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# Minutes

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**Date:** May 3, 2018  
**To:** NCPA Facilities Committee  
**From:** Carrie Pollo  
**Subject:** May 2, 2018 Facilities Committee Meeting Minutes

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- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Mike Brozo at 9:04 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Hanger, Sarah Libua, and Debbie Whiteman (Alameda), Mark Sorensen (Biggs), Tikan Singh (Lompoc), Jonathan Abendschien and Jim Stack (Palo Alto), and, Steve Hance and Kathleen Hughes (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, Port of Oakland, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

- 2. Approve minutes from the April 4, 2018 Facilities Committee Meeting** – After Committee review, a slight change was made to the minutes under item 15. A motion was made by Shannon McCann and seconded by Alan Hanger recommending approval of the April 4, 2018 Facilities Committee Meeting Minutes. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.
- 3. NCPA Geothermal Facility – Steam Field Operations Forecast Report** – Staff reviewed the 2018 Steam Field Operations Forecast Report, and was seeking a recommendation for Commission approval of the 2018 Steam Field Operations Forecast Report dated April 2018, including approval regarding the market power price at which to curtail the load at the NCPA Geothermal facilities, as the Geothermal Operating Protocol effective July 1, 2018, and remaining in effect until replaced by the Commission. A draft Commission Staff Report, with Resolution were available for review, as well as the 2018 Steam Field Operation and Generation Forecast report.

Motion: A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending Commission approval of the 2018 Steam Field Operations and Forecast Report

dated April 2018 as the Geothermal Operating Protocol effective July 1, 2018. This Operating Protocol is to remain in effect until replaced by the Commission. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

4. **All Generation Services Facilities – Chemical Waste Management Inc. ISA** – Staff provided background information, and was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Chemical Waste Management, Inc. for industrial waste disposal services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report, with Resolution, and draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Shannon McCann recommending Commission approval authorizing the General Manager or his designee to enter into an Industrial Waste & Disposal Services Agreement for disposal at the Kettleman Hills Landfill location, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over three years for use at all NCPA Generation Services facilities. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

5. **All Generation Services Facilities – Univar USA Inc. MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Univar USA, Inc. for the purchase of chemicals, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report with Resolution, and draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Agreement For Purchase Of Equipment, Materials and Supplies for the purchase of various chemicals, 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 NCPA Plant Facilities – Geysers Geothermal, Hydro and Lodi. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

6. **NCPA Combustion Turbine Facilities – CT2 Outage Update** – Staff reviewed the project outage status for the CT2 unit. During the April outage, the LM5000 underwent a borescope inspection, the first one since 2011. A critical problem was identified with the stage 4 vane bumper, which could causing engine failure and needs to be fixed. Other problems were also identified included oil staining, cracks in the cooling tubes, nut clearance, and corrosion. The turbine will stay behind while the rest is sent to Bakersfield for repairs. Air New Zealand will perform service based on bulletin LM5000-IND-0220, replacing the LPC coupling nut, and changing the material to prevent stress corrosion cracking. The total cost for repairs is \$93,000, with the unit returning to service May 15. Money is in the CT2 account for servicing this unit.

7. **NCPA Geothermal and Combustion Turbine Facilities, City of Redding, City of Roseville – Siemens Energy, Inc. MTGSA** – Staff provided background information and was seeking a

recommendation for Commission approval of a Multi-Task General Services Agreement with Siemens Energy, Inc. for T3000 maintenance and support, with a not to exceed amount of \$3,500,000, for use at NCPA Geothermal and Combustion Turbine facilities, and for use at the City of Redding and the City of Roseville. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report with Resolution, and draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Alan Hanger recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task 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 \$3,500,000 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, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

- 8. All Generation Services Facilities, Members, SCPPA – Bay Cities Pyrotector, Inc. MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Bay Cities Pyrotector, Inc. for fire system maintenance services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report with Resolution, and draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Agreement with Bay Cities Pyrotector, Inc. for fire system maintenance services, 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 all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 9. All Generation Services Facilities, Members, SCPPA – Fossil Energy Research Corporation MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Fossil Energy Research Corporation for catalyst testing, ammonia grid tuning, and engineering support services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report with Resolution, and draft agreement were available for review.

Motion: A motion was made by Shannon McCann 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 Fossil Energy Research Corp. for catalyst testing, ammonia grid tuning, and engineering support 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, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA

Members. YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 10. All Generation Services Facilities, Members, SCPPA – ECORP Consulting, Inc. MTCSA –** Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task Consulting Services Agreement with ECORP Consulting, Inc., for forecasting/modeling and environmental regulatory compliance assistance, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report with Resolution, and draft agreement were available for review.

Motion: A motion was made by Shannon McCann and seconded by Jonathan Abendschien recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with ECORP Consulting, Inc. for regulatory compliance advice and complex engineering modeling 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, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 11. NCPA Solar Project 1 – Informational Update –** Staff presented an informational update regarding the RFP for services to support site selection, screening, and development for Members participating in NCPA Solar Project 1, as well as a general project update.

Phase 1 of the project has been completed with 8 members showing serious interest. Phase 2 is currently in the works with the agreement approved by the Commission in February 2018. Execution includes initial site screening, preliminary development, financial engineering, project development, and solicitation and evaluation of PPA proposals. Burns and McConnell came in at the lowest cost for all sites across all phases, with scalable pricing that stays the same throughout the project. Additional costs will be decided for site visits, the geotechnical surveys, and CEQA filings.

Next steps include a kickoff meeting for committed participants and interested parties May 8, 2018 from 8:30 – 10:00 am. Interested parties will need to sign the Phase 2 Agreement, which include Phase 2A by May 31, and Phase 2B by June 30. Committed participants can begin work immediately. The project scope should be crystallized by September 2018, with the financial engineering beginning in earnest at that time as well.

- 12. NCPA Generations Services Plant Updates – Informational – Only –** Hydro staff reported there was a recent storm with extensive thunder and lightning between 2,000 – 5,000 feet in Tuolumne County. The storm did not affect the NCPA water shed. These type of storms are very common this time of year, and during the summer months in the Sierras.

- 13. Status of Insurance Claims Settlement Payments for Adit 4 and Beaver Creek –** Staff provided an update on the collection of payments for both these insurance claims. The General Manager has executed the Master Proof of Loss forms for \$1,770,036 (gross) for the Beaver Creek Reservoir Storm Damage Claim and \$2,600,000 (gross) for the Adit 4 Landslide Claim to settle and close both claims at the NCPA Hydroelectric Project. As of this meeting, NCPA has

received \$1m of the \$1.2m expected for the Beaver Creek Settlement from 6 out of the 8 underwriters, with two more payments still to come. NCPA has received \$1.62 of the \$2.1m expected for the Adit 4 Landslide Settlement with 5 out of the 8 underwriters sending payments. Three more payments are still to come for this claim. The reimbursements will be included in the year-end settlement process.

#### **14. Planning and Operations Update –**

- Services Update – Things are going well with Pioneer Community Energy. Staff is working on longer term procurement. East Bay Community Energy is scheduled to go live June 1. Efforts are also ramping up for San Jose Clean Energy to go live September 1.
- Dave Dockham is currently in Washington, DC attending the FERC Technical Conference for Order 890.
- There should be a settlement for TO18 by June or July. Any refunds that may result from the settlement will be applied to the TAC subsequent to the settlement.
- TO19 is still active, and TO20 will likely be filed in approximately a month.
- Interviews are scheduled for Engineer III/IV Position May 7.
- David Murillo, Regional Director, Mid-Pacific Region, from the Bureau of Reclamation announced his retirement. NCPA will be active in the new hiring process. Western Area Power Administration will also be hiring a new Senior VP/Sierra Nevada Regional Manager.

**15. Schedule next meeting date** – The next regular Facilities Committee Meeting is scheduled for June 6, 2018.

#### **ADJOURNMENT**

The meeting was adjourned by the Committee Chair at 10:43 am.



**Northern California Power Agency  
 May 2, 2018 Facilities Committee Meeting  
 Attendance List**

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

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Melissa Price Jugo</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	<i>Michael Brogg</i>
PORT OF OAKLAND	
ROSEVILLE	<i>[Signature]</i>
SANTA CLARA	
TID	
UKIAH	