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Minutes

Date: May 11, 2021
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: May 5, 2021 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Basil Wong (Santa Clara) at 9:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Catalina Sanchez, and Dan Howard (Gridley), Jiayo Chiang (Lodi), CJ Berry (Lompoc), Shiva Swaminathan (Palo Alto), Mike Brozo, (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Brian Schinstock (Roseville), and Willie Manuel, and Owen Goldstrom (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Healdsburg, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approve minutes from the April 7, 2021 Facilities Committee meetings.**

Motion: A motion was made by CJ Berry and seconded by Catalina Sanchez recommending approval of the April 7, 2021 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Lompoc, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities, Members, SPCPA – BBA USA, Inc. MTPSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with BBA USA, Inc. for NERC and WECC testing and consulting 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 SPCPA and SPCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

BBA USA, Inc. is a new vendor for NCPA. While BBA USA was not the winning bidder on a recent project, their bid was competitive and their bid proposal was comprehensive and detail oriented. 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. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services. This enabling agreement does not commit NCPA to any expenditure of funds. NCPA has agreements in place for similar services with Kestrel Power Engineers, and General Electric (GE). A draft Commission Staff Report, and

draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by CJ Berry 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 BBA USA, Inc. for NERC and WECC testing and 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 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, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 4. All NCPA Facilities, Members, SCPPA – Mesa Associates, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Mesa Associates, Inc. for engineering consulting services, with a not to exceed 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.

Mesa Associates, Inc., is a new vendor for NCPA. 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. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services. This enabling agreement does not commit NCPA to any expenditure of funds. NCPA has agreements in place for similar services with GHD, Inc., Coffman Engineers, Inc., Veizades & Associates, Inc., Nor-Cal Controls ES, Inc., and Costa Engineers, Inc. A draft Commission Staff Report, and 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 CJ Berry recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Mesa Associates, Inc. for engineering consulting 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, Gridley, Lodi, Lompoc, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 5. All NCPA Facilities, Members, SCPPA – JEGO Systems First Amendment to MTCSA –** Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task Consulting Services Agreement with JEGO Systems for SCADA control systems and network integrator services, increasing the not to exceed from \$225,000 to \$1,000,000, for continued 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 entered into a five year Multi-Task Consulting Services Agreement with JEGO Systems effective March 24, 2021 for an amount not to exceed \$225,000. The Geothermal Facility will be going out to bid for the Enterprise Management System (EMS) Upgrade which comprise the Effluent and Field Management Systems in FY22, and JEGO Systems is a potential bidder for this work. To ensure sufficient funds are available should JEGO be the successful bidder for this or future work, this amendment will increase the not to exceed amount from \$225,000 to \$1,000,000, for continued use at any facility owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. This enabling agreement does not commit NCPA to any expenditure of

funds. NCPA has agreements in place for similar services with Tesco Controls, Nor-Cal Controls ES, Inc., and Trimark Associates, Inc. A draft Commission Staff Report, and draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Catalina Sanchez 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 Consulting Services Agreement with JEGO Systems for SCADA, control systems and network integrator services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$1,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. With recommended changes as discussed in this meeting regarding the date of execution on the staff report and resolution. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 6. NCPA Geothermal Facility – Steam Field Operations Forecast Report –** Staff provided background information and was seeking a recommendation for Commission approval of the 2021 Steam Field Operations Forecast Report, 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, 2021, and remaining in effect until replaced by the Commission.

The Steam Field Operations Forecast Report is an in-depth study of The Geysers Reservoir relative to the operation of NCPA's Geothermal Facility and provides a generation forecast of the facility. This report will act as the Operating Protocol with the goal of maximizing the generation output. A draft Commission Staff Report, and report were available for review. It is recommended to place this item on the Commission Consent Calendar.

The Operating Protocol currently uses a two-zone strategy with wells on the west side of the NCPA lease producing to both Plant #1, Units #1 and #2. Wells on the east side of the NCPA lease produce to Plant #2, Unit #4. This Protocol will maximize generation while allowing for scheduling flexibility and reduction of load under the proper economic conditions. For 2021, these conditions are:

- Day Ahead Market Prices are a minimum of negative \$25 per MWh
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response
- Duration of the curtailment is to be a minimum of 4 hours
- Curtailments are limited to once per calendar day

Motion: A motion was made by Jiayo Chiang and seconded by Basil Wong recommending Commission approval authorizing the 2021 Steam Field Operations and Forecast Report dated April 2021 as the Geothermal Operating Protocol effective July 1, 2021. This Operating Protocol is to remain in effect until replaced by the Commission. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Redding, Roseville, Santa Clara, and TID. The motion passed.

- 7. NCPA 2021 Wildfire Mitigation Plan –** Staff presented background information and was seeking a recommendation for approval of the NCPA 2021 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluator recommendations.

Public Utilities Code, Division 4.1, Chapter 6 Wildfire Mitigation, Code 8387 requires electric utilities to assess the risk of catastrophic wildfire posed by a utility's overhead electrical lines and equipment. In response to this requirement, NCPA created its Wildfire Mitigation Plan, to reduce

the risk of NCPA facilities igniting wildfire, including identifying preventative maintenance procedures and practices. The NCPA Wildfire Mitigation Plan was approved in the December 5, 2019 Commission Meeting.

In 2020, NCPA competitively bid and contracted with a qualified independent evaluator, Dudek, with experience in assessing the safe operation of electrical infrastructure to review and assess the comprehensiveness of this WMP. The independent evaluator issued a report (that is attached as an appendix to the WMP) stating that NCPA's WMP appropriately addressed all elements required under CPUC Section 8387 (b) (2). The independent evaluation and report were completed April 30th 2020. NCPA Commission approved the updated WMP with the qualified independent evaluator recommendations on May 28, 2020 per Resolution 20-43. In addition, NCPA submitted the WMP to the Wildfire Safety Advisory Board (WSAB) on 6/1/2020.

NCPA is now seeking Commission approval of the NCPA 2021 Wildfire Mitigation Plan, to include the recommendations provided by the qualified independent evaluator, revise the Wildfire Mitigation Plan from Version 1.1 to 1.2 to reflect recommendations, and post the Wildfire Mitigation Plan 1.2 to NCPA Website. A draft Commission Staff Report, and the WMP 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 Basil Wong recommending Commission approval for the NCPA 2021 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluator recommendations, with any non-substantive changes as approved by the General Manager. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 8. All NCPA Facilities and NCPA Members – Bell Burnett & Edwards First Amendment to MTCSA** – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task Consulting Services Agreement with Bell Burnett & Edwards for financial analysis, planning advisory, generation and transmission project planning, energy efficiency and demand reduction program design, changing the vendor name to Bell Burnett & Associates, with no change to the not to exceed amount or contract term, for continued use at all facilities owned and/or operated by NCPA and NCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

In June 2020, the Commission approved a five-year Multi-Task Consulting Services Agreement with Bell Burnett & Edwards (BB&E) effective July 2, 2020, for an amount not to exceed \$1,000,000. In January 2021, BB&E changed its name to Bell Burnett & Associates (BB&A) prompting the need for a First Amendment to the five-year Multi-Task Consulting Services Agreement. The First Amendment to this enabling agreement does not commit NCPA to any expenditure of funds. A draft Commission Staff Report, and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Catalina Sanchez 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 Consulting Services Agreement with Bell Burnett & Edwards for financial analysis, planning, advisory and forecasting, generation and transmission project planning, project and program development, energy efficiency and demand reduction program design, with any non-substantial changes recommended and approved by the NCPA General Counsel, changing the vendor name to Bell Burnett & Associates (BB&A), with cleanup edits as discussed in this meeting, for continued use at all facilities owned and/or operated by NCPA and NCPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Redding, Roseville, Santa Clara, and TID. The motion passed.

9. **Authorize the NCPA General Manager to Execute Confirmation Number 0209 for Quantum Spatial, Inc. Services to the City of Redding/Redding Electric Utility and Issue a Corresponding Purchase Order under the NCPA Support Services Program** – Subject to approval by the Redding City Council, staff was seeking authorization for the General Manager or his designee to execute Confirmation Number 0209 for Quantum Spatial, Inc. services to the City of Redding/Redding Electric Utility and issue a corresponding purchase order under the NCPA Support Services Program Agreement. The confirmation exceeds the General Manager's signing authority which requires Commission approval. If recommended for approval, this item will be placed on the May 27, 2021 Commission Consent Calendar.

The City of Redding became a signatory to the Northern California Power Agency (NCPA) Support Services Program Agreement (SSPA) on April 19, 2016, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors.

In March 2021 the City of Redding/Redding Electric Utility (REU) submitted a Member Task Request under the SSPA for Quantum Spatial, Inc. to provide LiDAR and imagery data services including remote sensing data for REU's transmission and distribution system in the Tier 1 and Tier 2 regions to assist with vegetation management and planning. The data provided will support REU with the identification, planning, inspection, and removal of vegetation threats within the right of way. Pursuant to the Quantum Spatial, Inc. proposal, the cost for the services is \$273,872. REU requested that a ten percent (10%) contingency be added to the services proposal amount, for a total of \$301,259.

If approved, Confirmation Number 0209 states that NCPA agrees to provide the requested services through its contract with Quantum Spatial, Inc. dated effective April 29, 2021, in the amount of not-to-exceed \$301,259. With the addition of NCPA's administrative fees, the total amount expended under the Confirmation will not exceed \$303,129.

The item will be considered by the Redding City Council at its meeting on May 4, 2021, and is subject to that approval.

Motion: A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval subject to approval by the Redding City Council and under the terms of the NCPA Support Services Program Agreement, approve Resolution 21-50 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0209, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Quantum Spatial, Inc. for remote sensing data services for Redding Electric Utility's transmission and distribution system in the Tier 1 and Tier 2 regions to assist with vegetation management and planning. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. ABSTAIN = TID. The motion passed.

10. **NCPA Geothermal Facility – NCPA Geothermal Plant 1 Fire System Modernization Project Request for Additional Funds** – Staff presented background information and was seeking a recommendation for Commission approval of an Amendment to Resolution 20-62 for the NCPA Geothermal Plant 1 Fire System Modernization Project, increasing the total not to exceed amount of this project from \$1,800,000 to \$3,800,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project, and authorization for the use of up to \$2,000,000 from the Maintenance Reserve.

The fire protection system at NCPA's Geothermal Plant 1 is malfunctioning, unserviceable, unsupported by the manufacturer, and therefore no longer operable and out of compliance. The Plant 1 fire protection system is critical to the safety of NCPA personnel and the preservation of

plant equipment in the event of a fire. This project's objective is to modernize and meet all aspects of our California Energy Commission permit regarding fire detection, notification, and suppression.

The Fire Modernization Project was originally approved in the August 27, 2020 Commission Meeting (SR: 189:20: Res: 20-62) with a budget of not to exceed \$1,800,000. Project funds came from FY2021 Capital Project Budget of \$800,000 and Maintenance Reserve of \$1,000,000.

During the course of 3rd party inspections required by the California Energy Commission (CEC), as well as the contractor's project discovery phase, additional required work was identified, resulting in updates to the original scope for this project.

Updates to the scope include the following:

- Replacement of all pendant style sprinkler throughout the plant
- Inspection of all wet pipe sprinkler systems and provide assessment
- Replace wet pipe valves and monitoring hardware
- Extend wet pipe sprinkler system into HVAC Room
- Replace all air supply lines to deluge valves
- Replacement of CARDOX Tanks
- Replacement of high-pressure CO2 bottle system with a CO2 tank.
- Repair or replace damaged heat tracing and insulation throughout
- Repair or replace all deluge valves (includes 5-year inspection certification)
- Replace all activation stations
- Replace all main water isolation valves
- Replace valve and monitoring devices for the fire pump building

This amendment will result in a multi-year project spanning FY2021 and FY2022.

The updated total not to exceed is \$3,800,000. \$3,000,000 of these funds will come from the Maintenance Reserve.

The Plant 1 Fire System Modernization Project additional scope forecast is shown below.

- Contractor's Proposed Project Cost = \$1,694,215.00
- 15% Contingency = \$254,132
- CEC Reviews and Inspections = \$40,000
- **Additional Project Authorization Total = \$2,000,000.00**

Unrelated to this project, the FY2022 Unit 4 Overhaul has been moved to Fall of FY2023 due to incorporating recommendations from a root cause analysis that is in progress. This root cause analysis was associated with the spring 2020 Unit 4 Turbine Rotor Blade Shifting outage that resulted in a turbine swap. Those recommendations are required to ensure an appropriate scope of work to ensure reliability. This Unit 4 Overhaul timing change provides for adequate balance of funds of Maintenance Reserve to fund this increase request. Continued collections will result in adequate funds for the Unit 4 Overhaul in the Fall of FY2023.

Motion: A motion was made by Mike Brozo and seconded by Basil Wong recommending Commission approval of an Amendment to Resolution 20-62 for the NCPA Geothermal Plant 1 Fire System Modernization Project, increasing the total not to exceed amount of this project from \$1,800,000 to \$3,800,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project, with any non-substantive changes as approved by General Counsel, and authorization for the use of up to \$2,000,000 from the Maintenance Reserve. A vote was taken by roll call: YES = Alameda, Gridley,

Lodi, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

INFORMATIONAL ITEMS

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

South Sutter Water District (Camp Far West) – A PPA is currently being developed for this resource.

SFWPA (South Feather Hydroelectric) – The final PPA is under development. Next will be development of a Third Phase Agreement, with Member subscriptions, and refinement to compensation mechanism.

Glover Solar – Parties are currently working on a price refresh for this resource.

McCloud Solar 1 and McCloud Solar 2 – A PPA is under development for the 136MW project. SVP and Redding are interested in this project.

NCPA Renewables RFP – A couple new projects are being considered. Black Butte Hydro Powerhouse is being researched west of the town of Paradise. Biggs has shown interest in this project. Another new project, in the Northeast corner of CA in Sunrise Valley is being discussed, engaged in conversations, and exploring partnership in a Phase 1 Project.

12. 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 April. There was however, one near miss, when an employee used an air monitor that had an expired calibration to enter a confined space. Staff is preparing for the 2021 fire season, and attended a CAL FIRE meeting in Healdsburg for fire preparation. The average net generation for April was 95.6 MW. Fiscal year net generation is at 648.4 GWh, 5.4% above target generation. The Plant 1 Fire Protection and HVAC Projects continue. The engineering as started for the Plant 2 Fuel Tank Replacement. The P-1 Well was tested for the Steam Field Idle Well Program on April 24, 2021, and performed well.

CTs – April was a quiet month for the CTs, with zero forecasted starts for both CT1 and CT2. CT1 had five actual starts, and three ghost starts bringing the FYTD total to 219. CT2 did not have any starts this month with the FYTD total still at 98 starts. There were no forced outages. Planned outages included STIG for routine work, and to fix a boiler leak.

Hydro – The Hydro plant suffered snow cat difficulties during the winter 2021. Options considered were to rent another snow cat, early snow removal and plowing, helicopter access, or a side by side with tracks. Buying a side-by-side with tracks was the best option. Inspection of all hardware, vegetation, and easement of the 230 kV line has been completed with vegetation contractors following closely behind the NCPA crews. Union and Utica Reservoirs are full and spilling. Lake Alpine is also filling but still has a long way to go to reach capacity. New Spicer Meadow is 45% full, and currently increasing at 5,000 acre-feet per week. It's uncertain how long the runoff will last this year before tapering off. Recruitment is ongoing for two key technical positions including a Communications Technician, and an Electrical Technician. Preparation for the recreation season is underway with extensive coordination and meetings with the USFS. Routine O&M included the Collierville jet rebuild and seal replacement and the Collierville tail water depression blow housing re-insulation.

13. Planning and Operations Update –

- **Current resource integration activities include:**
 - Altamont Wind (EBCE) – May 31, 2021
 - SFWPA (Members) – January 1, 2022
 - Sky River Wind (BART) – September 1, 2021
 - Slate 1 Solar (BART) – October 31, 2021
 - Ukiah Mendocino Hydro (Ukiah) - Ongoing
 - Tulare Solar (EBCE) – December 31, 2021
 - Antelope Solar (NCPA) – December 1, 2021
- **Summer 2021 Readiness – CEC Workshop**
- **Meter Maintenance Requirements –** The prior Member load Meter Maintenance Program has expired. Current meter maintenance falls under a MTPSA on a time and material basis. The primary vendor has indicated the need to establish a longer term arrangement for meter support services, including maintenance of generation facility metering equipment, and maintenance of LEC and the Collierville RIG. Meter maintenance scope of services should include planned meter maintenance services, equipment failure services, troubleshooting, diagnostics, and repair services.
- **Collierville Dual Unit Outage –** The Facilities Schedule 7 Amendment has been approved. Next steps include a coordination meeting with Project Participants, issue a solicitation seeking approximately 124MW of Substitute RA, adjusted for self-provided amounts, and review offers with Project Participants. If no offers are received then explore alternative options.

14. Schedule next meeting date – The next regular Facilities Committee meeting is scheduled for June 2, 2021.

Non-essential Members and NCPA staff left the meeting for the closed session discussion Item #15.

CLOSED SESSION

15. CONFERENCE WITH LEGAL COUNSEL – Existing litigation pursuant to Government Code Section 54956.9(d)(1): Name of case: *In Re PG&E Corporation and Pacific Gas and Electric Company, Debtors; United States Bankruptcy Court, Northern District of California*, Case Nos. 19-30088 (Lead Case) and 19-30089 DM.

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt stated no reportable action was taken on the closed session Item #15.

ADJOURNMENT

The meeting was adjourned at 12:59 pm by the Committee Chair.