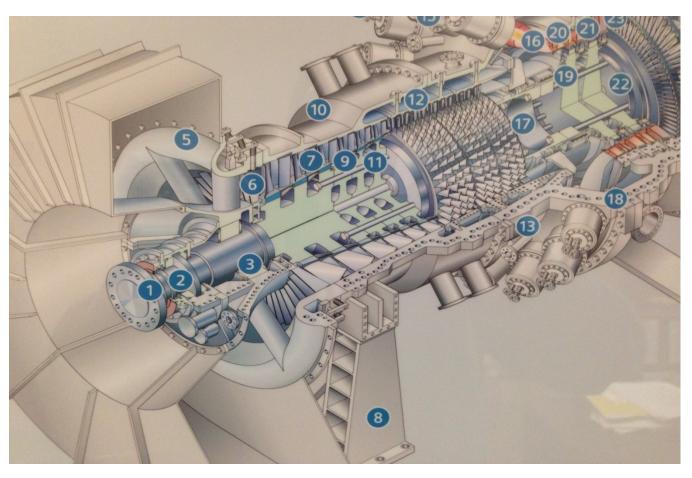
Stage 3 Vane Crack





Another view-Stage 3 Vane Crack





Exploded View: Location of the Failed Component





Fuel Gas Piping





Cooling Air Piping



Cost Breakdown by GES Share

Participant	GES	Project Cost
Azusa	2.7857%	\$13,371.36
BART	6.6%	\$31,680.00
Biggs	0.2679%	\$1,285.92
CDWR	33.5%	\$160,800.00
Gridley	1.9643%	\$9,428.64
Healdsburg	1.6428%	\$7,885.44
Lodi	9.5%	\$45,600.00
Lompoc	2.0357%	\$9,771.36
Modesto ID	10.7143%	\$51,428.64
Plumas-Sierra	0.7857%	\$3,771.36
PWRPA	2.6679%	\$12,805.92
SVP	25.75%	\$123,600.00
Ukiah	1.7857%	\$8,571.36
Totals	100.0%	\$480,000.00



Recommendation

 Staff recommends the PPC approve repair of the compressor by Siemens Energy, Inc. for total estimated cost of \$400,000 plus additional approval of a 20% contingency in the amount of \$80,000; augmentation of the LEC Budget for FY14 in the amount of \$480,000; and seek to determine the root cause of the damage and pursue recovery of costs from Siemens Energy, Inc. as appropriate.