



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Minutes

To: NCPA Facilities Committee
From: Trisha Hubbard
Subject: May 4, 2016, Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Alan Hanger at 9:07am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Monica Padilla and Chris Hutchinson (Palo Alto), Barry Leska and Debbie Whiteman (Alameda), Kathleen Hughes, Peter Virasak and Steve Hance (Santa Clara), Nico Procos (Port of Oakland), Mike Brozo (Plumas-Sierra), and Mark Sorensen (Biggs). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established at 9:30am.

PUBLIC FORUM

No public comment.

- 2. Approve minutes from the March 30th Facilities Committee meetings.** A motion was made by Shannon McCann and seconded by Melissa Cadek recommending approval of the March 30th Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville and Santa Clara. The motion passed.
- 3. Geothermal Facility** - Staff provided information regarding the recommendation to approve the 2016 Steam Field Operations Forecast Report dated April 2016 as the two-zone Geothermal Operating Protocol effective July 1, 2016. Staff provided a presentation that reviewed and illustrated Geothermal projects completed this past year, steam present levels and forecasts as well as the Operational Plan for FY2017. Staff reported that the injection rate is back to normal, with no negative effects to the reservoir, the steam decline rate reduced to 1.9% resulting in improved generation forecast.

Motion: A motion was made by Shannon McCann and seconded by Alan Hanger recommending Commission approval of the 2016 Steam Field Operations Forecast Report dated April 2016 as the two-zone Geothermal Operating Protocol effective July 1, 2016. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Plumas-Sierra, Roseville and Santa Clara. ABSTAIN = Palo Alto and Port of Oakland. The motion passed.

- 4. All Generation Services Facilities, Members, SCPPA & SCPPA Members – Black & Veatch Corporation** – Staff provided information regarding the recommendation to approve a five year Multi-Task Professional Services Agreement with Black & Veatch Corporation for an amount not to exceed \$1,500,000 for project support and plant operation consulting services for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. This was originally an agreement put in place for the Lodi Energy Center only. This is a new enabling agreement with this company that will allow for engineering services at all facilities.

The LEC only agreement will be terminated and replaced with this agreement.

Motion: A motion was made by Melissa Cadek and seconded by Shannon McCann recommending Commission approval of a multi-task professional services agreement with Black & Veatch Corporation for an amount not to exceed \$1,500,000 for project support and plant operation consulting services for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville and Santa Clara. The motion passed.

- 5. All Generation Services Facilities, Members, SCPPA & SCPPA Members – WEST Consultants, Inc.** – Staff provided information regarding the recommendation to approve a five year Multi-Task Professional Services Agreement with WEST Consultants, Inc. for an amount not to exceed \$1,000,000 for various professional and engineering services, such as hydrological flow modeling, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. There are currently other enabling agreements similar to this one, however, this firm is rather specialized therefore staff would like to enter into an enabling agreement to have this company available to the Agency.

Motion: A motion was made by Melissa Cadek and seconded by Shannon McCann recommending Commission approval of the Multi-task Professional Services Agreement with WEST Consultants, Inc. 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, SCPPA, and SCPPA members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 6. McKay's Reservoir Parameters and Economics Presentation** – Staff provided information regarding changes in the McKay's Reservoir operating parameters and Collierville market revenues. The presentation provided background and illustrated the McKays operation parameters and constraints. Staff discussed the strategies during low, normal and high elevations as well as illustrations of the historical data regarding the Day Ahead Market and Ancillary Services value and Real-time Markets. Staff discussed the utilization of spilling at McKays economically and for maintenance. Palo Alto requested that staff add a “dashboard” on the Data Portal related to Resource Adequacy.
- 7. Calaveras Project Shares Unwinding for Pool and Roseville** - Staff reported that water share transfers are required to true-up Roseville shares and Pool shares at New Spicer, McKays and bank storage to correct levels after the time period they were scheduled as a combined entity from June 1, 2015 to April 30, 2016. Details regarding how the transfers were made were explained and illustrated.
- 8. Enhanced Bidding Capability for Participants in the CAISO Real-Time Energy Market** – Staff provided a presentation in an effort to discuss goals, objectives and results from recent tests with bidding into CAISO. Staff reviewed the current bidding capability for all Calaveras Project Operating Entities (OE) and the drivers for increased OE bidding activity. Staff recognizes participants' desire to gain access to the Real-Time Market in order to maximize the value of the Calaveras Project, as well as improve the use of water. Staff wants to ensure that the Collierville generating facility can in fact participate in the Real-Time Market without risk of producing deviation compliance penalties. Staff reviewed and explained a series of tests being conducted that utilizes a different set of bidding and scheduling tools. The full financial impact on the MSSA Compliance Deviation Penalty as well as the test will not be known until May 9th.

Staff is also working to develop capability for multiple OEs to independently submit bid-price pair data to NCPA.

Staff plans to set up a series of meetings amongst participants to discuss current scheduling mechanics, scheduling strategy, settlements, modifications to the Schedule Coordination Program Agreement as well as the Facilities Agreement and address whether or not solving the complexity of real-time bidding lends itself to a single Operating Entity for the Calaveras Project.

Palo Alto expressed a desire to discuss the possibility of becoming a single Operating Entity regardless of the results of staff's testing. Staff will work with participants to work through the issues and solutions keeping in mind that becoming a single OE could ultimately be an option.

- 9. Updated to the Scheduling Coordination Program Agreement (SCPA) Appendix B** – Staff provided information regarding the recommendation to approve the modifications recently made to Appendix B of the Scheduling Coordination Program Agreement. The major changes were related to the RAAIM Non-Availability Charge, RAAIM Incentive Payment, as well as the RAAIM Neutrality Allocation. A new charge code was added related to the Peak Reliability Coordinator Charge. Various Charge Codes related the Standard Capacity Product Resource Adequacy have been retired effective May 31, 2016. Various minor changes made were presented and explained as well.

Motion: a motion was made by Shannon McCann and seconded by Melissa Cadek recommending Commission approval of the latest modifications made to the Schedule Coordination Program Agreement Appendix B as presented. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara.

- 10. Merced Irrigation District Services** – Staff provided information regarding the recommendation to approve submitting an offer to provide services to Merced Irrigation District (MID) in response to MID's February 26, 2016 request for proposals for Hydro Project Scheduling Coordination Services. Staff discussed the MID Projects and primary scope of services. MID is seeking an initial term of five years with effective dates of service this Fall and July 2017.

In addition to the primary scope of services formally requested, MID has also expressed an interest in the Agency's 24x7 Control Center Services as well as certain Generator Operator Reliability Standard Compliance Services.

Staff believes NCPA can successfully provide services requested by MID without adding additional staff. The cost of services was presented and discussed. Staff is recommending submitting a proposal to MID for services including Scheduling Agency Services, Control Center Services, Reliability Standard Compliance Services, and supplemental services for the amount provided during this presentation.

Motion: a motion was made by Monica Padilla and seconded by Melissa Cadek recommending Commission approval delegating the General Manager authority for NCPA to submit a proposal to provide services to MID and the ability to negotiate a last and final offer based on negotiated terms and conditions. A quorum of the Committee was not established during this presentation. An informal tally of the respective votes was conducted. The following members present were in favor of recommending Commission approval: YES = Alameda, Biggs, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara.

- 11. Planning and Operations Update** – NCPA was not the successful bidder in Power Management services proposals submitted to the City of Roseville or Marin Clean Energy. Staff recently met with Placer County regarding their desire to form a Community Choice Aggregation. Staff plans to continue to meet with and assist Placer County in their efforts.
- 12. Power Management and Administrative Services Cost Allocation Study** – Staff has a meeting scheduled with the Cost Allocation Study group on May 5th. The main focus of that discussion will be on revenue allocation and pricing new services to potential customers and new members.
- 13. Schedule next meeting date** – the next regular Facilities Committee meeting is scheduled for June 1st.

ADJOURNMENT

The meeting was adjourned at 1:06 pm.

**Northern California Power Agency
Facilities Committee Meeting of May 4, 2016
Facilities Committee
Attendance List**

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

MEMBER	NAME
ALAMEDA	<i>Alan Hanger</i>
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>M. C.</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
ROSEVILLE	<i>[Signature]</i>
SANTA CLARA	
TID	
UKIAH	