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Facilities Committee Agenda

Date: June 1, 2022
Subject: NCPA Facilities Committee Meeting
Location: NCPA, 651 Commerce Drive, Roseville, California 95678 / Conference Call
Time: 9:00 am

****In compliance with the Brown Act, you may participate via teleconference at one of the meeting locations listed below or attend at NCPA Headquarters. In either case, please: (1) post this Agenda at a publicly accessible location at the participation location no later than 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.****

NCPA, 651 Commerce Drive, Roseville, CA 95678 (916) 781-3636

ALAMEDA MUNICIPAL PWR 2000 Grand St., Alameda, CA	BAY AREA RAPID TRANSIT 300 Lakeside Drive, Oakland, CA	CITY OF BIGGS 3016 Sixth Street, Biggs, CA
CITY OF GRIDLEY 685 Kentucky Street, Gridley, CA	CITY OF HEALDSBURG 401 Grove Street, Healdsburg, CA	CITY OF LODI 1331 S. Ham Lane, Lodi, CA
CITY OF LOMPOC 100 Civic Ctr. Plaza, Lompoc, CA	CITY OF PALO ALTO 250 Hamilton Avenue, 3 rd Floor Palo Alto, CA	PORT OF OAKLAND 530 Water Street, Oakland, CA
PLUMAS-SIERRA REC 3524 Mulholland Way, Sacramento CA	CITY OF REDDING 3611 Avtech Pkwy., Redding, CA	CITY OF ROSEVILLE 2090 Hilltop Circle, Roseville, CA
SILICON VALLEY POWER 881 Martin Ave., Santa Clara, CA	TURLOCK IRRIGATION DISTRICT 333 E. Canal Drive, Turlock, CA	CITY OF UKIAH 300 Seminary Ave., Ukiah, CA

The Facilities Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears as a Discussion/Action Item or a Report or an Information Item. When this Agenda is supplemented by Staff Reports, they are available to the public upon 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 Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at (916)781-3636 in advance of the meeting to arrange for such accommodations.

REVIEW SAFETY PROCEDURES

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

Any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee's 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 Committee on any item within the jurisdiction of the Committee and not listed on the Agenda may do so at this time.

OPEN SESSION

DISCUSSION / ACTION ITEMS

2. **Approval of Minutes** – Approve minutes from the May 4, 2022 Facilities Committee meeting.
3. **All NCPA Facilities, Members, SCPPA – Caltrol, Inc. MTGSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Caltrol, Inc. for machining services, with a not to exceed amount of \$1,500,000, 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. (*Commission Category: Consent; Sponsor: CTs*)
4. **All NCPA Facilities, Members, SCPPA – Universal Protection Service, LP dba Allied Universal Security Services First Amendment to MTGSA** – Staff is seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services for security guard services, increasing the not to exceed from \$225,000 to \$750,000, 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. (*Commission Category: Consent; Sponsor: Geo*)
5. **NCPA Geothermal Facility – Steam Field Operations Forecast Report** – Staff is seeking a recommendation for Commission approval of the 2022 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, 2022, and remaining in effect until replaced by the Commission. (*Commission Category: Consent; Sponsor: Geo*)
6. **All NCPA Facilities, Members, SCPPA – Quest Media and Supplies, Inc. MTCSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Quest Media and Supplies, Inc., for network infrastructure design, telecom consulting, data center administration, application design and security consulting services with a not-to-exceed amount of \$1,500,000 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. (*Commission Category: Consent; Sponsor: Administrative Services*)
7. **All NCPA Facilities, Members, SCPPA – AESI-US, Inc. MTCSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with AESI-US, Inc., for consulting services related to NERC CIP, or Operations and

Planning Standards, with a not-to-exceed amount of \$500,000 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. (*Commission Category: Consent; Sponsor: Compliance*)

- 8. City of Redding Admission to MPP** – Staff is seeking a recommendation for Commission approval of admission of the City of Redding as a new Participant to the Amended and Restated Market Purchase Program Agreement (MPP). (*Commission Category: Consent; Sponsor: Power Management*)

CLOSED SESSION

- 9. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION** – Pursuant to Government Code Section 54956.9(d)(1): Case Name: *In Re PG&E Corporation and Pacific Gas and Electric Company*: United States District Court, Northern District of California, Case No. 01-22-0001-3527.
- 10. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Pursuant to Government Code Section 54956.9(d)(1) – one (1) case.

OPEN SESSION

REPORT FROM CLOSED SESSION

INFORMATIONAL ITEMS

- 11. New Business Opportunities** – Staff will provide an update regarding new business opportunities. (*Sponsor: Power Management*)
- 12. NCPA Generation Services Plant Updates** – Plant Staff will provide the Committee with an informational update on current plant activities and conditions. (*Sponsor: Generation Services*)
- 13. Planning and Operations Update** – Staff will provide an update on issues related to planning and operations. (*Sponsor: Power Management*)
- 14. Next Meeting** – The next Facilities Committee meeting is scheduled for July 6, 2022.

ADJOURNMENT

JC/cp



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Minutes – Draft

Date: May 11, 2022
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: May 4, 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 9:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Cliff Wagner (Gridley), Melissa Price (Lodi), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Ryley Kelly (Roseville), Basil Wong and Steve Hance (Santa Clara), and Willie Manuel and Owen Goldstrom (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

2. **Approval of Minutes from the April 6, 2022 Facilities Committee meeting.**

Motion: A motion was made by Cliff Wagner and seconded by Jiayo Chiang recommending approval of the April 6, 2022 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

3. **All NCPA Facilities, Members, SPPA – Kinectrics AES, Inc. MTPSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Kinectrics AES, Inc. for generator testing and assessment 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 SPPA, and SPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA currently has an agreement in place with Kinectrics, Inc., which is expiring. NCPA has utilized this vendor in the past for services such as quality control testing on stator bars used in the Hydro generator rewind project. NCPA has a good working relationship with the vendor and wishes to continue that relationship. 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 Ethos Energy, Andritz Hydro, and Sulzer Turbo 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 Basil Wong and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Kinectrics, Inc. for generator testing and assessment 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, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 4. NCPA Geothermal Facility – GeothermEx, Inc. First Amendment to CSA –** Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the five-year Consulting Services Agreement with GeothermEx, Inc., increasing the not to exceed amount from \$225,000 to \$1,000,000, with no other changes to the contract terms and conditions, for continued use NCPA's Geothermal facility. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five-year Consulting Services Agreement with GeothermEx, Inc. effective February 24, 2020, for an amount not to exceed \$225,000, for use at the Geothermal Facility. NCPA will be working with GeothermEx, Inc. to upgrade to a new software platform. GeothermEx, Inc. will also continue to provide NCPA with ongoing modeling support which provides staff with critical geothermal reservoir data used in operational decision making. There are not enough funds remaining on the agreement for this and future work. NCPA now desires to enter into a First Amendment to the Consulting Services Agreement to increase the not-to-exceed amount from \$225,000 to \$1,000,000 to ensure there are sufficient funds for the work detailed above, as well as through the remaining contract term. 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 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 Basil Wong and seconded by Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Consulting Services Agreement with GeothermEx, Inc. for geothermal reservoir numerical simulations, 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 the Geothermal Facility. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Port of Oakland, Roseville and Santa Clara. ABSTAIN = Palo Alto and Redding. The motion passed.

- 5. NCPA Geothermal Facility – Steam Field Operations Forecast Report –** Staff was seeking a recommendation for Commission approval of the 2022 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, 2022, and remaining in effect until replaced by the Commission.

No action was taken on this item. After discussion regarding the operating protocol it was decided to update the protocol information and bring this item back next month to seek a recommendation for Commission approval.

- 6. NCPA 2022 Wildfire Mitigation Plan** – Staff presented background information and was seeking a recommendation for Commission approval of the NCPA 2022 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluator’s 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.

NCPA contracted with Dudek, a qualified independent evaluator with experience in assessing the safe operation of electrical infrastructure, to complete the annual review and assess the comprehensiveness of the Wildfire Mitigation Plan. The independent evaluator issued a report stating that NCPA’s Wildfire Mitigation Plan appropriately addressed all elements required under CPUC Section 8387 (b) (2). The independent evaluation and report were completed April 14 2022.

Work associated with this Project is categorically exempt under Class 1, 3, 4, and 11 Exemptions under CEQA guidelines 15301(b), 15303, 15304, and 15311 and is therefore categorically exempt from CEQA. Class 1 is the “existing facilities” exemption, which includes the repair, maintenance, or minor alteration of existing public structures, facilities, mechanical equipment, involving negligible or no expansion of use. Class 3 is installation of small new equipment and facilities in small structures; Class 4 is minor alterations in the condition of the land; and, Class 11 is construction or placement of minor structures accessory to existing facilities. All necessary Federal, State and County notifications will be made before commencing the work.

A Notice of Exemption was approved by the NCPA Commission on September 27, 2013, for this class of work and was filed in Lake and Sonoma Counties, and in Alpine, Calaveras, San Joaquin, and Tuolumne Counties.

Motion: A motion was made by Mike Brozo and seconded by Mark Sorensen recommending Commission approval of the NCPA 2022 Wildfire Mitigation Plan, with updated revisions based on the qualified independent evaluator’s recommendations. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, Santa Clara, and TID. The motion passed.

- 7. All NCPA Facilities, Members, SCPPA – Parker Landscape Development, Inc. First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Parker Landscape Development, Inc. for professional commercial landscape services, tree care, and special projects increasing the not to exceed amount to \$300,000 for continued use at NCPA 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.

Parker Landscape Development, Inc. is a commercial landscape company with over 40 years of experience in landscaping design, construction, and maintenance. Parker Landscaping is responsive and works well with the Agency in providing landscape services, maintenance recommendations, resolving issues, and water-saving recommendations.

On April 3, 2018, NCPA entered into a five-year Multi-Task General Services Agreement with Parker Landscape Development, for an amount not to exceed \$200,000. During the agreement term, there were several unforeseen maintenance events, including; a break in the main irrigation

line, irrigation repairs from the fence project, tree and curb removal for the electric vehicle charging stations, and irrigation line repair from the fiber cable installation. Due to these unplanned events, an increase to the contract is required for continued services through the term of the agreement. This enabling agreement does not commit NCPA to any expenditure of funds. A draft Commission Staff Report, draft First Amendment, and 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 Basil Wong 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 General Services Agreement with Parker Landscape Development, Inc. for professional commercial landscape services, tree care, and special projects increasing the not to exceed amount to \$300,000 for continued use at NCPA all 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, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, Santa Clara, and TID. ABSTAIN = Redding. The motion passed.

- 8. All NCPA Facilities, Members, SCPPA – TPR Enterprises, LLC dba EcoEngineers MTCSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with TPR Enterprises, LLC dba EcoEngineers for Low Carbon Fuel Standard (LCFS) fuel pathway application, verification, and validation consulting services, with a not to exceed amount 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 (CARB'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 Members have created, or are considering creating, fuel pathways for fuels such as 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 a 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 EcoEngineers based on its experience, work plan, and costs. This enabling agreement does not commit NCPA to any expenditure of funds. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and

procedures. NCPA is also entering into agreements with SCS Engineers 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 Basil Wong and seconded by Khaly Nguyen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with TPR Enterprises, LLC, dba EcoEngineers (“EcoEngineers”) 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, Port of Oakland, Redding, Roseville, and Santa Clara. ABSTAIN = TID. The motion passed.

9. Approval of Letter of Agreement 22-SNR-02738 – Staff presented background information and was seeking a recommendation for Commission approval of Letter of Agreement 22-SNR-02738 (WAPA 2022 REC Program) between Western Area Power Administration (WAPA) and Northern California Power Agency (NCPA).

Certain resources in the CVP Project are RPS eligible. Western utilizes a voluntary REC program to distribute RECs to Base Resource customers. This Letter of Agreement (LOA) sets forth rules and requirements for the program. The LOA is renewed each year.

By June 1, 2022, Base Resource customers will have to elect to participate in the CY 2022 WAPA REC Program. NCPA has participated in the program on behalf of the Pool Members. Palo Alto has elected to participate in the program separately. The cost for participation is limited to REC transfer costs, and other administrative costs passed-through by Western which is historically less than \$10,000 each year.

Motion: A motion was made by Mark Sorensen and seconded by Jiayo Chiang recommending Commission approval of the 2022 REC Program Letter of Agreement, and to authorize the General Manager of NCPA to execute the 2022 REC Program Letter of Agreement on behalf of NCPA, including any non-substantive modifications to the 2022 REC Program Letter of Agreement approved by NCPA’s General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, and Port of Oakland. ABSTAIN = Redding, Roseville, Santa Clara, and TID. The motion passed.

10. 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. Negotiations are still in progress for this agreement. This item will be brought back at a later time to seek a recommendation for Commission approval.

INFORMATIONAL ITEMS

11. New Business Opportunities – Staff will provide 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 Power Management Services Agreement terminates on August 31, 2022. 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 draft proposal for the services provided is for a \$733,466 annual fee, with a 3% per year escalation, which would be \$2.26 million during the initial term. NCPA has been initially awarded an offer subject to further negotiation.

Staff is working on a draft agreement focusing on key terms such as indemnification and insurance, scope of services, and environmental requirements. This agreement will be discussed and reviewed between both parties. The final draft of the agreement will be presented to the Facilities Committee seeking a recommendation for Commission approval.

NCPA Renewables RFP Update

Recent Proposals

- Calpine Geothermal Offer (Geysers)
 - Term: 10 years commencing 1/1/2025
 - Volume: 50 MW base 7x24; potentially up to an additional 50 MW
 - Price: To Be Discussed
 - All other terms per the term sheet
- Clearway Renew LLC (Victory Pass / Arica PV + BESS)
 - Term: 20 years
 - Product: 69.5 MW PV plus 15 MW RA only BESS
 - Price: Detail provided on NCPA Connect
 - Estimated COD: June 2024
- Calpine BESS Offer
 - Project: Bear Canyon and West Ford Flat BESS
 - Size: 13 MW / 52 MWh and 25 MW / 100 MWh
 - Term: 15 Years
 - Product: Full Toll or RA Only
 - Price: Detail provided on NCPA Connect

12. NCPA Geothermal Unit 3 Battery Energy Storage System (BESS) – Staff presented background information regarding the development of a proposed battery energy storage system at the NCPA Geo Plant 2.

NCPA's geothermal facilities are not exporting at full line capacity due to declining steam pressures in the geothermal steam reservoir. NCPA staff is assessing a battery energy storage system that could utilize available capacity on the NCPA Geo 230kV transmission line. The Geo Plant 2 contains Units 3 and 4. Plant 2's original total capacity is ~110 MW. NCPA retired Unit 3 in 2010, due to resource changes. Unit 4 now exports ~40 MW. NCPA has approximately 70 MW of

available capacity on the Fulton transmission line. The development of a proposed battery energy storage system at the NCPA Geo Plant 2 will be broken into three phases.

Project Phases

- Phase 1 – Assessment/Feasibility
 - Phase 1.1 - Technical Feasibility/Preliminary Project Cost Estimate
 - Phase 1.2 - Market Analysis/Modeling
- Phase 2 – Detailed Engineering/Permitting
- Phase 3 – Construction/Commissioning

Power Engineers was hired to perform preliminary engineering and budgeting for the proposed BESS at the NCPA Geo Plant 2 in Phase 1.1. Project deliverables included AACE Level 5 complete project cost estimate by Phase, a proposed 1 line diagram, and site map showing the proposed project.

Geo Plant 2 BESS Assumptions

- 20 MWh/80 MW Size (4 Hour Batteries)
 - Largest size based on available area inside existing Plant Yard.
- Tesla Megapack (LFP – Lithium-ion Phosphate)
 - The LFP batteries have a higher energy density but release significantly less heat (approximately 50% less) than the metal-based batteries

The proposed project cost estimate is approximately \$32,708,286 which includes all phases of the project including commissioning. Proposed economic scenarios for Phase 1.2 were provided and discussed. Potential benefits of BESS at the Geo Plant 2 are listed below:

Potential Benefits of BESS at Geo Plant 2

- Flexibility to meet market demands
- Reduced RA cost to Members
- Capitalizing on available transmission capacity
- Cheaper alternative to Calpine Geysers BESS
- Enhanced renewable energy integration
- Positive public image for the Agency

Staff, unless otherwise directed, plans on moving onto Phase 1.2 and retaining the appropriate market model analysis consultant to further develop the economics of the Geo BESS.

13. NCPA Generation Services Plant Updates – Plant Staff provided an informational update on current plant activities and conditions.

Hydro – Collierville (CV) Power House was 100% available during the month of April, and New Spicer Meadows Power House was at 100% availability as well. New Spicer Meadows storage increased by 22,000 acre feet at 24% month over month from 91,000 acre feet to 113,000 acre feet. Last year's peak was at 94,600 acre feet. The California snow water content is 34% of average for this time of year in Central California. Current regulatory and resource agency activities included working through USGS annual review comments, revising all NCPA EAPs for CAOES, held USFS Annual Meeting, and held USFS McKays Soil Relocation Project meeting. Current operations and maintenance activities during the month included 230 kV ROW line patrol, and completion of the FM Global site inspections of CV and McKays.

CTs – April was a fairly quiet month for the CTs. CT1 had 11 actual starts, bringing the FYTD total to 200, of 0 forecasted. CT2 had 1 start this month of 1 forecasted, bringing the FYTD total to 48 starts. Alameda Unit 1 is still in a forced outage due to an oil system leak. Alameda Unit 2 had a

planned outage for AMPS work. CT1 Lodi has used 25.4 (13%) hours of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 12.8 hours of 20, and Unit 2, 10.8 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for April 2022.

Geo – There were no safety incidents to report for the month of April. Vegetation for the month included maintaining fire breaks around transmission towers, and clearing brush around the Bear Canyon pump stations. The average estimated net generation level for the month was 93.8 MW. Total estimated net generation was 67.6 GWh. Actual FY 2022 net generation is 672.9 GWh YTD. The FY 2022 Net Generation Forecast has been updated to 800.8 GWh. Maintenance activities continue for the November 2022 Plant 2 overhaul. Routine plant and Steam Field maintenance continued during the month. The Plant 1 Fire System Modification Project continued with repairing underground piping and began commissioning testing.

14. Planning and Operations Update –

- **Resource Integrations In Progress**
 - Camp Far West (SVP) – Integration Completed
 - Antelope Solar (NCPA) – TBD
 - Deer Creek – June/July 2022
 - Tulare Solar – Commercial Operations Achieved
 - Sandborne Storage – Q4 2022
- **Summer 2022 Readiness**
 - Capacity Scarcity
 - Hydrology
 - Strong Forward Curves
 - Reliability
 - Credit / Cash Flow

14. Next Meeting – The next Facilities Committee meeting is scheduled for June 1, 2022.

ADJOURNMENT

The meeting was adjourned at 12:07 pm by the Committee Chair.

**Northern California Power Agency
May 4, 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	

**Northern California Power Agency
May 4, 2022 Facilities Committee Meeting
Attendance List**

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

[illegible]



Commission Staff Report – *DRAFT*

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Caltrol, Inc. – Five Year Multi-Task General Services Agreement for Machining Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli Acting Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Combustion Turbines	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		
<hr/>		
<hr/>		

RECOMMENDATION:

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Caltrol, Inc. for machining services, 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Machining services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. 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 Bay Valve Service, Custom Valve Solutions and Martech.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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 seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee Review.

On June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

On June 6, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 22-XX
- Multi-Task General Services Agreement with Caltrol, Inc.

RESOLUTION 22-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH CALTROL, INC.

(reference Staff Report XXX:22)

WHEREAS, machining services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Caltrol, Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Caltrol, Inc. to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
CALtrol, INC.**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Caltrol, Inc., a Delaware Corporation, with its office located at 1385 Pama Lane Suite 111, Las Vegas, NV 89119 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2022 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** ONE MILLION FIVE HUNDRED THOUSAND dollars (\$1,500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. INSURANCE REQUIREMENTS. Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 Professional Liability Insurance. Not Applicable.

4.4 Pollution Insurance. Not Applicable.

4.5 All Policies Requirements.

4.5.1 Verification of coverage. Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 Notice of Reduction in or Cancellation of Coverage. Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 Higher Limits. If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

4.5.4 Additional Certificates and Endorsements. If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

4.5.5 Waiver of Subrogation. Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.6 Contractor's Obligation. Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** Not Applicable.

Section 6. STATUS OF CONTRACTOR.

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types

of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding

Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

- 8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to

Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the “Disclosing Party”) Confidential Information to the other party (the “Receiving Party”). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.
- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.
- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. WARRANTY.

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

11.3 Assignment of Warranties. Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in

whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 Conflict of Interest. Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

13.7 Contract Administrator. This Agreement shall be administered by Randy Bowersox, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

13.8 Notices. Any written notice to Contractor shall be sent to:

Caltrol, Inc.
Attn: Brad Frehner, Director of Finance
1385 Pama Lane, Suite 111
Las Vegas, NV 89119

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
 - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
 - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

CALTROL, INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

BRAD FREHNER,
Director of Finance

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF WORK

Caltrol, Inc. ("Contractor") shall provide machining services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) and by SCPPA Members.

Services to include, but not be limited to the following:

- Machining
- Balancing (vibration analysis and monitoring)
- Rebuild or Re-Manufacturing of Equipment
- Maintenance
- Valve and Actuator Maintenance
- PRV/PSV Testing and Maintenance
- Instrument Calibration and Maintenance
- MOV Service and Maintenance
- Predictive Maintenance

No project under this agreement shall include work that would qualify as a Public Works Project under the California Public Contract Code.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Pricing for services to be performed will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Caltrol, Inc.

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

EXHIBIT E

**ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Commission Staff Report – *DRAFT*

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Universal Protection Service, LP dba Allied Universal Security Services – First Amendment to Five Year Multi-Task General Services Agreement for Security Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli Acting Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Geothermal	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		
<hr/>		
<hr/>		

RECOMMENDATION:

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services for security related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$225,000 to \$750,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

BACKGROUND:

Security related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five year Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services effective July 22, 2020 for an amount not to exceed \$225,000, for use at all NCPA, NCPA Member, SCPPA, and SCPPA Member facilities.

Allied Universal Security Services recently completed services during the Lodi Energy Center's Spring 2022 Outage. In addition, they provide NCPA's Geothermal facility with ongoing daily security guard gate services, and it is anticipated they will also provide 24-hour security during the Geo Plant 2 Unit 4 Overhaul Project scheduled to start in November 2022. As a result, this agreement is running low on funds. NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$225,000 to \$750,000 to ensure there are sufficient funds available for these services, as well as through the remainder of the contract term. NCPA has an agreement in place for similar services with Securitas Security Services USA, Inc.

FISCAL IMPACT:

Upon execution, the total cost of the agreement will be not to exceed \$750,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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 seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee review and approval.

AFTER FACILITIES APPROVAL: On June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

AFTER LEC PPC APPROVAL: On June 6, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution 22-XX
- Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services
- First Amendment to Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services

RESOLUTION 22-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY SERVICES

(reference Staff Report #XXX:22)

WHEREAS, security related services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, NCPA and Universal Protection Service, LP dba Allied Universal Security Services entered into a Multi-Task General Services Agreement effective July 22, 2020, to provide such services; and

WHEREAS, Allied Universal Security Services recently completed services during Lodi Energy Center's Spring 2022 Outage. In addition, they provide NCPA's Geothermal facility with ongoing daily security guard gate services, and it is anticipated they will also provide 24-hour security during the Geo Plant 2 Unit 4 Overhaul Project scheduled to start in November 2022. As a result, this agreement is now running low on funds; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$225,000 to \$750,000 to ensure there are sufficient funds available for these services, as well as through the remainder of the contract term; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Universal Protection Service, LP dba Allied Universal Security Services, with any non-substantial changes as approved by the NCPA General Counsel, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY SERVICES**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Universal Protection Service, LP (parent company is Allied Universal Topco, LLC) d/b/a Allied Universal Security Services, a limited partnership with its office located at 8950 Cal Center Drive, Suite 115, Sacramento, CA 95826 ("Contractor") (together sometimes referred to as the "Parties") as of July 22, 2020 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does

not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED TWO HUNDRED TWENTY FIVE THOUSAND** dollars (\$225,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Except as hereinafter provided, Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement. Contractor's fees and charges do not include any sales, use, excise or similar taxes, levies or duties ("Sales Taxes"). Agency is responsible for paying for all such Sales Taxes in respect of Contractor's Work or in respect of amounts payable by Agency hereunder. If Contractor has the legal obligation to pay or collect Sales Taxes for

which Agency is responsible under this section, the appropriate amount shall be promptly paid by Agency to Contractor unless Agency provides Contractor with either a valid and current tax exemption certificate or direct pay certificate, authorized by the appropriate taxing authority

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

2.5 Timing for Submittal of Final Invoice. Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

2.6 Fee Increases.

2.6.1 Annual Fee Increases. The Billing Rates set forth in Exhibit B are valid for the first 12 months in which this Agreement is in effect. The Billing Rates thereafter will be increased annually, effective as of the anniversary date of the Effective Date in an amount equal to three percent (3%).

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. INSURANCE REQUIREMENTS. Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 Workers' Compensation. If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability. Agency, Agency member, SCPA and/or SCPA shall

be covered as an additional insured on Contractor's Commercial General Liability Insurance to the extent of the Contractor's indemnification obligations under this Agreement and up to the required insurance coverage amount.

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Excess Insurance. The coverage amounts set forth above may be met by a combination of underlying and excess policies as long as in combination the limits equal or exceed those stated.

4.3 Professional Liability Insurance. Not Applicable

4.4 Pollution Insurance. Not Applicable

4.5 All Policies Requirements.

4.5.1 Verification of coverage. Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 including the Agency as an additional insured where required by written contract and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.5.2 Notice of Reduction in or Cancellation of Coverage. Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.5.3 [RESERVED]

4.5.4 Additional Certificates and Endorsements. If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, including the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed where required by written contract.

4.5.5 Waiver of Subrogation. Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

4.6 Contractor's Obligation. Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 Scope. Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature to the extent caused by the negligent acts or omissions of Contractor, its officers, officials, agents, and employees, except as caused by the active, sole or gross negligence of Agency. Anything to the contrary notwithstanding, under no circumstances will Contractor be liable to any indemnified party for consequential, incidental, indirect or punitive damages, or for lost profits.

5.3 Transfer of Title. Not Applicable

Section 6. STATUS OF CONTRACTOR.

6.1 Independent Contractor. Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement.

Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall

supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

6.4 Certification as to California Energy Commission. If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors. If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.

6.6 Maintenance Labor Agreement. If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 Licenses and Permits. Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

7.4 Monitoring by DIR. Not Applicable

7.5 Registration with DIR. Not Applicable

7.6 Prevailing Wage Rates. Not Applicable

Section 8. TERMINATION AND MODIFICATION.

8.1 Termination. Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor. Company may cancel this Agreement at any time and without cause upon ninety (90) days prior written notice to Agency.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

8.2 Amendments. The Parties may amend this Agreement only by a writing signed by both of the Parties.

8.3 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 Options upon Breach by Contractor. If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Contractor's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 Contractor's Books and Records. Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement

for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

10.1 Operations at the Project Site. Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

10.2 Contractor's Equipment, Tools, Supplies and Materials. Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by

Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. WARRANTY.

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** [RESERVED]
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 13.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Erik Homan
Government Business Development Manager
Allied Universal Security Services
8950 Cal Center Drive, Suite 115

Sacramento, CA 95826

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be

concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

13.16 Force Majeure. No failure or omission by either party in the performance of any obligation under this contract (except for payment obligations) will be deemed a breach of this contract by such party or create any liability on the part of such party for damages or otherwise, if the same shall arise from any cause or causes beyond the control of such party, including but not limited to the following: acts of God, war, riot, insurrection, rebellion, fire, earthquake, flood, storm, disease, epidemic, pandemic, quarantine or governmental orders, acts or restrictions. The afflicted party shall notify the other party of such force majeure circumstances as soon as reasonably practical and shall promptly undertake all commercially reasonable efforts necessary to cure such force majeure circumstances.


The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

UNIVERSAL PROTECTION SERVICE, LP
DBA ALLIED UNIVERSAL SECURITY
SERVICES

Date 7/22/20

Date 7/17/20


RANDY S. HOWARD, General Manager


MIKE SMIDT, Regional President

Attest:


Assistant Secretary of the Commission

Approved as to Form:


Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Universal Protection Service, LP dba Allied Universal Security Services ("Contractor") shall provide security services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

LOCATIONS FOR SECURITY SERVICES PROVIDED BY

Allied Universal
134 Lystra Ct., Ste. A
Santa Rosa, CA 95403
707-575-6909
Michael.kinane@aus.com

<u>Location</u>	<u>Specify for each location: <u>Armed</u> <u>Unarmed</u></u>	<u>Schedule of Coverage</u>	<u>Hours</u>
1. 12000 Ridge Road, Middletown, CA 95461	Unarmed	Mon - Fri: 6:30a – 4:30pm (With every other Friday and Holidays off)	50 & 40

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Pricing for Geothermal Plant Facility:



Pricing

Option I - Standard Security Professional

Position		Bill Rate
Security Professional		\$23.99
Security Professional - Overtime		\$35.98

Rate Increases:

Billing rates will increase annually by 3%.

Pricing for services to be performed at NCPA Member or SCPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I,

Michael Smith, President NW Region

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Universal Protection Service LP

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.



(Signature of officer or agent)

Dated this 17th day of July, 20 20.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT E

**ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT**

Not applicable as contractor will not be performing Covered Work as defined in Section 1.2 and 2.1 of the Maintenance Labor Agreement.



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY SERVICES**

This First Amendment ("Amendment") to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Universal Protection Service, LP (parent company is Allied Universal Topco, LLC) dba Allied Universal Security Services ("Contractor") (collectively referred to as "the Parties") as of _____, 2022.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective July 22, 2020, (the "Agreement") for Universal Protection Service, LP to provide security guard services at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$225,000 to a "NOT TO EXCEED" amount of \$750,000; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND** dollars (\$750,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
3. **Exhibit B – COMPENSATION SCHEDULE** is amended and restated to read in full as set forth in the Attached Exhibit B.

4. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

UNIVERSAL PROTECTION SERVICE, LP
DBA ALLIED UNIVERSAL SECURITY
SERVICES

MICHAEL KINANE, Branch Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

Universal Protection Service, LP dba Allied Universal Security Services ("Contractor") shall provide security services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

LOCATIONS FOR SECURITY SERVICES PROVIDED BY

Allied Universal
134 Lystra Ct., Ste. A
Santa Rosa, CA 95403
707-575-6909
Michael.kinane@aus.com

<u>Location</u>	<u>Specify for each location: <u>Armed</u> <u>Unarmed</u></u>	<u>Schedule of Coverage</u>	<u>Hours</u>
1. 12000 Ridge Road, Middletown, CA 95461	Unarmed	Mon - Thurs: 5:30am – 4:30pm (With every Friday and Holidays off)	44

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

EXHIBIT B

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compnsation break down and an estimated amount of expenses is as follows:

2022 Pricing for Geothermal Plant Facility:



Pricing

Option I - Standard Security Professional

Position		Bill Rate
Security Professional		\$27.00
Security Professional - Overtime		\$40.50

Rate Increases:

Billing rates will increase annually by 3%.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



Commission Staff Report – *DRAFT*

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: 2022 Steam Field Operation and Generation Forecast, Applicable to the following: NCPA Geothermal Facility

AGENDA CATEGORY: Consent

FROM:	Michael DeBortoli Acting Assistant General Manager	METHOD OF SELECTION: N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Geothermal	

IMPACTED MEMBERS:			
All Members	<input type="checkbox"/>	City of Lodi <input checked="" type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power	<input checked="" type="checkbox"/>	City of Lompoc <input checked="" type="checkbox"/>	City of Ukiah <input checked="" type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input checked="" type="checkbox"/>
City of Biggs	<input checked="" type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley	<input checked="" type="checkbox"/>	City of Roseville <input checked="" type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg	<input checked="" type="checkbox"/>	City of Santa Clara <input checked="" type="checkbox"/>	Other <input checked="" type="checkbox"/>
<i>If other, please specify</i>			Turlock

RECOMMENDATION:

Approve Resolution 22-XX authorizing the 2022 Steam Field Operations and Forecast Report dated April 2022 as the Geothermal Operating Protocol effective July 1, 2022. This Operating Protocol is to remain in effect until replaced by the Commission.

BACKGROUND:

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.

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 2022, NCPA proposes that the current Operating Protocol remains in effect. As a reminder, the proper economic conditions under the current Protocol are as follows:

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- 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.

This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW.

FISCAL IMPACT:

The approved FY 2023 Geothermal budget covers the proposed action.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee review and approval.

AFTER FACILITIES APPROVAL: On June 1, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

SR: XXX:22

- Resolution 22-XX
- 2022 Steam Field Operations and Forecast Report

DRAFT

RESOLUTION 22-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE 2022 STEAM FIELD OPERATIONS FORECAST REPORT AS THE 2022 GEOTHERMAL OPERATING PROTOCOL

(reference Staff Report #XXX:22)

WHEREAS, the Northern California Power Agency (NCPA) operates and maintains on behalf of the project owners a Geothermal Facility near Middletown, CA, consisting of two power plants with containment areas, and 79 steam production and injection wells connected by roads; and

WHEREAS, the 2022 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; and

WHEREAS, this report will act as the Operating Protocol for NCPA's Geothermal facility, with the goal of maximizing the generation output. The Operating Protocol currently uses a two-zone strategy with wells on the west side of the NCPA lease producing to 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; and

WHEREAS, for 2022, NCPA proposes that the current Operating Protocol remains in effect. As a reminder, the proper economic conditions under the current Protocol are as follows:

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- 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; and

WHEREAS, the Operating Protocol establishes a 2022 annual peak generation target of 102.9 gross MW; and

WHEREAS, the approved FY 2023 Geothermal budget covers the proposed action; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency adopts the 2022 Steam Field Operations and Forecast Report dated April 2022 as the Geothermal Operating Protocol effective July 1, 2022, to remain in effect until replaced by the Commission.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST: CARY A. PADGETT
ASSISTANT SECRETARY



Steam Field Operations & Forecast Report – April 2022



NCPA
Generation Services – Geothermal Facilities
Steam Field Operations and Forecast Report

April 2022

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NCPA
Generation Services Business Unit
Steam Field Operations and Forecast Report

April 2022

Executive Summary

This report provides an update on the status of the NCPA Geothermal Project. There are two main sections:

- I. A review of steam field operations, the water injection program, and the Geothermal Operating Plan.
- II. A review of 2021 reservoir performance with a generation forecast for 2022.

Analysis of geothermal reservoir during 2021 shows that steam production has moderated further and is now estimated at an 0.8% harmonic decline rate going forward. The peak generating capacity for 2021 was 108.8 MW gross or 100.5 MW net. Net generation for the year was 786.1 GWhrs.

Water injection continues to be essential in maintaining reservoir pressure and mitigating steam production decline rates. In 2021, the average water injection rate was 1,253 gpm. This water was composed of wastewater from the Southeast Geysers Effluent Pipeline (SEGEP) and steam condensate from the power plants. The SEGEP wastewater that is piped to the Geysers is shared between NCPA and a nearby power producer, Calpine. NCPA received 20.7% of the wastewater delivered in 2021. The amount of wastewater injected into the NCPA lease has been intentionally reduced over the last two years. Numerical modeling of the field indicated that reduced injection would result in higher steam production. The reduced steam decline rate appears to be evidence of this effect.

In 2022, water injection will continue to operate at reduced levels since California is still experiencing drought conditions. The drought conditions have impacted the amount of available wastewater from the SEGEP pipeline. The water piped to the lease is composed of approximately 50% freshwater from Clearlake and 50% secondary treated wastewater from Lake County Sanitation District. While Clearlake is located in Lake County, the water rights are owned by Yolo County and during drought conditions, the freshwater component is withheld from the SEGEP pipeline. The earliest this water will become available is May 1, 2023. In spite of the reduced amount of water, there have been no detrimental effects observed in the steam field. The field will continue to be closely monitored for any changes in decline rate.

The 2022 generation forecast projects the peak generating capacity to be 102.9 MW gross or 95.2 MW net for the year. NCPA geothermal facilities are forecast to generate 734.1 GWhrs net in 2022. For FY 2023, the net generation is forecast to be 734 GWhrs. The estimated 25 year projected net reserves are 16,840 GWhrs.

I. STEAM FIELD OPERATIONS

In This Section

- ▶ Overview of Annual Production and Injection
- ▶ Water Injection Program
- ▶ Geothermal Operating Plan

A. Overview of 2021 Production and Injection

NCPA continued to operate the Geothermal Project as a base load facility in 2021. Steam production for the year was 14.13 Glbs with water injection of 5.48 Glbs for an annual mass replacement ratio of 38.8%. Water injection on the NCPA lease is a combination of steam condensate recovered from the cooling towers and wastewater from the Southeast Geysers Effluent Pipeline (SEGEP). The water from the SEGEP pipeline is shared between NCPA and a nearby power producer. NCPA received 20.8% of the wastewater in 2021. The average total injection rate for NCPA decreased from 1,589 gpm in 2020 to 1,253 gpm in 2021.

The reduction in water injection was both intentional and unavoidable. Reservoir modeling studies indicated that reduced injection would lead to increased steam production and higher reservoir pressures. As a result, water injection was curtailed starting in August 2020 with the intent of improving reservoir conditions by causing a higher boil off rate and recovery of existing reserves.

Further, drought conditions due to lack of rainfall existed for most of the 2021 year. The SEGEP pipeline lost access to freshwater from Clearlake due to the drought conditions and operated at roughly one third its normal capacity.

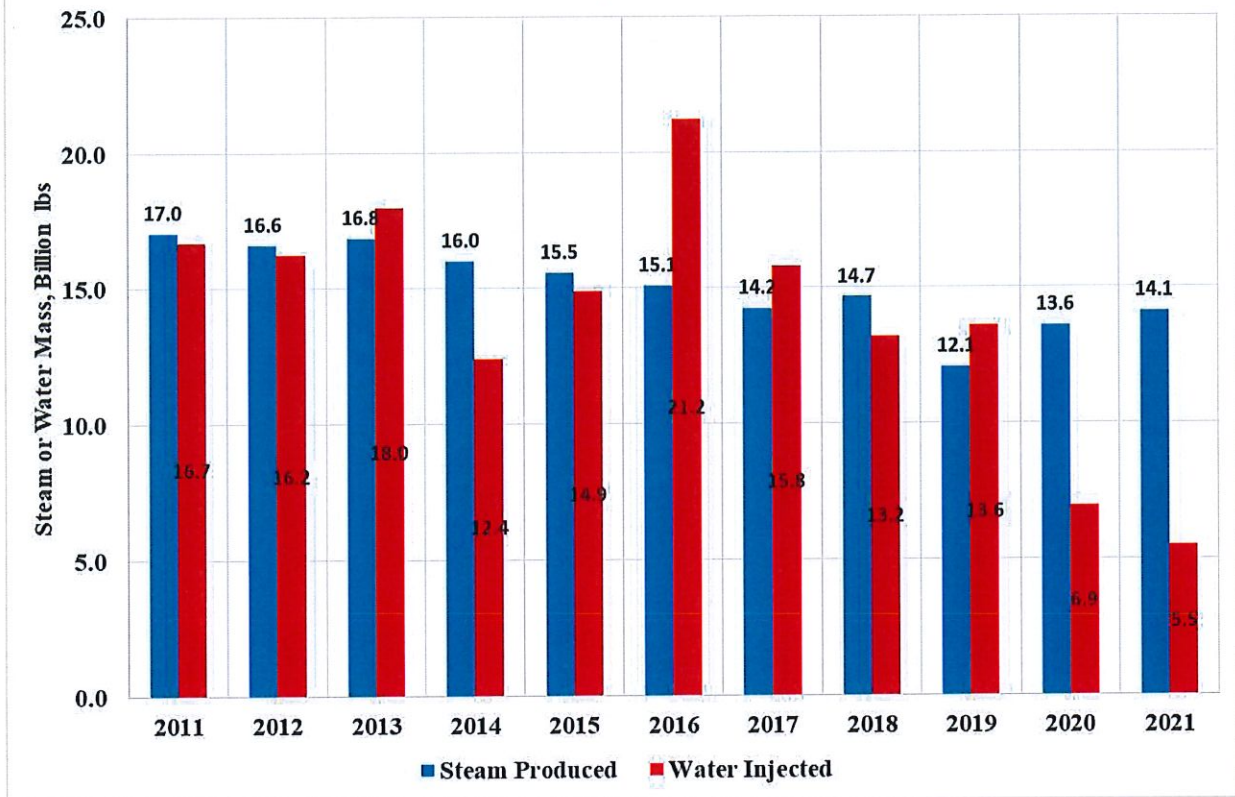
The cumulative mass replacement ratio from plant startup in 1983 through 2021 was 66.7% (*Figure 1*). The net mass withdrawal of steam from the reservoir (Mass Produced less Mass Injected) through 2021 is 237 billion lbs.

The average generation capacity level for 2021 was 96.1 MW gross or 89.7 MW net. These values were higher than forecast capacity of 93 MW gross or 82.9 MW net. The higher capacity values are attributed to higher steam production as a result of reduced water injection.

Production Highlights during 2021 include:

- ▶ The 2021 peak gross generation level was 108.8 MW or 100.5 MW net.
- ▶ Average annual mass replacement in the reservoir or the percentage of steam production replaced by water injection was 38.8% in 2021. The 2021 average injection rate was 1,253 gpm.

Historical NCPA Steam Production and Water Injection Levels
Figure 2



B. Water Injection Program

NCPA continues to operate the steam field in the manner intended to maximize the recovery of injected water. In order to maximize recovery, it is important to have sufficient water and distribute it over the widest possible area of the field. It is also necessary to inject water at the lowest possible rate to maximize the heat transfer between the reservoir rock and water. Other factors that weigh into water injection strategy are targeting hotter zones of the field and higher gas concentrations within the reservoir. The water injection program discusses NCPA's supplemental water source, the Southeast Geysers Effluent Pipeline (SEGEP), current injection operations, micro-earthquake activity and non-condensable gas trends.

1. Southeast Geysers Effluent Pipeline (SEGEP)

The Southeast Geysers Effluent Pipeline (SEGEP) project is a pipeline bringing water to The Geysers for the purpose of supplementing water injection in the field. During normal years, NCPA receives an average 2,700 gpm out of 5,600 gpm water that is delivered. Injection of this water into The Geysers reservoir helps mitigate reservoir pressure declines and increases steam reserves. *Figure 6* shows the historical SEGEP deliveries for NCPA and the total for the project.

California has experienced drought conditions over the last two years and as result, the water available from SEGEP has been severely restricted. During normal years, SEGEP wastewater is comprised a combination of secondary treated wastewater and freshwater taken from Clearlake. In 2021, this composition of water was 73% secondary treated wastewater and 27% freshwater taken from Clearlake. Note that even though Clearlake is located in Lake County, the water rights are owned by Yolo County. Those water rights expire in December 2026 and efforts are being made to ensure the freshwater component will remain available for future operation of the SEGEP pipeline.

The freshwater component of SEGEP is the main variable in determining how much water is available for injection and subject to an annual restriction if the water level in Clearlake gets too low. The Rumsey gauge in Lakeport is the official device measuring the lake level and if it drops below 3.5 ft on May 1 of each year, the SEGEP pipeline loses access to any freshwater. The lake level was 0.85 ft on May 1, 2021 and as of April 15, 2022 is 0.24 ft. Freshwater from Clearlake won't be available to supplement the secondary treated wastewater until at least May 1, 2023.

In spite of the reduced water injection, it has not negatively impacted the reservoir. In 2020, numerical modeling studies indicated that reduced water injection would increase recovery of reserves by increasing the boil off rate of previous injected water. As a result, overall injection was intentionally reduced to approximately 40% of the pre-drought level and steam production increased about 100 kph above expected levels. Numerical modeling results indicate that another year of reduced injection should continue to facilitate increased steam production along with a rebound of reservoir pressures and temperatures.

2. Injection Operations

With reduced injection, there were seven different wells used for injection in 2021. The injection strategy continues to be an effort to spread water over large geographic area and limit injection rates down individual wells as much as possible. The 2021 overall injection rate of combined steam condensate and wastewater was 1,253 gpm and is a decrease from the 2020 rate of 1,589 gpm.

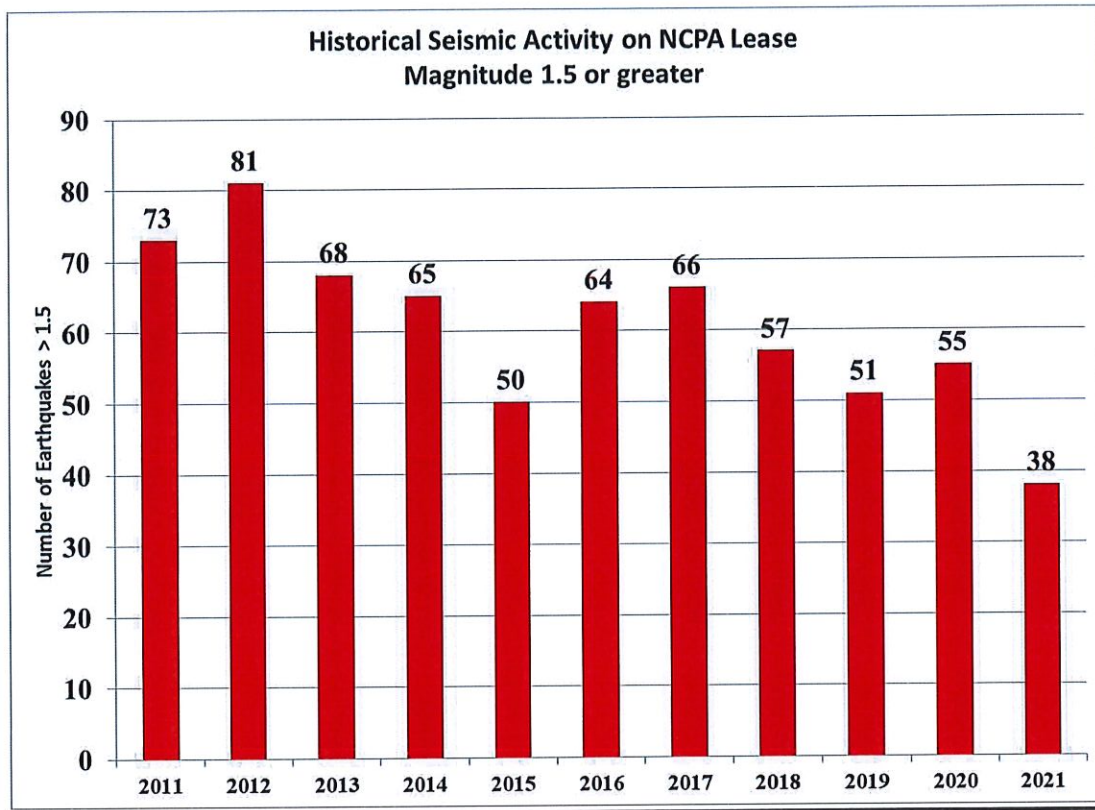
Figure 7 shows the relative location of the seven injection wells on the NCPA lease. Three of these wells, E-8, P-7, and Q-10, are only connected to the SEGEP pipeline and therefore receive only effluent or wastewater. The remaining four wells received a combination of condensate and wastewater. *Figure 8* and *Table 1* show the relative amounts and type of water each well received in 2021.

3. Micro-earthquake Activity

Studies by the United States Geological Survey (USGS) and others have demonstrated that the steam production and water injection at The Geysers can cause frequent micro seismic events to occur. As a result, NCPA and the other operators are required to continuously monitor and report on the earthquakes that occur within The Geysers geothermal field. *Figure 9* is a map showing the locations of the 637 seismic events of magnitude 1.5 and larger that occurred within The Geysers field during 2021. Ten of

these events had an earthquake magnitude of 3.0 or greater. The three largest seismic events were all a magnitude 3.98. Two of the events occurred on the neighboring operator's lease. One event was on the NCPA lease.

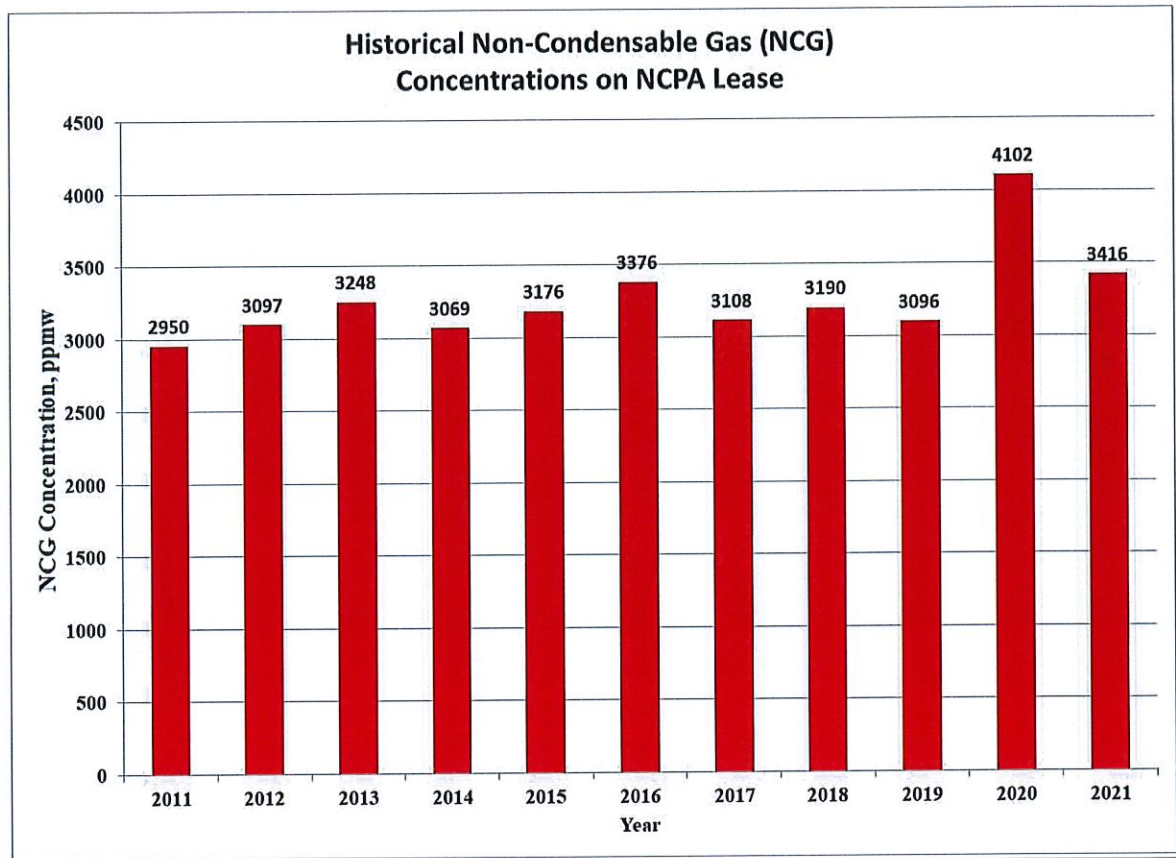
On the NCPA lease, there were 38 events of $M=1.5$ or greater. The figure below shows the historical seismic activity for the NCPA lease from 2011 through 2022. The seismic activity for 2021 was significantly lower than in 2020.



4. Non-condensable Gas (NCG) Trends

Non-Condensable Gas (NCG) is a natural product of the reservoir and may be present in varying concentrations within the steam that is produced at The Geysers. NCG production reduces plant efficiency and increases chemical treatment costs. The values vary significantly based on operating guidelines for the field, plant outages, or injection strategy. Water injection in areas of high gas concentration generally reduces NCG production and improves plant efficiency.

As shown in the graph below, NCG concentrations were down in 2021. Efforts to reduce NCG production continue to require either increased injection or a more targeted approach in places to inject water. Since the SEGEP pipeline will be operating at a reduced level in 2022 again, any available water should be directed toward the highest NCG production areas. A review of *Table 4* indicates that well pads E, P, and Q are likely targets. The figure below shows the overall NCG levels while Figure 10 shows the relative changes throughout the field.



Injection Highlights during 2020 include:

- ▶ Water injection continues at a reduced level and is approximately 40% of the pre-drought level.
- ▶ Starting in year 2020, the reduction in water injection was intentional as numerical modeling results indicated that reduced injection would eventually lead to increase steam production and a rebound in reservoir pressures and temperatures.
- ▶ California continues to experience drought conditions. The SEGEP pipeline will again lose access to freshwater from Clearlake until May 1, 2023. The reduced injection has resulted in increased steam production and this trend is expected to continue into 2023.
- ▶ Non-condensable gas production was down in 2021. Targeted injection will be necessary to keep the NCG level from rising in 2022.

C. Geothermal Operating Plan

The Geothermal Project Operating Agreement requires the NCPA Commission to establish an Operating Plan and an annual operating level for the Geothermal Units. The purpose of the plan is to maximize the efficient use of the geothermal resource, protect the power plants and equipment, and meet all regulatory and permitting requirements.

The current 2021 Geothermal Operating Protocol was recommended by the Coordinated Operating Group (COG), the Generation Services Business Unit, and the NCPA Commission and approved by the NCPA Commission during the May 27, 2021 meeting. The Protocol used a two-zone strategy with wells on the west side of the NCPA lease producing to Plant #1, Units #1 and #2 while the wells on the east side of the NCPA lease produced to Plant #2, Unit #4. The 2021 Protocol also allowed for reduction of load under the economic conditions listed below.

- Day Ahead Market Prices are a minimum of negative \$25 per MWhr.
- 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.

In 2022, the recommended Operating Protocol is to continue using the two-zone strategy, operate Plants #1 and #2 at baseload conditions with the goal of maximizing generation, and only reduce generation load under the conditions described above. This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW.

2021 RESERVOIR PERFORMANCE REVIEW

In This Section

- ▶ Reservoir Pressure Distribution
- ▶ Reservoir Pressure and Flowrate Decline
- ▶ 2021 Generation Review
- ▶ 2022 Generation Forecast

Reservoir performance can be affected by a number of factors such as changes in the location or amount of water injected, the operating pressure of the field, gain or loss of production wells, or changes in the operation of nearby competitor leases. The effects of these changes on the reservoir are normally monitored by conducting pressure build-up tests on production wells, tracer tests on injection wells, and a continuous review of pressure, temperature, and flowrate data from the field. This section will discuss recent changes in reservoir pressure distribution, reservoir pressure decline, and steam field flowrate decline.

A. Reservoir Pressure Distribution

One of the most important parameters in predicting and explaining reservoir performance is static reservoir pressure. *Figure 11* shows areal pressure distributions of static reservoir

pressures for January 2021 and January 2022. In general, wells on the west side of the field have the lowest reservoir pressures (< 80 psig) and the east side of the field continues to be the higher pressure area.

B. Reservoir Pressure and Flowrate Decline

Changes in reservoir pressure over time are a function of the mass-replacement ratio. By injecting steam condensate and supplementing it with wastewater from the Southeast Geysers Project, the decline in reservoir pressures has moderated or slowed with time.

In 2022, shut-in pressures were either recorded or estimated for 60 wells. The estimated average wellhead shut-in pressure is 72.6 psig. The average well on the NCPA lease flows 28,800 lb/hr at 42.1 psig.

The projected flowrate decline is shown in *Figure 13*. In 2021, the overall steam production rate averaged 1,734 klbs/hr. The flow rate in 2022 is projected to be 1,717 klbs/hr. The overall steam field decline has moderated further due to the reduced injection and is now projected to be a harmonic 0.8% going forward. Reservoir parameters of steam flow, pressure and temperature will be closely monitored in the upcoming year to determine if the impact of reduced water injection continues to match the numerical modeling results.

C. 2021 Generation Review

Net generation for the NCPA Geo Facilities in 2021 was 786.1 GWhr. For FY 2022, it is estimated that net generation will be around 800.9 GWhrs. The 2021 peak gross generation level was 108.8 MW while peak net generation level was 100.5 MW.

D. 2022 Generation Forecast

The updated forecast of future reservoir performance, and the resulting energy generation forecast for the NCPA geothermal plants, was developed using decline curve analysis. Included in the forecast are:

1. Operation of the steam field in a two-zone operation.
2. The continued benefits from the Southeast Geysers Effluent Pipeline Project.

The most recently developed forecast of steam field operations is illustrated in *Figure 12*. This graph shows NCPA's 39-year historical data for both steam production and water injection, and forecasts of production and injection out to year 2046. While total water injection is capable of replacing 100% of the annual steam production, water injection has been intentionally reduced to stimulate steam production. With drought conditions continuing through 2022 and no negative effects to the reservoir from reduced injection rate, it's not certain when water injection will be increased again. Additional numerical modeling is recommended to study the long-term effects.

The total amount of steam capable of being produced by NCPA through year 2046 is currently estimated at 335.4 billion pounds. Remaining net generation reserves are estimated to be 16,840 GWhr. *Figures 14 and 15* respectively show the projected net generation capacity and total net generation amount for 2021 through 2046. *Table 5* details the annual gross and net generation. A more detailed monthly five year forecast can be found in *Table 6*.

In 2022, it is estimated that the Geo Facilities will generate 734.1 GWhrs net. The peak gross and net generation capacity for the year are respectively projected to be 102.9 MW gross and 95.2 MW net. For FY 2023, the net generation amount is projected to be 734 GWhrs.

SUMMARY

Steam Field Operations

- The NCPA lease produced 14.13 Glbs steam while injecting 5.48 Glbs of water resulting in an average mass replacement of 38.8% for the year.
- The peak gross generation level for 2021 was 108.8 MW gross while the net generation level was 100.5 MW net.
- The average water injection decreased from 1,589 gpm in 2020 to 1,253 gpm in 2021.

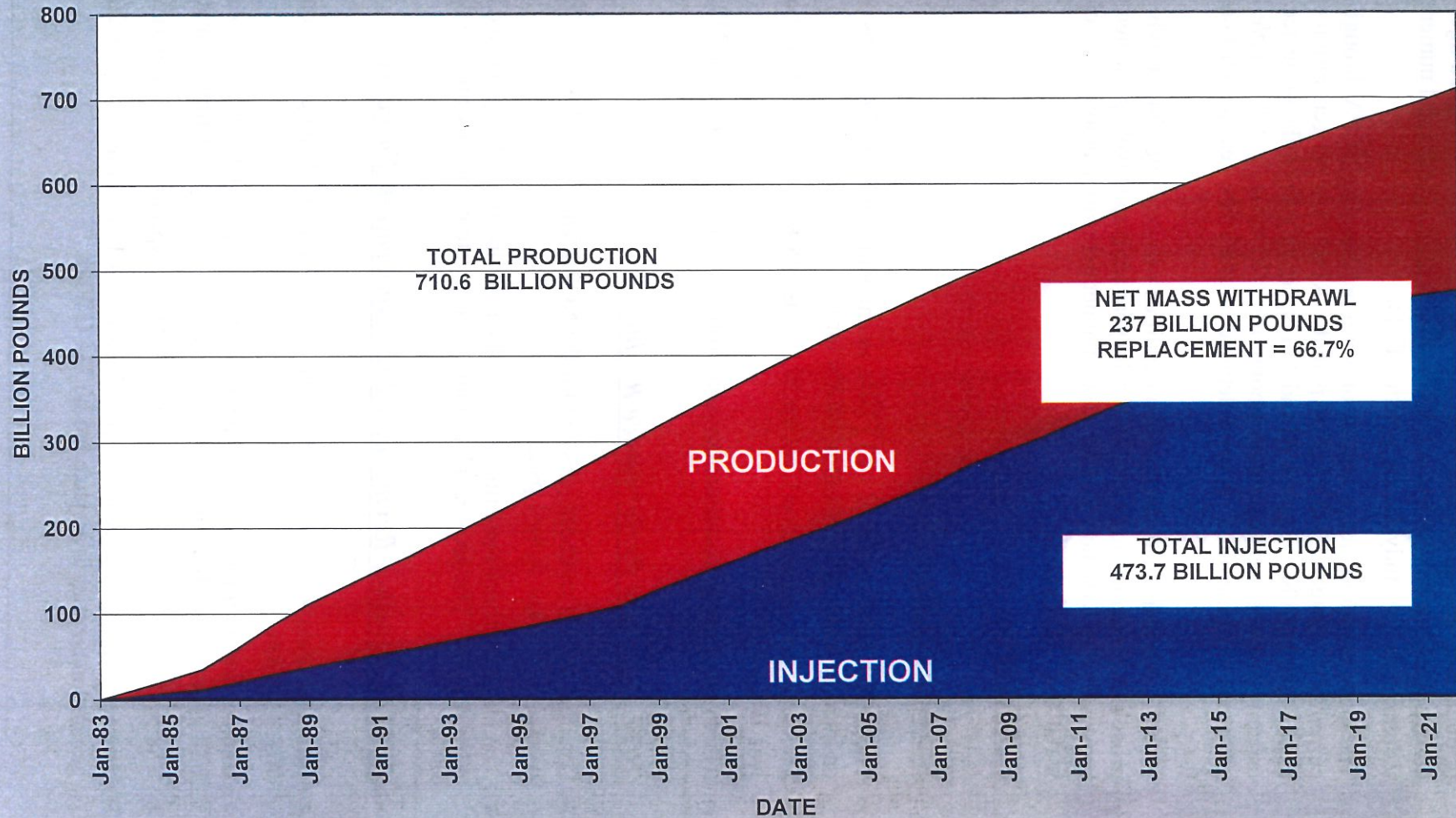
2021 Reservoir Performance Review

- Average shut-in wellhead pressure for the NCPA lease was 72.6 psig. The average well produces 28.8 kph at 42.1 psig.
- The steam field deliverability was 1,734 klbs/hr in 2021. The projected 2022 deliverability is 1,717 klbs/hr. The projected harmonic decline rate going forward is 0.8%.

2021 Generation Review and 2022 Generation Forecast

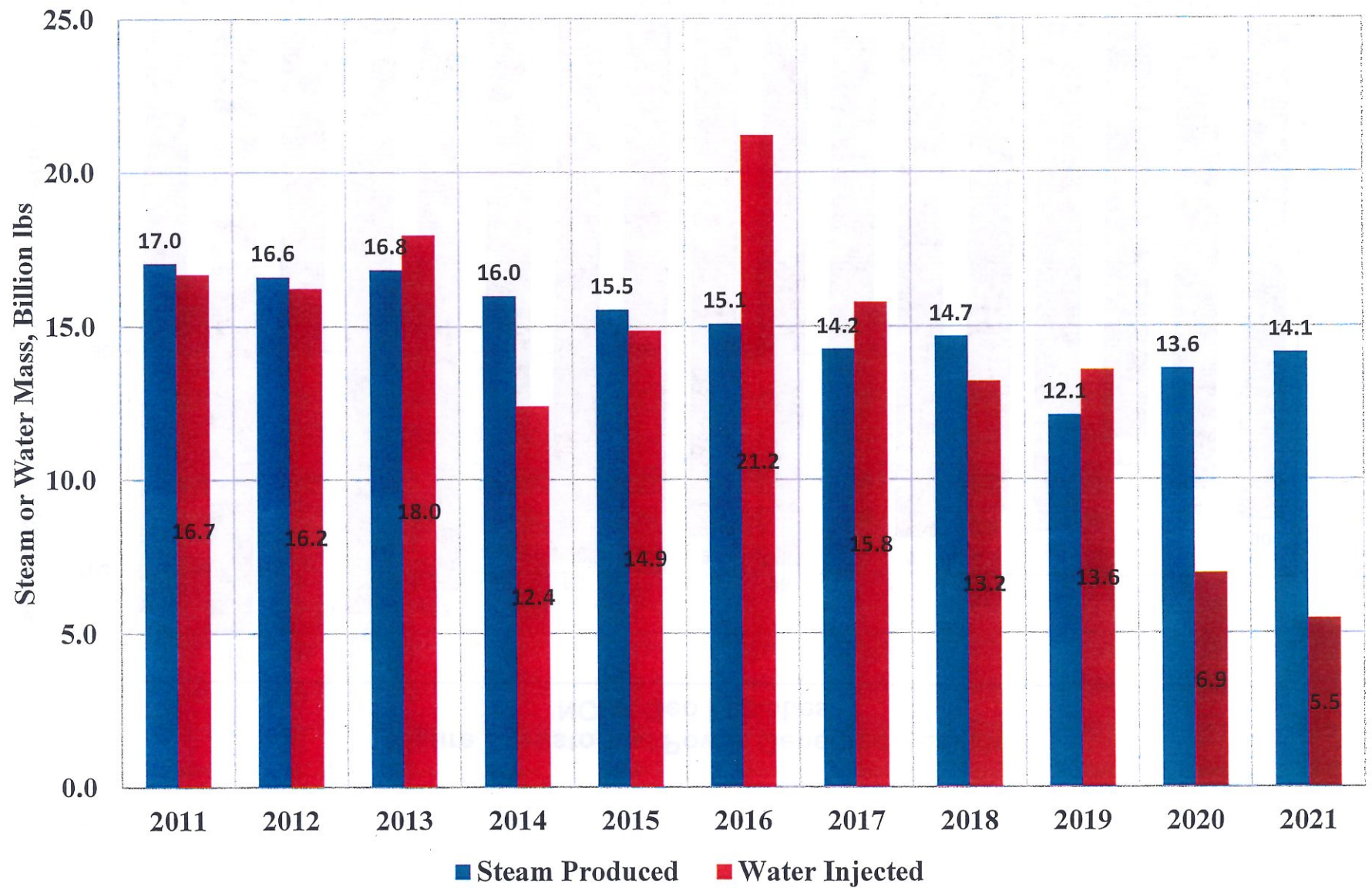
- Net generation for 2021 was 786.1 GWhrs. For FY 2022, net generation is projected to be 800.9 GWhrs.
- The generation forecast covers the period from 2021-2046. Recoverable steam reserves are 335.4 billion pounds with the total amount of remaining net generation estimated at 16,840 GWhr.
- The peak gross generation capacity for 2022 is expected to be 102.9 MW or 95.2 MW net.
- The net generation forecast for year 2022 is 734.1 GWhr net. For FY 2023, the net generation amount is projected to be 734 GWhrs.

FIGURE 1
NCPA STEAMFIELD
CUMULATIVE PRODUCTION AND INJECTION

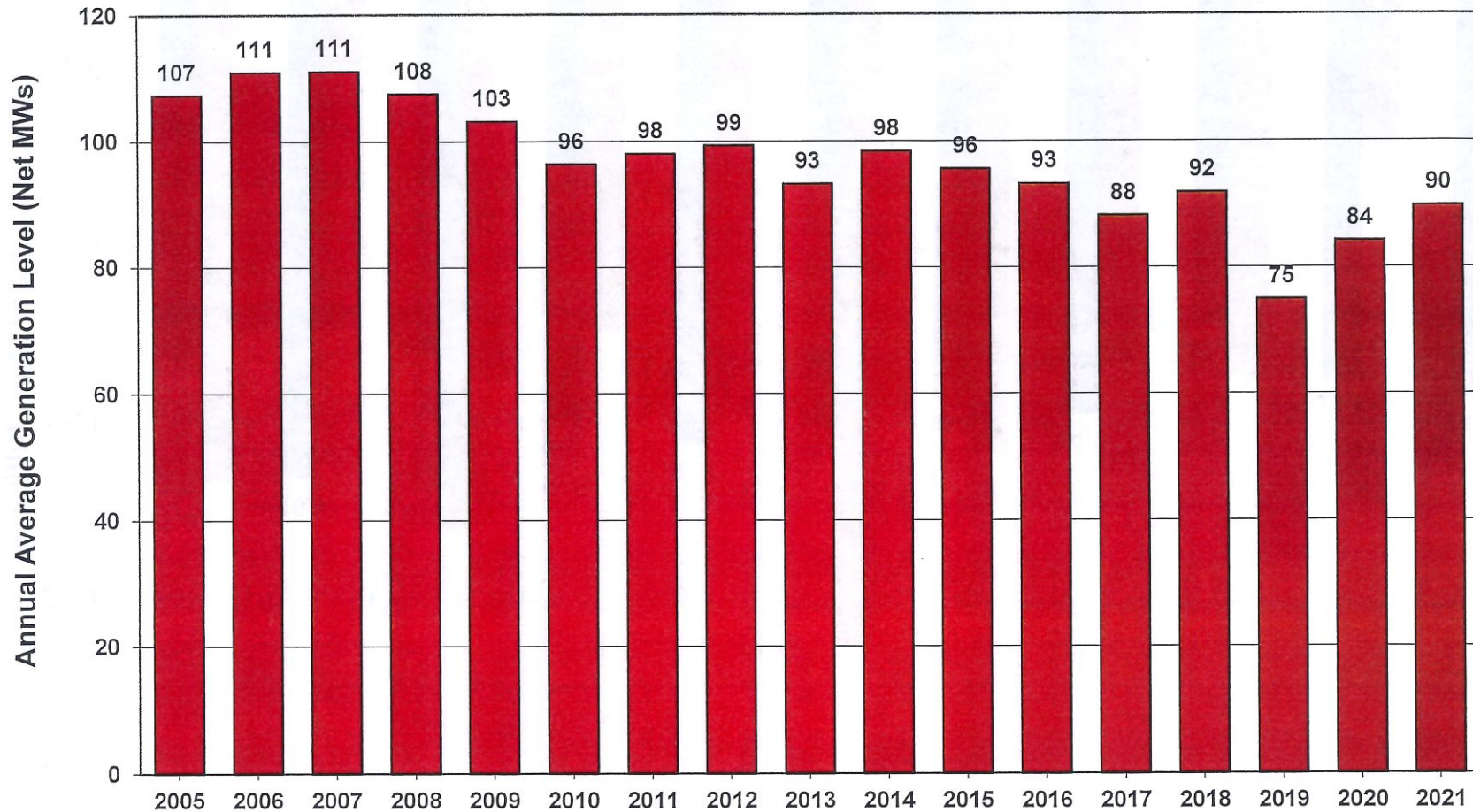


Historical NCPA Steam Production and Water Injection Levels

Figure 2



**Figure 3. Historical Power Generation Levels
NCPA Geo Facilities**



*Generation levels include downtime for unit outages and overhauls

2021 Gross Steam Utilization Figure 4

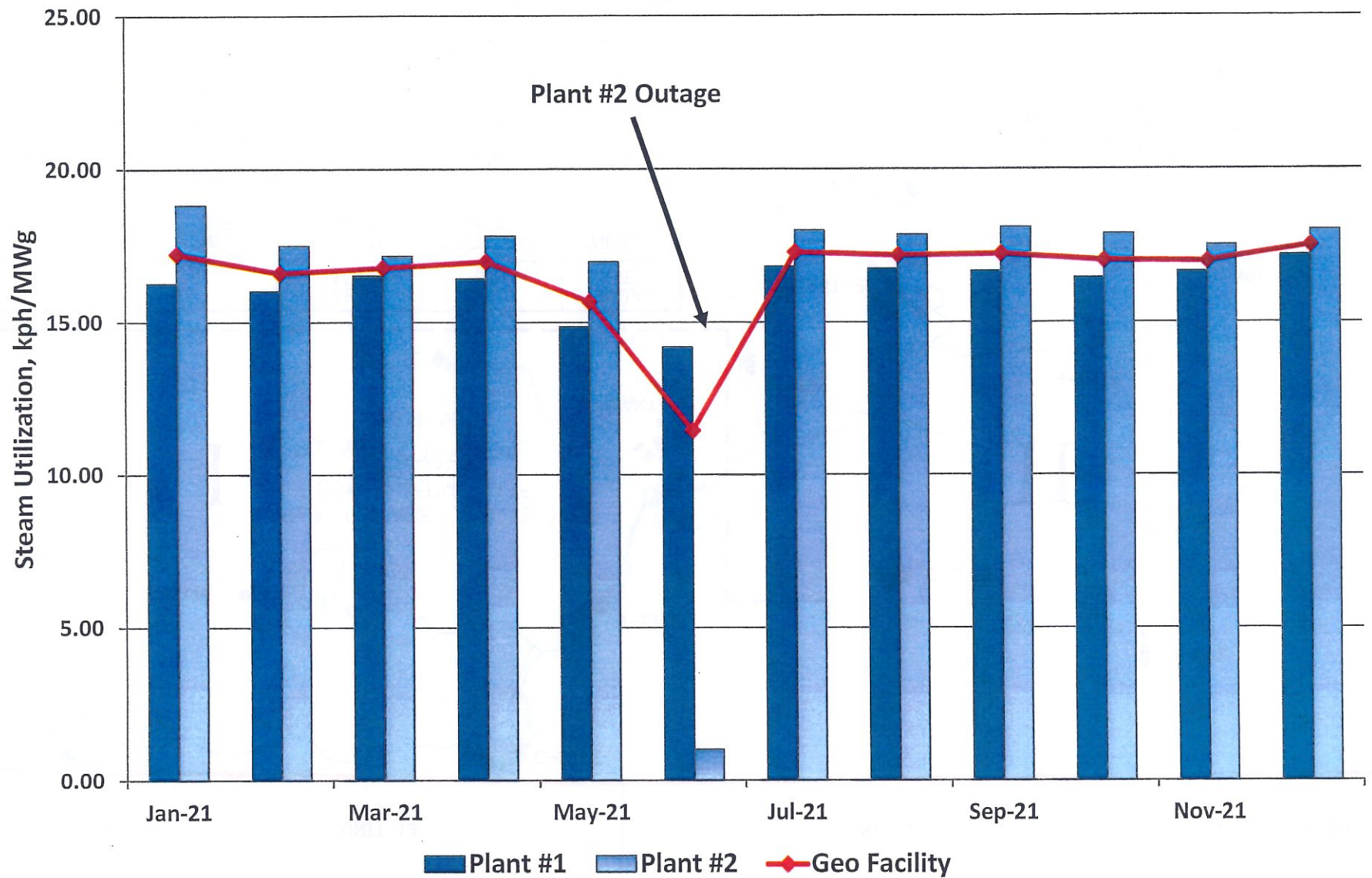
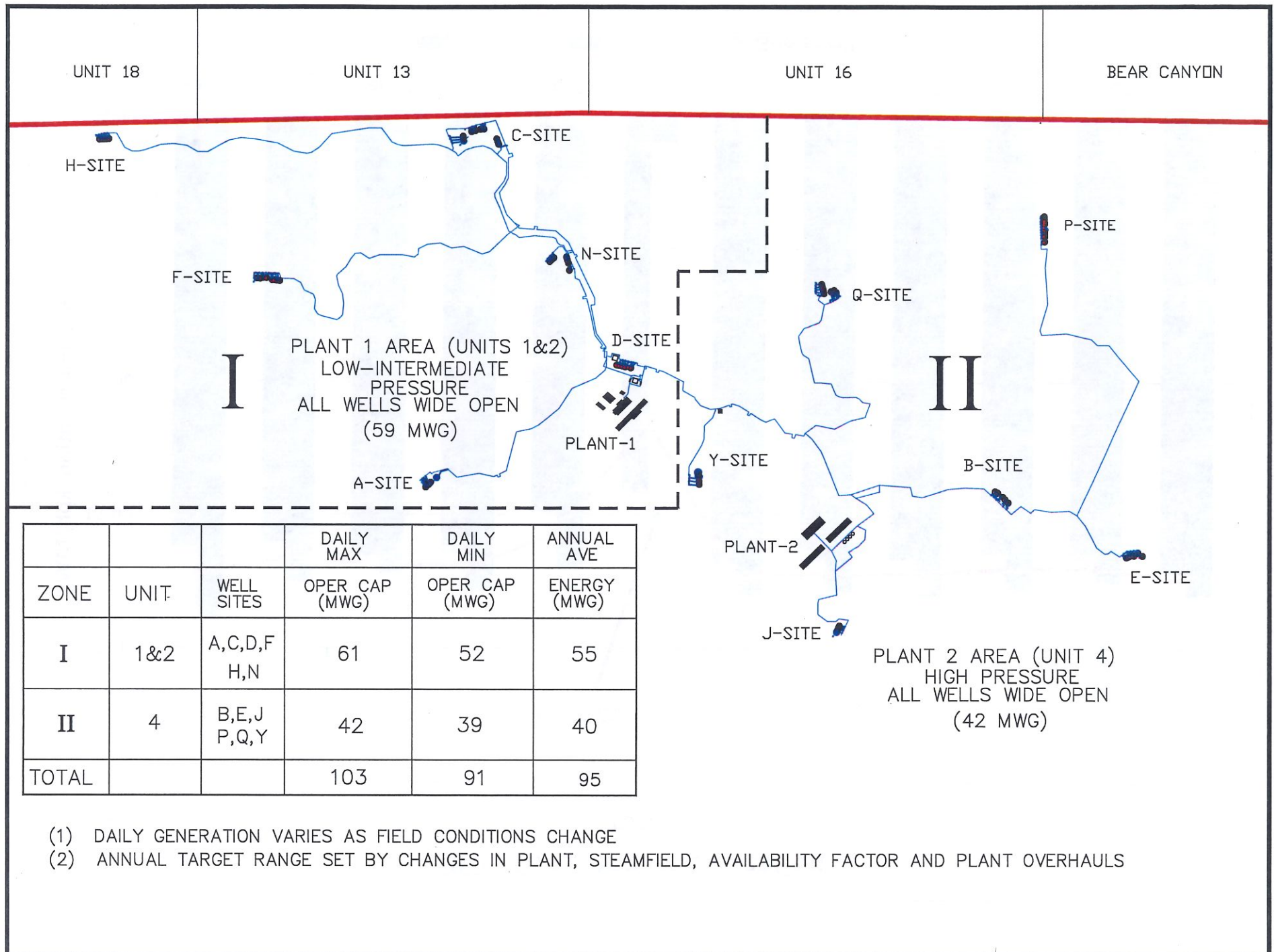


Figure 5. GEOTHERMAL OPERATIONAL PLAN 2022



**Figure 6. History of SEGEP Deliveries Total and NCPA
(Annual Average GPM)**

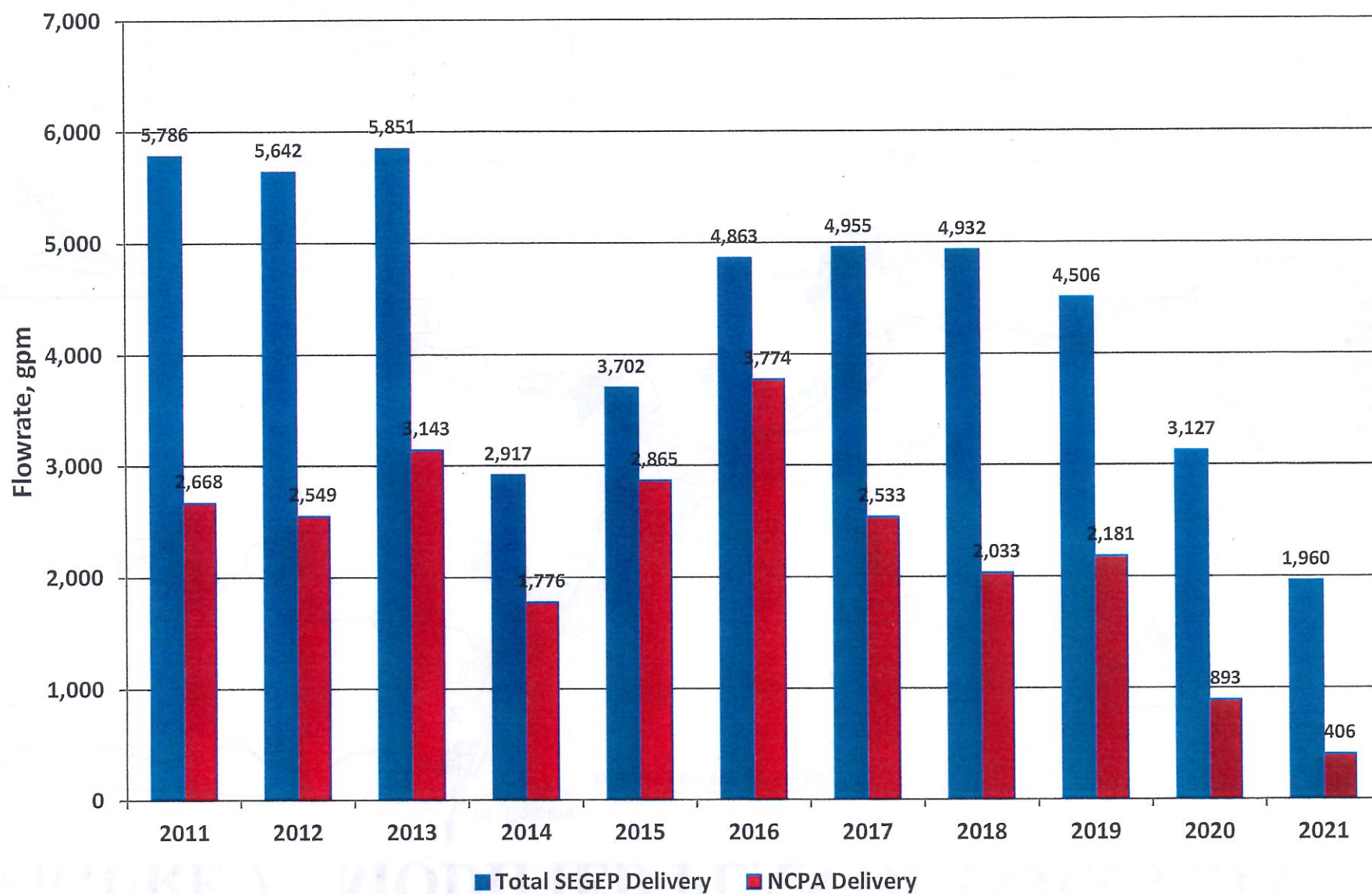


FIGURE 7 MODIFIED PLAN OF INJECTION

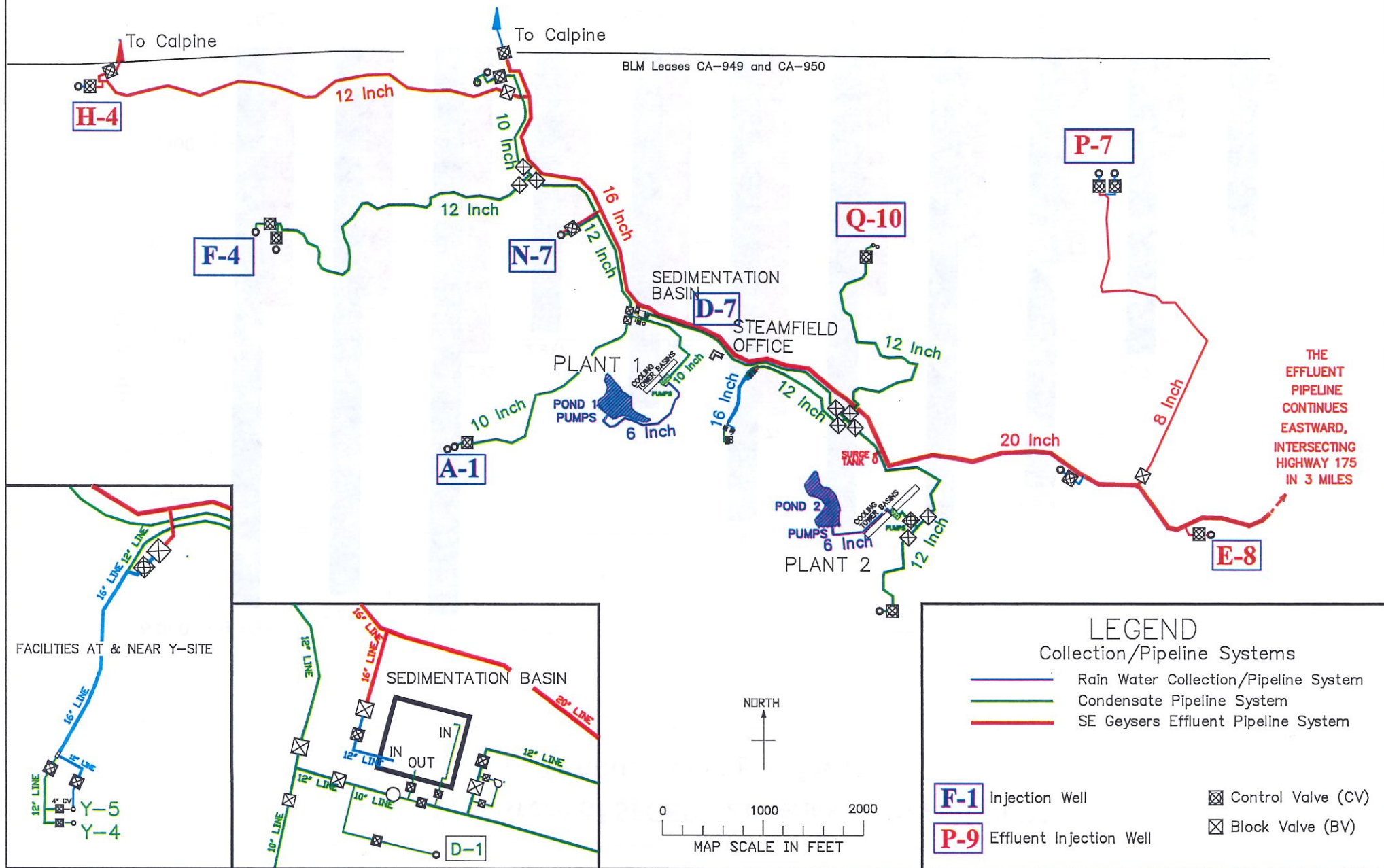
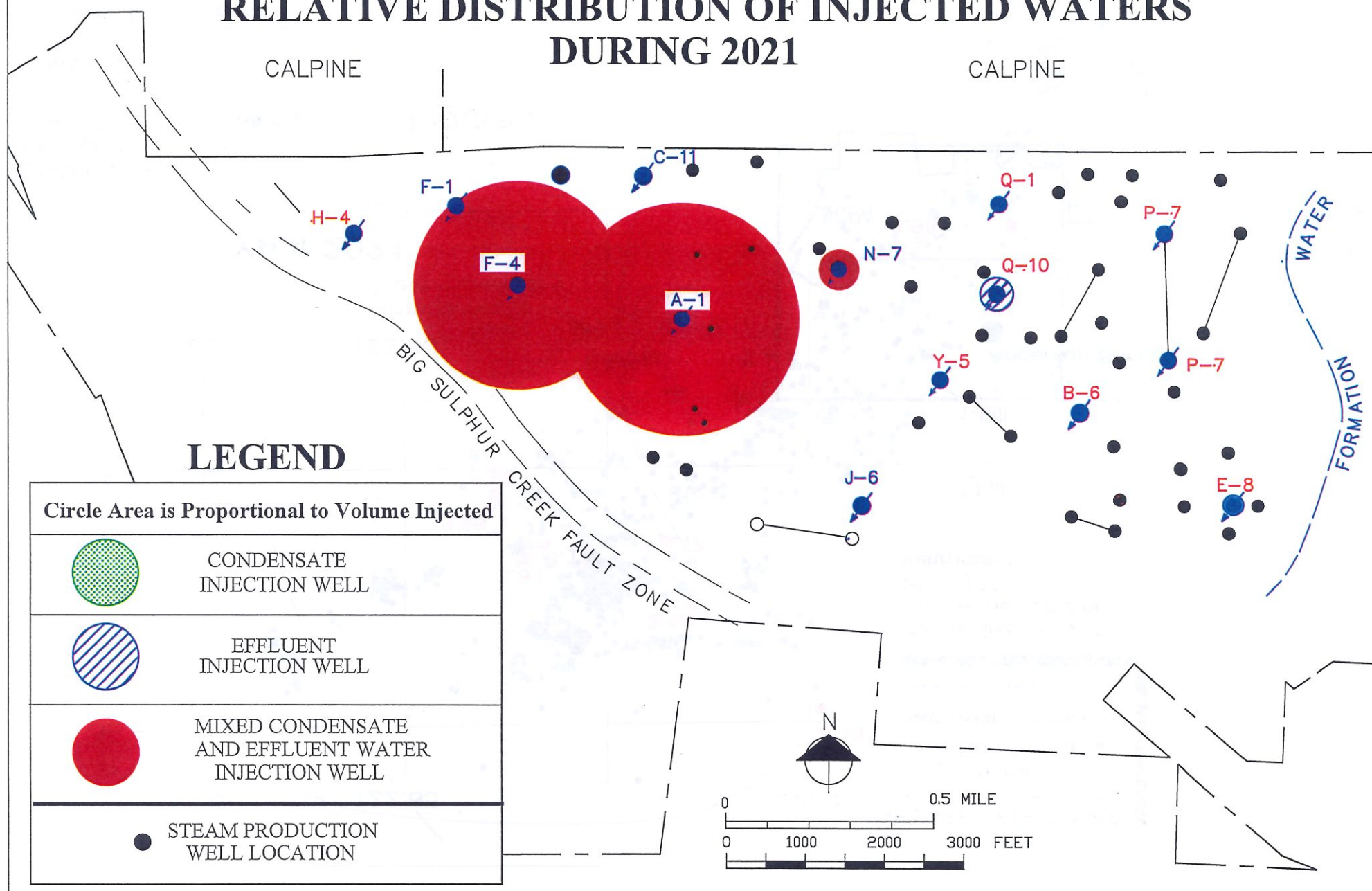


FIGURE 8
NCPA STEAM FIELD
RELATIVE DISTRIBUTION OF INJECTED WATERS
DURING 2021



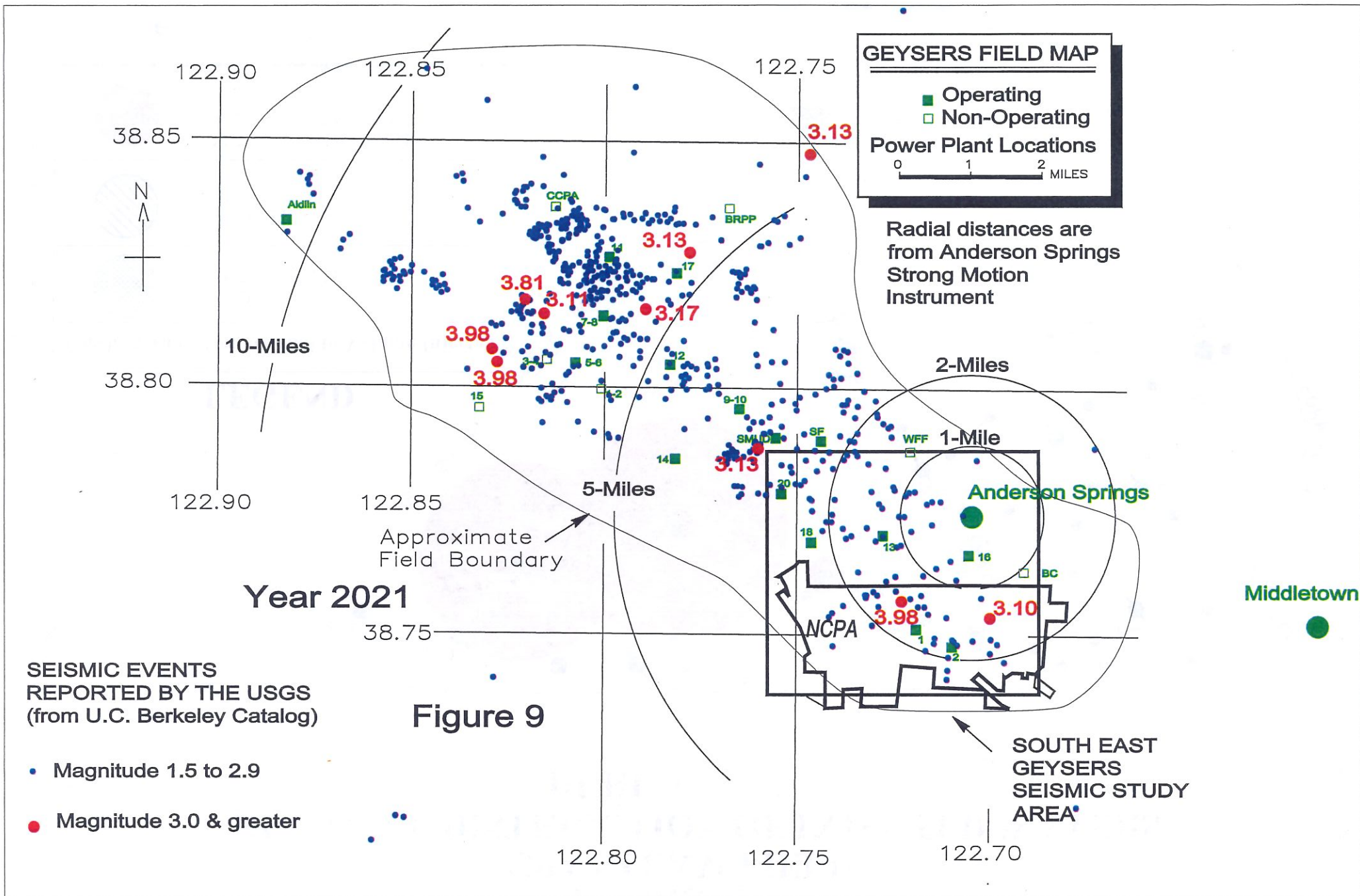


FIGURE 10
NONCONDENSABLE GAS CONCENTRATIONS
IN NCPA STEAM (ppm)

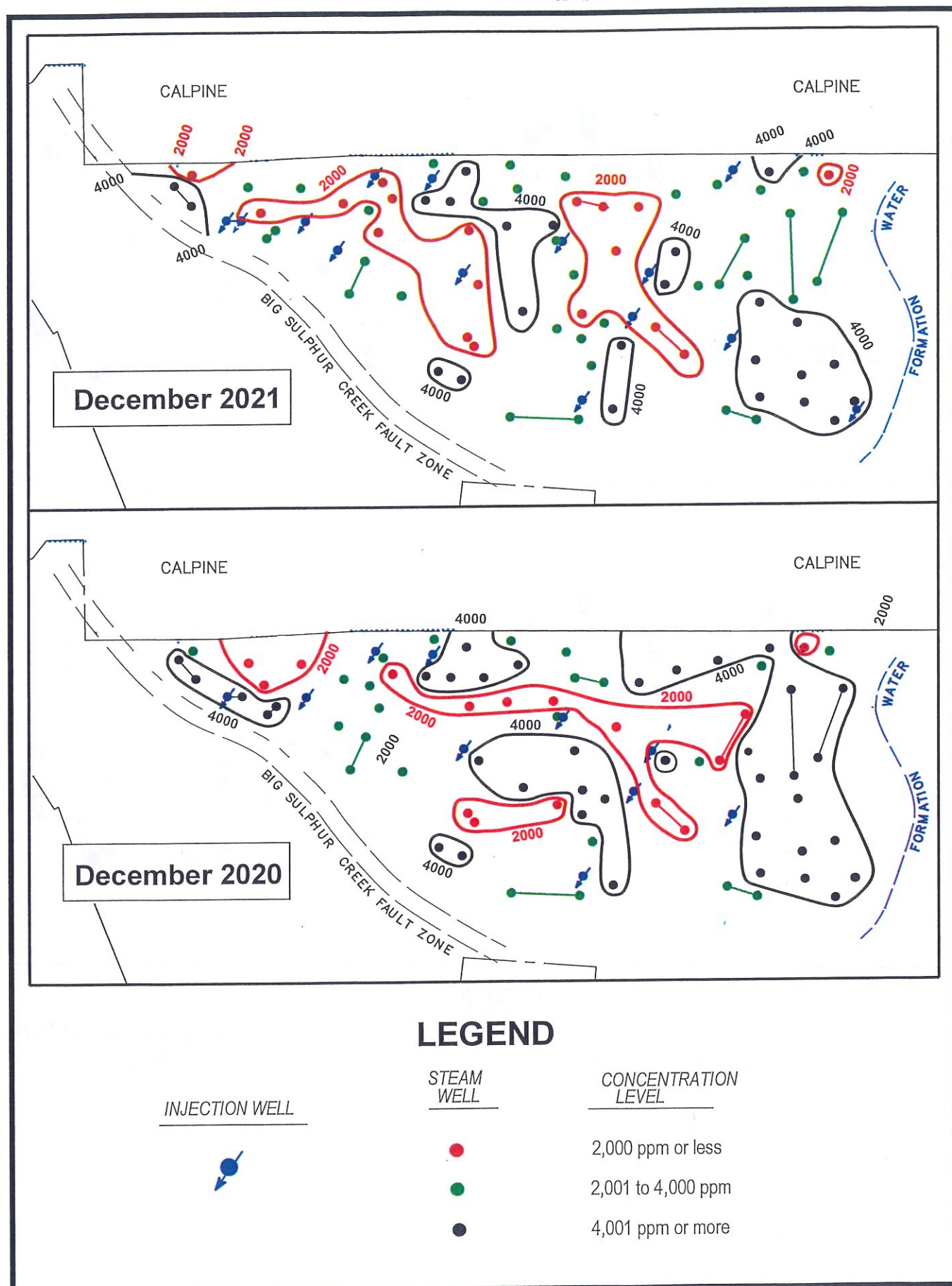
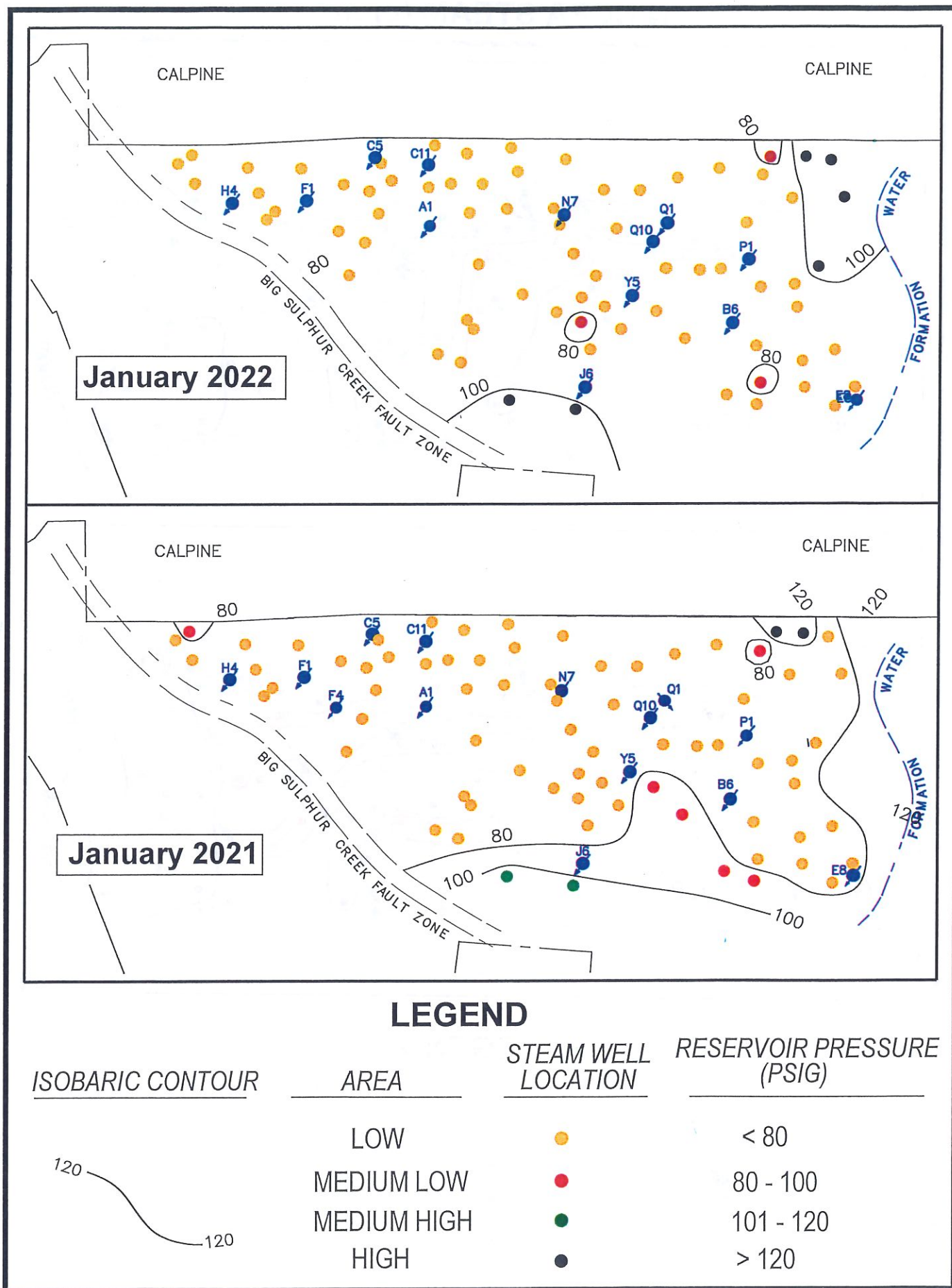
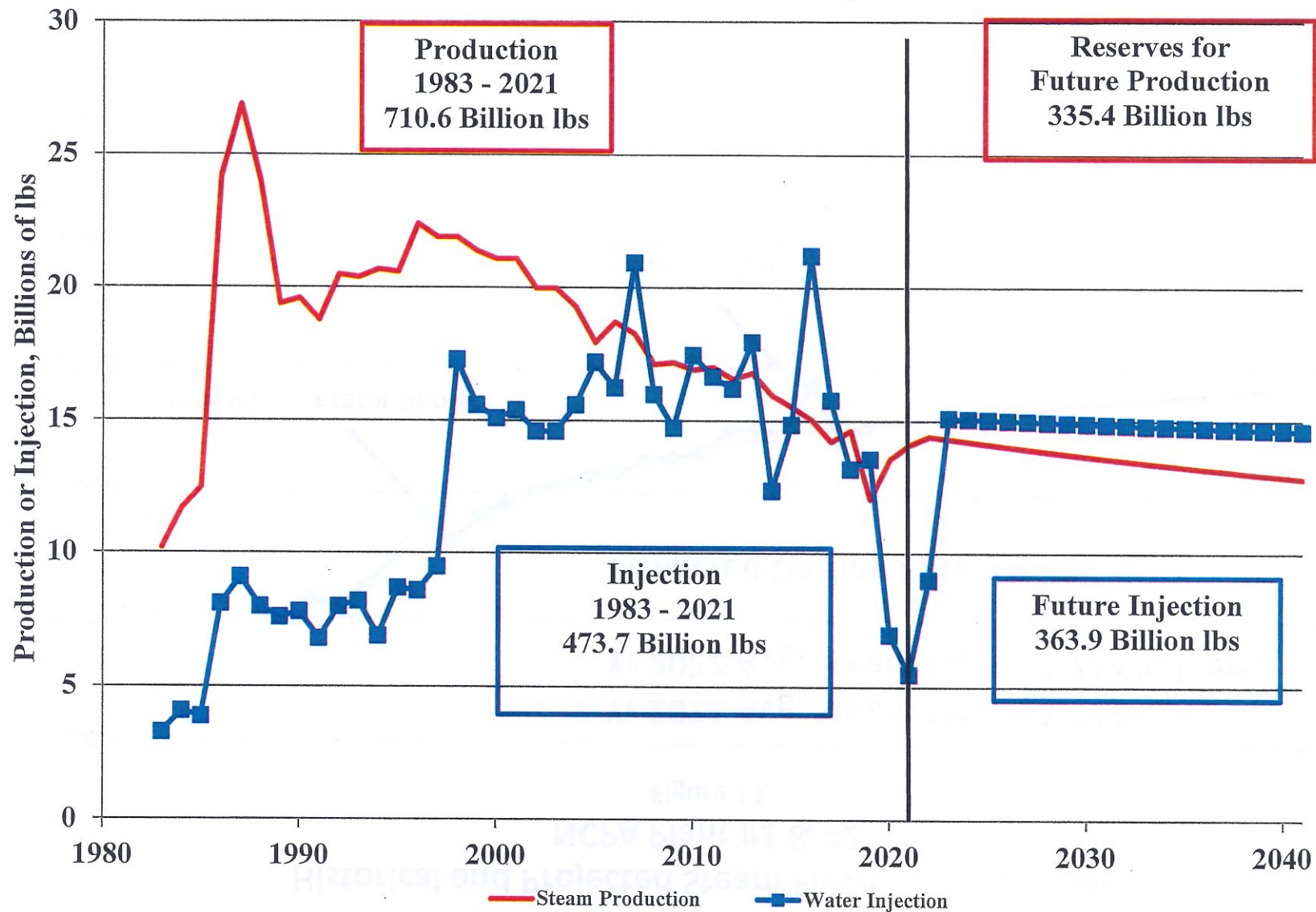


FIGURE 11

NCPA STEAM FIELD RESERVOIR PRESSURE

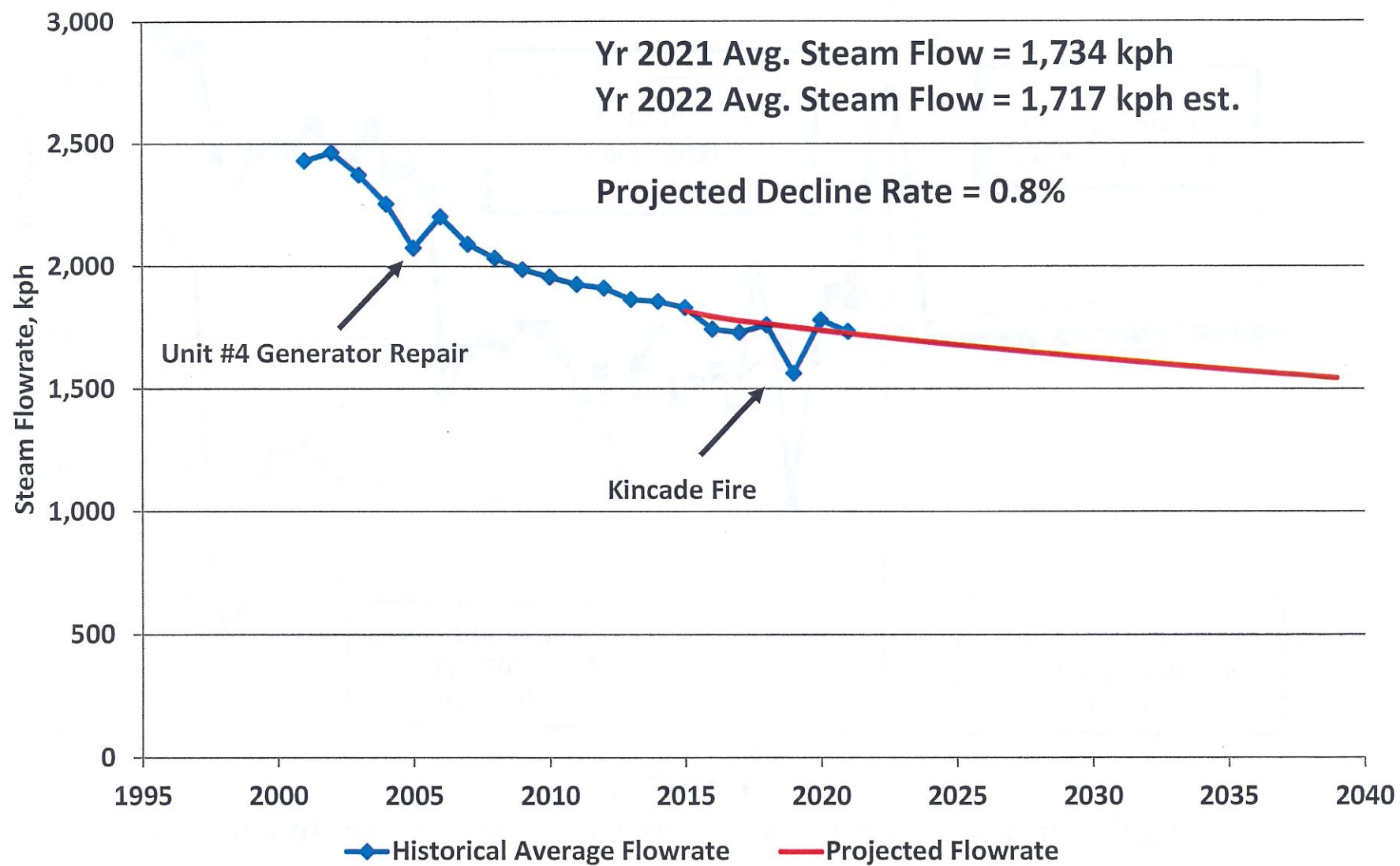


Historical and Forecast Steam Production & Water Injection Figure 12



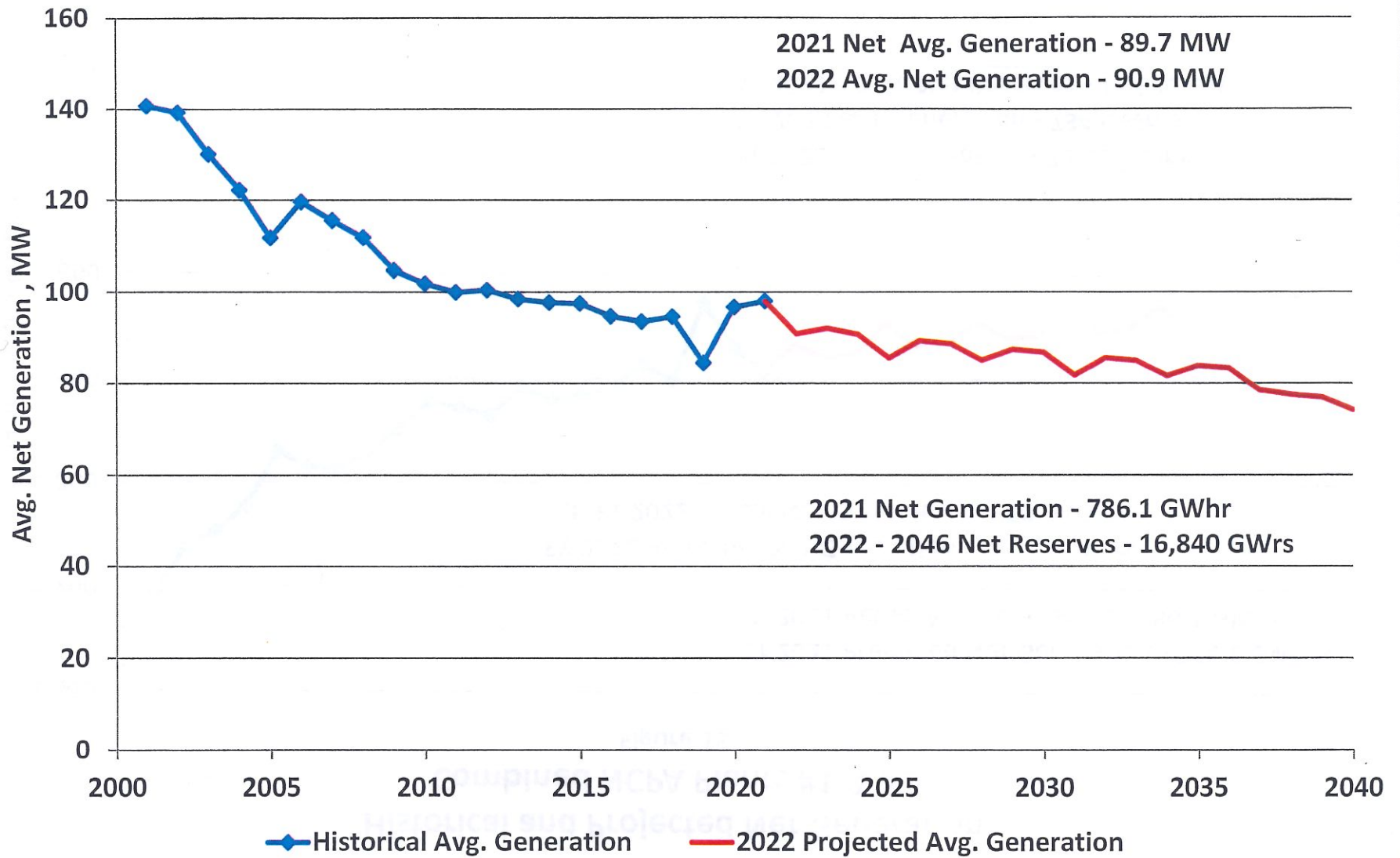
Historical and Projected Steam Flowrates Combined NCPA Plant #1 & #2

Figure 13



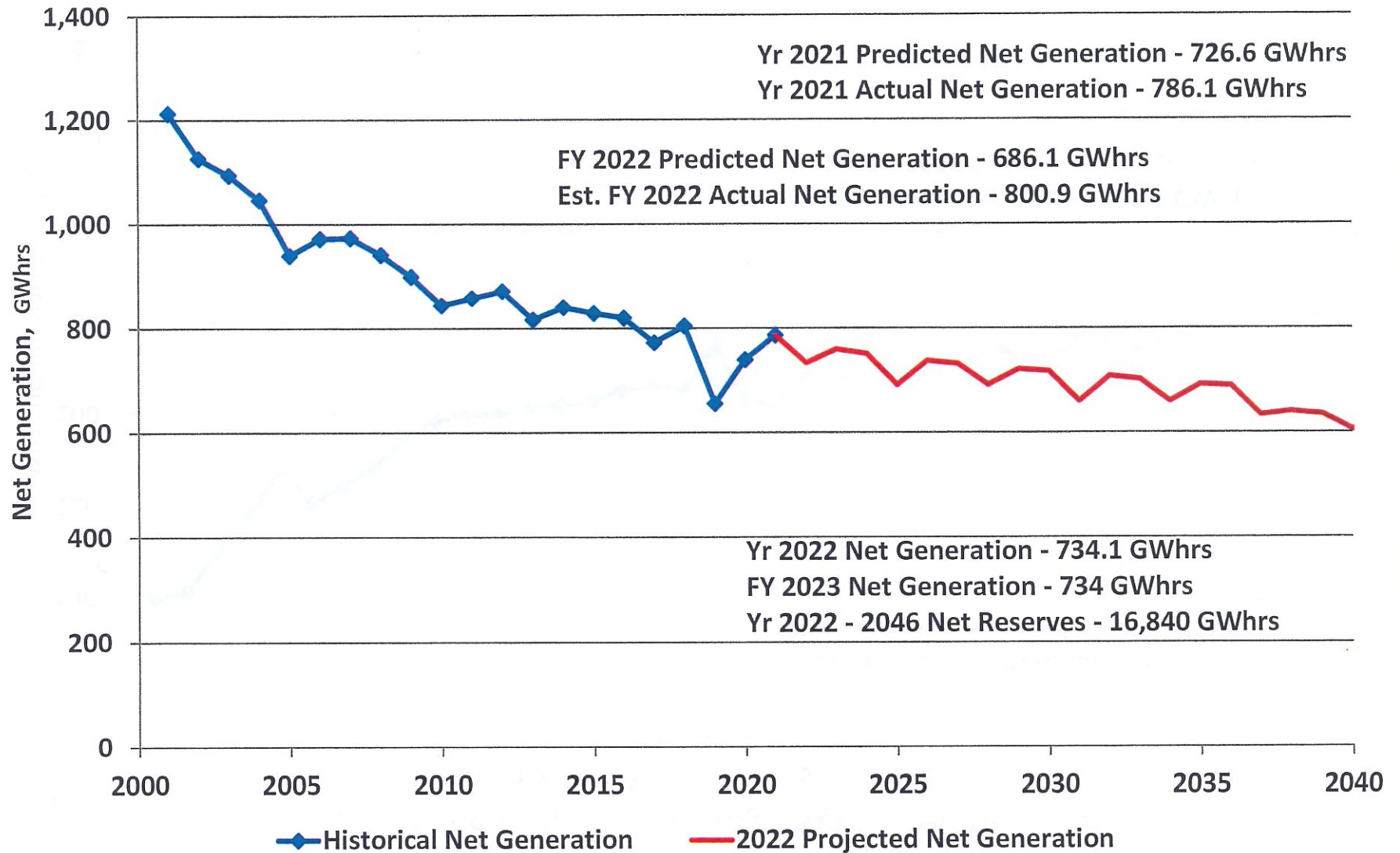
Historical and Projected Average Net Generation Level Combined NCPA Plants #1 & #2

Figure 14



Historical and Projected Net Generation Combined NCPA Plants #1 & #2

Figure 15



**Table 1. ANNUAL REPORT OF NCPA INJECTION AT THE GEYSERS STEAM FIELD
for Year 2021 (in 1000 Gallons)**

[illegible]

TABLE 2. GEOTHERMAL FACILITIES
Summary Table

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Generation (gross)</u>										
(MWh)	936,868	886,004	922,995	903,299	887,299	833,211	874,403	711,902	833,866	841,946
(MW)	106.7	101.1	105.4	103.1	101.0	95.1	99.8	81.3	94.9	96.1
<u>Generation (net)</u>										
(MWh)	872,422	816,824	862,842	837,379	819,149	772,398	804,425	655,798	739,049	786,098
(MW)	99.3	93.2	98.5	95.6	93.3	88.2	91.8	74.9	84.1	89.7
<u>Protocol</u>										
(MW gross)	108	108	107	107	107	105	105	102	101	104
<u>Steam Conversion</u>										
(Lbs / Kw Gross)	17.72	18.99	17.33	17.20	17.00	17.10	16.76	16.97	16.31	16.78
<u>Steam Delivered</u>										
(Billion Lbs)	16.6	16.83	16.00	15.54	15.08	14.24	14.65	12.08	13.60	14.13
<u>Load Flexibility (gross)</u>										
Monthly High (MW)	110	109	110	110	110	103	105	110	107	109
Monthly Low (MW)	105	82	104	104	103	77	83	68	67	55
<u>Injection</u>										
Total (Billion Lbs)	16.22	17.96	12.39	14.86	21.21	15.78	13.19	13.57	6.95	5.48
Condensate (Billion Lbs)	5.00	4.21	4.62	4.20	4.94	4.64	4.36	3.86	3.29	3.80
Effluent (Billion Lbs)	11.18	13.75	7.77	12.50	16.27	11.13	8.83	9.71	3.67	1.68
<u>Mass Replacement</u>										
Annual (%)	97.7%	106.7%	77.5%	95.6%	140.6%	110.8%	90.0%	112.3%	51.1%	38.8%
Cumulative (%)	60.9%	62.2%	62.6%	63.4%	65.2%	66.2%	66.7%	67.5%	67.1%	
<u>Wells Used For Injection</u>										
	15	13	12	13	11	10	10	8	6	6
<u>NCPA Micro-seismic Activity M>= 1.5</u>										
	81	68	58	50	64	66	57	51	55	38
<u>NCPA Micro-seismic Activity Maximum Magnitude Event</u>										
	2.91	3.76	4.38	2.99	3.37	2.92	3.09	2.84	2.86	3.98
<u>NCG Concentration (ppmw)</u>										
	3,097	3,248	3,069	3,176	3,376	3,108	3,190	3,096	4,102	3,416

Table 3
RESERVOIR PRESSURE
BY WELL 2022

WELL	PRESS	WELL	PRESS	WELL	PRESS	WELL	PRESS
A-3	67.8	D-1	67.2			P-1	
A-4	72.4	D-2	81.3	H-1	64.4	P-2	98.9
A-5	69.3	D-6	77.1	H-2	79.7	P-4	72.7
A-6	71.7	D-7	67.8	H-3	72.7	P-5	129.7
A-SITE	70.3	D-8		H-4	63.6	P-6	123.9
		D-SITE	73.4	H-5	63.9	P-7	73.5
B-2				H-SITE	68.9	P-8	132.7
B-3	75.7	E-1	74.3			P-9	75.3
B-4	72.3	E-2	74.8	J-2		P-SITE	101.0
B-5		E-3	80.7	J-3	61.2		
B-6		E-4	74.6	J-4	69.9	Q-1	
B-SITE	74.0	E-5	70.2	J-5	142.8	Q-3	
		E-6	73.7	J-SITE	91.3	Q-4	67.9
C-1	59.6	E-8	70.0			Q-5	69.9
C-2	59.0	E-SITE	74.7			Q-6	70.2
C-4	61.1			N-1	64.0	Q-7	68.7
C-5	54.4	F-1	62.6	N-2	58.5	Q-8	69.6
C-6	55.8	F-2	67.6	N-3	67.4	Q-9	79.4
C-7	55.9	F-3	68.6	N-4	65.7	Q-SITE	71.0
C-8	65.3	F-4	67.8	N-5	59.9		
C-9		F-5	70.9	N-6	65.1	Y-1	71.5
C-10	39.1	F-6	67.0	N-SITE	63.4	Y-2	65.7
C-SITE	56.3	F-7	65.0			Y-3	
		F-SITE	67.1			Y-4	
						Y-5	
						Y-SITE	68.6

VALUES ARE FROM PRESSURE BUILD- UP TESTS
SHADED NUMBERS ARE FOR DATA OBTAINED FROM OTHER STATIC
PRESSURE OBSERVATIONS

60 WELLS TESTED AVE. SHUT-IN WELL PRESS EQUALS 72.6 psig

AVE SITE PRESS EQUALS 73.3 psig

AVE. FLOWRATE = 28.8 kph at 42.1 psig

TABLE 4 NCG CONCENTRATIONS (PPMW) 2020 BY WELL, AND SITE AND PROJECT							
WELL		NCG		WELL		NCG	
A-3	5989	D-1	3412	H-1	2343	P-1	
A-4	2898	D-2	2456	H-2	901	P-2	17802
A-5	2307	D-6	2241	H-3	5105	P-4	2838
A-6	1945	D-7		H-4		P-5	
A-SITE	3285	D-8	3319	H-5	3205	P-6	1814
		D-SITE	1805	H-SITE	2889	P-7	
B-2	5460					P-8	3002
B-3	5871	E-1	12669	J-2	5149	P-9	
B-4	3897	E-2	6007	J-3	1538	P-SITE	6364
B-5	3216	E-3	4817	J-4	2835		
B-6		E-4	7707	J-5	2347	Q-1	
B-SITE	4611	E-5	11218	J-SITE	2967	Q-3	4450
		E-6	5360			Q-4	995
C-1	2616	E-SITE	7963	N-1	2319	Q-5	2186
C-2	5012			N-2	1238	Q-6	1844
C-4	3468	F-1	2287	N-3	1010	Q-7	14297
C-5	13186	F-2	1413	N-4	4559	Q-8	2321
C-6	6207	F-3	1509	N-5	2685	Q-9	3315
C-7	5494	F-4		N-6	2819	Q-A	
C-8	2881	F-5	3009	N-SITE	2438	Q-SITE	4201
C-9		F-6	420				
C-A	1495	F-7	1924			Y-1	1939
C-SITE	5045	F-SITE	1760			Y-2	4724
						Y-3	7060
						Y-4	5405
						Y-5	4338
						Y-SITE	4782
VALUES ARE FROM NCPA CHEM LAB ANALYSIS							
Number of wells samples wells sampled=						61	
AVG. WELL NCG =						4231	
AVG. SITE NCG =						4009	
NCG Flow Weighted Avg. =						3416	

2022 Generation - 25 Year Forecast

Table 5

Year	Total Geo Facilities		Plant #1		Plant #2	
	Gross	Net	Gross	Net	Gross	Net
	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr	Generation GWhr
2022	796.5	734.1	496.3	452.7	300.2	281.4
2023	838.4	760.2	503.0	446.1	335.5	314.1
2024	834.9	751.4	503.1	441.0	331.8	310.4
2025	768.2	692.2	441.7	387.0	326.5	305.1
2026	821.4	738.1	499.2	437.3	322.2	300.8
2027	816.0	732.7	498.0	436.1	318.1	296.7
2028	759.8	692.4	498.1	436.0	261.7	256.4
2029	805.5	722.2	495.5	433.6	310.0	288.6
2030	801.8	718.3	495.6	433.5	306.1	284.8
2031	737.5	661.5	435.1	380.5	302.4	281.0
2032	792.7	709.2	493.2	431.1	299.5	278.1
2033	785.7	702.4	490.6	428.7	295.1	273.7
2034	741.7	661.3	489.4	427.5	252.3	233.8
2035	776.4	693.1	488.2	426.3	288.2	266.8
2036	773.9	690.4	488.3	426.3	285.6	264.2
2037	710.3	634.3	428.7	374.1	281.5	260.2
2038	724.1	640.8	484.6	422.7	239.5	218.1
2039	719.1	635.8	483.5	421.5	235.7	214.3
2040	687.0	606.1	483.6	421.5	203.3	184.6
2041	709.5	626.2	481.1	419.2	228.4	207.0
2042	706.1	622.7	481.3	419.2	224.9	203.5
2043	644.0	568.0	422.6	367.9	221.5	200.1
2044	697.8	614.2	479.0	416.9	218.8	197.3
2045	691.5	608.2	476.5	414.6	215.0	193.6
2046	705.6	624.5	475.4	413.5	230.3	211.0

Notes:

1. Assumes 3 unit operation.
2. Steam Reserves: 335.4 Billion lb.
3. Gross Reserves: 18,845 GWhr
4. Net Reserves: 16,840 GWhr
5. Plant #1 Auxiliary Load is varies from 5.6 MW to 7.5 MW depending on SEGEP Pump Operation
Plant #2 Auxiliary Load is fixed at 2.58 MW.
6. See Table 5B for scheduled outages.

2022 Scheduled Outages - 25 Year Forecast

Table 5B

Year	Plant #1		Plant #2
	Unit 1	Unit 2	Unit 4
	Scheduled Outages	Scheduled Outages	Scheduled Outages
	hrs	hrs	hrs
2022	72	72	1008
2023	72	72	72
2024	72	72	72
2025	672	672	72
2026	72	72	72
2027	72	72	72
2028	72	72	1008
2029	72	72	72
2030	72	72	72
2031	672	672	72
2032	72	72	72
2033	72	72	72
2034	72	72	1008
2035	72	72	72
2036	72	72	72
2037	672	672	72
2038	72	72	72
2039	72	72	72
2040	72	72	1008
2041	72	72	72
2042	72	72	72
2043	672	672	72
2044	72	72	72
2045	72	72	72
2046	72	72	1008

2021 Generation Capacity - 5 Year Forecast*

Table 6A

Year	Plant #1		Plant #2		Total	
	Avg. Gross	Avg. Net	Avg. Gross	Avg. Net	Avg. Gross	Avg. Net
	Gen. MW	Gen. MW	Gen. MW	Gen. MW	Gen. MW	Gen. MW
Jan-22	59.7	55.5	41.0	38.4	100.7	94.0
Feb-22	60.3	56.0	41.7	39.2	102.0	95.2
Mar-22	61.1	55.5	41.4	38.8	102.5	94.3
Apr-22	61.1	55.5	41.3	38.7	102.5	94.3
May-22	61.1	55.5	41.3	38.7	102.4	94.2
Jun-22	61.1	55.5	41.2	38.6	102.3	94.1
Jul-22	61.1	55.5	41.2	38.6	102.3	94.1
Aug-22	61.1	55.5	41.1	38.5	102.2	94.0
Sep-22	61.1	55.5	41.1	38.5	102.1	94.0
Oct-22	61.1	55.5	41.0	38.4	102.1	93.9
Nov-22	61.0	55.4	0.0	0.0	61.0	55.4
Dec-22	61.0	55.4	40.9	38.4	102.0	93.8
Jan-23	61.0	55.4	40.9	38.3	101.9	93.7
Feb-23	61.0	55.4	40.8	38.3	101.8	93.7
Mar-23	61.0	55.4	40.8	38.2	101.8	93.6
Apr-23	61.0	55.4	40.8	38.2	101.7	93.5
May-23	61.0	53.5	40.7	38.1	101.7	91.6
Jun-23	60.9	53.4	40.7	38.1	101.6	91.5
Jul-23	60.9	53.4	40.6	38.0	101.6	91.5
Aug-23	60.9	53.4	40.6	38.0	101.5	91.4
Sep-23	60.9	53.4	40.5	37.9	101.4	91.3
Oct-23	60.9	53.4	40.5	37.9	101.4	91.3
Nov-23	60.9	53.4	40.4	37.8	101.3	91.2
Dec-23	60.9	53.4	40.4	37.8	101.3	91.2
Jan-24	60.9	53.4	40.3	37.8	101.2	91.1
Feb-24	60.8	53.3	40.3	37.7	101.1	91.1
Mar-24	60.8	53.3	40.3	37.7	101.1	91.0
Apr-24	60.8	53.3	40.2	37.6	101.0	90.9
May-24	60.8	53.3	40.2	37.6	101.0	90.9
Jun-24	60.8	53.3	40.1	37.5	100.9	90.8
Jul-24	60.8	53.3	40.1	37.5	100.9	90.8
Aug-24	60.8	53.3	40.0	37.4	100.8	90.7
Sep-24	60.8	53.3	40.0	37.4	100.7	90.6
Oct-24	60.7	53.2	39.9	37.3	100.7	90.6
Nov-24	60.7	53.2	39.9	37.3	100.6	90.5
Dec-24	60.7	53.2	39.8	37.3	100.6	90.5
Jan-25	60.7	53.2	39.8	37.2	100.5	90.4
Feb-25	60.7	53.2	39.8	37.2	100.4	90.4
Mar-25	60.7	53.2	39.7	37.1	100.4	90.3
Apr-25	0.0	0.0	39.7	37.1	39.7	37.1
May-25	60.7	53.2	39.6	37.0	100.3	90.2
Jun-25	60.6	53.1	39.6	37.0	100.2	90.1
Jul-25	60.6	53.1	39.5	36.9	100.2	90.1
Aug-25	60.6	53.1	39.5	36.9	100.1	90.0
Sep-25	60.6	53.1	39.4	36.9	100.1	90.0
Oct-25	60.6	53.1	39.4	36.8	100.0	89.9
Nov-25	60.6	53.1	39.4	36.8	99.9	89.8
Dec-25	60.6	53.1	39.3	36.7	99.9	89.8
Jan-26	60.6	53.1	39.3	36.7	99.8	89.7
Feb-26	60.5	53.0	39.2	36.6	99.8	89.7
Mar-26	60.5	53.0	39.2	36.6	99.7	89.6
Apr-26	60.5	53.0	39.1	36.6	99.7	89.6
May-26	60.5	53.0	39.1	36.5	99.6	89.5
Jun-26	60.5	53.0	39.1	36.5	99.6	89.5
Jul-26	60.5	53.0	39.0	36.4	99.5	89.4
Aug-26	60.5	53.0	39.0	36.4	99.4	89.4
Sep-26	60.5	53.0	38.9	36.3	99.4	89.3
Oct-26	60.4	52.9	38.9	36.3	99.3	89.2
Nov-26	60.4	52.9	38.8	36.3	99.3	89.2
Dec-26	60.4	52.9	38.8	36.2	99.2	89.1

* Average generation levels plants are capable of achieving.

TABLE 7
2021 FORECAST OF GEOTHERMAL PRODUCTION AND
INJECTION

TIME STEP	DATE	STEAM PROD. BLBS	COND INJ BLBS	WATER INJ BLBS
1	2022	14.4	4.6	9.0
2	2023	14.3	4.6	15.1
3	2024	14.2	4.6	15.1
4	2025	14.1	4.5	15.0
5	2026	14.1	4.5	15.0
6	2027	14.0	4.5	15.0
7	2028	13.9	4.4	14.9
8	2029	13.8	4.4	14.9
9	2030	13.7	4.4	14.9
10	2031	13.6	4.4	14.9
11	2032	13.5	4.3	14.8
12	2033	13.5	4.3	14.8
13	2034	13.4	4.3	14.8
14	2035	13.3	4.3	14.8
15	2036	13.2	4.2	14.7
16	2037	13.1	4.2	14.7
17	2038	13.1	4.2	14.7
18	2039	13.0	4.2	14.7
19	2040	12.9	4.1	14.6
20	2041	12.9	4.1	14.6
21	2042	12.8	4.1	14.6
22	2043	12.7	4.1	14.6
23	2044	12.7	4.1	14.6
24	2045	12.6	4.0	14.5
25	2046	12.5	4.0	14.5

NOTES :

1. CUM. PRODUCTION AND INJECTION 1983-2021 710.6 Billion Lbs Steam
473.7 Billion Lbs Water
2. TOTAL WATER IS CONDENSATE + EFFLUENT + LAKE + POND
3. FUTURE STEAM PRODUCTION 2022-2046 = 335.4 Billion Lbs
4. FUTURE WATER INJECTION 2022-2046 = 363.9 Billion Lbs



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: Quest Media and Supplies Inc. – Five Year Multi-Task Consulting Services Agreement for Network Infrastructure Design, Engineering, Troubleshooting, Telecom Consulting, Data Center Administrative and Architectural Services, Application Design and Development Services, Security Consulting, Physical Infrastructure and Construction Services, Applicable to Northern California Power Agency (NCPA), NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Monty Hanks Chief Financial Officer/Assistant General Manager	METHOD OF SELECTION:	N/A
Division:	Administrative Services	<i>If other, please describe:</i>	
Department:	Information Services		

IMPACTED MEMBERS:					
All Members	<input checked="" type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>
<i>If other, please specify</i>					
<hr/>					
<hr/>					

RECOMMENDATION:

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc. for network infrastructure design, engineering, troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, security consulting, physical infrastructure and construction services, with any non-substantial changes recommended and approved by the NCPA General Counsel, with a not to exceed of \$1,500,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, the Southern California Public Power Authority (SCPPA), or SCPPA Members.

BACKGROUND:

Quest Media and Supplies Inc. (Quest) is a corporation with over 30 years of experience assisting companies with network infrastructure design, engineering and troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, security consulting, physical infrastructure, and fiber and ethernet cabling. They work seamlessly with staff, systems, policies and procedures helping companies achieve their IT goals.

NCPA has a good working relationship with the vendor and wishes to continue that relationship. 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 Katama Technologies and IEC Corporation.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place (other enabling agreements) for similar services and seeks bids from as many qualified providers as possible. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee Review

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments:

- Resolution 22-XX
- Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc.

RESOLUTION 22-xx

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIVE-YEAR MULTI-TASK CONSULTING SERVICES AGREEMENT WITH QUEST MEDIA AND SUPPLIES INC.

(reference Staff Report #xxx:22)

WHEREAS, network infrastructure design, engineering, troubleshooting, telecom consulting, data center administrative and architectural services, application design and development services, security consulting, physical infrastructure and construction services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Quest Media and Supplies Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Consulting Services Agreement with Quest Media and Supplies Inc. to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda			
San Francisco BART			
Biggs			
Gridley			
Healdsburg			
Lodi			
Lompoc			
Palo Alto			
Port of Oakland			
Redding			
Roseville			
Santa Clara			
Shasta Lake			
Truckee Donner			
Ukiah			
Plumas-Sierra			

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND QUEST MEDIA and SUPPLIES INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Quest Media and Supplies Inc. (Quest), a corporation with its office located at 9000 Foothills Blvd. Ste. 100, Roseville, CA 95747 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2022 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) year from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven day period specified, then Consultant will have agreed to perform the Requested

Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** ONE MILLION FIVE HUNDRED THOUSAND dollars (\$1,500,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Services. The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 Professional Liability Insurance. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 Notice of Reduction in or Cancellation of Coverage. Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.4.3 Higher Limits. If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or SCPPA member.

4.4.5 Waiver of Subrogation. Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

- 4.5 Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the

payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all Agency confidential, proprietary, trade secret, critical energy/electricity infrastructure information (CEII)¹, or

¹ CEII is specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that:

- A. Relates details about the production, generation, transmission, or distribution of energy;
- B. Could be useful to a person planning an attack on critical infrastructure;
- C. Is exempt from mandatory disclosure under the Freedom of Information Act; and
- D. Gives strategic information beyond the location of the critical infrastructure.

Critical energy/electric infrastructure means a system or asset of the bulk-power system, (physical or virtual) the incapacity or destruction of which would negatively affect:

- national security,
- economic security,
- public health or safety, or
- any combination of such matters.

<https://www.ferc.gov/ceii>

physical or cyber security information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression. Confidential Information shall not include information that: (a) was already known to the Consultant or is otherwise a matter of public knowledge, (b) was disclosed to Consultant by a third party without violating any confidentiality agreement, or (c) was independently developed by Consultant without reverse engineering, as evidenced by written records thereof.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, Agency may disclose confidential Information to Consultant. Consultant: (a) shall hold the Agency's Confidential Information in confident; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Consultant shall endeavor to provide prior written notice to Agency of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Agency may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Agency shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Consultant that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Consultant shall return to Agency or destroy Confidential Information (including all copies thereof),. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information in its legal department files where such copies are necessary to comply with applicable law. Consultant shall not disclose the Agency's Confidential Information to any person other than those of the Consultant's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Monty Hanks, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:
- Kathy Campbell
Quest Media and Supplies, Inc.
PO Box 430
Roseville, CA 95678

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 10.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:
- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 10.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order shall control.
- 10.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 10.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide Services to an Agency member, SCCPA and/or a SCPPA member (collectively for the purposes of this section only "Member") pursuant to section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

SIGNATURES ON NEXT PAGE

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

QUEST MEDIA AND SUPPLIES, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

MIKE DILLON, CTO

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Quest shall provide the following services as requested by the Agency at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA), or SCPPA members. Services to include the following:

- Network Infrastructure Design, Engineering, and Troubleshooting, including, but not limited to:
 - Local Area Network (LAN)
 - Wide Area Network (WAN)
 - Wireless Network (WLAN)
- Telecom Consulting Services
 - PBX
 - VoIP
 - Video Conferencing
 - Call Center
- Data Center Administrative and Architectural Services
 - Virtualization
 - Storage/Server
 - Backup/Recovery
 - Disaster Recovery
- Application Design and Development Services
 - Web Design and Development
 - Database Administration and Performance
 - Custom App Design and Deployment
 - (API) App Integration
- Security Consulting Services
 - Network Security
 - Endpoint Security
 - Data Security
 - Host Security
 - Physical Security
 - Compliance Services

○

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,500,000. The hourly rates and or compensation break down and an estimated amount of expenses is as follows.

Technical Support Rates

Remote (Quest NOC) Support (billed in 15-minute increments)

Cable Plant at Quest Data Center	\$88 per hr.
Desktop/Printer	\$95 per hr.
Project Coordinator	\$98 per hr.
Video Surveillance, Access Control	\$120 per hr.
Audio/Video, Video Conferencing	\$120 per hr.
Router, Switch, Server, or Storage	\$210 per hr.
Program or Project Manager	\$175 per hr.
SQL, .NET, SharePoint	\$245 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$245 per hr.
DevOps/SSO/Orchestration Engineer	\$260 per hr.
Security Incident Emergency Response Resource	\$295 per hr.

On-Site Scheduled Support (4 hr. min, scheduled 24 hrs. in advance)

Data Cabling	\$95 per hr.
Travel	\$75 per hr.
Desktop/Printer	\$98 per hr.
Project Coordinator	\$145 per hr.
Video Surveillance, Access Control	\$145 per hr.
Audio/Video, Video Conferencing	\$145 per hr.
Router, Switch, Server, or Storage	\$250 per hr.
Program or Project Manager	\$195 per hr.
SQL, .NET, SharePoint	\$275 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$275 per hr.
DevOps/SSO/Orchestration Engineer	\$295 per hr.
Security Incident Emergency Response Resource	\$295 per hr.

After Hours Technical Support (4 hr. min, less than 24 hr. notice and/or after hrs./weekends)

Data Cabling	\$110 per hr.
Travel	\$85 per hr.
Desktop/Printer	\$130 per hr.
Video Surveillance, Access Control	\$160 per hr.
Audio/Video, Video Conferencing	\$195 per hr.
Router, Switch, Server, or Storage	\$275 per hr.
SQL, .NET, SharePoint	\$295 per hr.
VoIP, Firewall, Security, Mobility, VMware, or Citrix	\$295 per hr.
DevOps/SSO/Orchestration Engineer	\$325 per hr.

- Emergency Incident Threat Response Services - billed per hour with minimum amounts determined at time of incident:
 - Immediate response to threat
 - Assess your security posture against the threat
 - Determine the level of effort required to protect Client assets
 - Work to prevent, detect, and respond to incidents
 - Identify and mitigate complex security vulnerability
 - Provide risk analyses and recommendations for threat eradication
 - Provide forensic analysis to determine extract threat vector
- Rates for professional service arrangements and/or projects will be quoted at the time Quest receives the request for such services from Agency.
- Quest reserves the right to adjust technical support rates with 30 days' advance written notice given to Agency.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.



Commission Staff Report

COMMISSION MEETING DATE: June 23, 2022

SUBJECT: AESI-US, Inc. – Five Year Multi-Task Consulting Services Agreement for consulting services related to NERC CIP, or Operations and Planning Standards; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	First Name, Last Name	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Generation Services	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Shasta Lake <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
San Francisco Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	Other <input type="checkbox"/>
<i>If other, please specify</i>		
<hr/>		
<hr/>		

RECOMMENDATION:

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a Five Year Multi-Task Consulting Services Agreement with AESI-US, Inc., for consulting services related to NERC CIP, or Operations and Planning Standards, 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.

BACKGROUND:

NERC CIP or Operations and Planning Standards related tasks are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

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. AESI-US, Inc. submitted a proposal for this RFP, and was a successful bidder. NCPA now desires to enter into an agreement with this vendor for NERC CIP or Operations and Planning Standards related tasks. NCPA has 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. NCPA is also entering into an agreement with Archer Energy Solutions, LLC for similar services.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

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 seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

On June 1, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution 22-XX
- Multi-Task Consulting Services Agreement with AESI-US, Inc.

RESOLUTION 22-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK CONSULTING SERVICES AGREEMENT WITH AESI-US, INC

(reference Staff Report #XXX:22)

WHEREAS, NERC CIP or Operations and Planning Standards related tasks, are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, AESI-US, Inc., is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task Consulting Services Agreement with AESI-US, Inc., to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement, with any non-substantial changes as 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.

PASSED, ADOPTED and APPROVED this _____ day of _____, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

DAVID HAGELE
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND AESI-US, INC

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and AESI-US, Inc., a corporation with its office located at 5055 Memorial Drive, Suite A#204, Stone Mountain, GA 30083 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2022 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) year from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services, or does not respond within the seven-day

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** Five Hundred Thousand dollars (\$500,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Services. The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 Cyber Risk Liability Insurance. Contractor shall maintain cyber risk liability insurance with an aggregate limit of not less than \$3,000,000, with a self-insured retention or deductible of no more than \$100,000. Such insurance shall cover any and all errors, omissions or negligent acts arising in or connected with the performance of the Scope of Work under this Agreement. Such cyber risk liability insurance shall include, but not be limited to, coverage of claims and losses with respect to network risks (such as data breaches, unauthorized access/use, ID theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, spread of virus, denial of service, etc.), failure to supply, and intellectual property infringement (such as copyrights, trademarks, service marks and trade dress). No exclusions shall be listed within the policy for unencrypted, media or portable devices. Notwithstanding any other provision of this Agreement, if coverage is provided on a claims-made form, Contractor shall purchase and maintain a two year extended reporting period coverage following termination of this Agreement only in the event that the policy is canceled or non-renewed.

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, with the exception of the Cyber Risk Liability Insurance policy, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 Notice of Reduction in or Cancellation of Coverage. Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.4.3 Higher Limits. If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or SCPPA member.

4.4.5 Waiver of Subrogation. Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss, with the exception of the Cyber Risk Liability Insurance policy. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

- 4.5 **Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 **Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Consultant, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

Section 6. STATUS OF CONSULTANT.

- 6.1 **Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of

Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all Agency confidential, proprietary, critical energy infrastructure information or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression. Confidential Information shall not include information that: (a) was already known to the Consultant or is otherwise a matter of public knowledge, (b) was disclosed to Consultant by a third party without violating any confidentiality agreement, or (c) was independently developed by Consultant without reverse engineering, as evidenced by written records thereof,
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, Agency may disclose confidential Information to Consultant. Consultant: (a) shall hold Agency's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2.

9.4.3.1 Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Consultant that have a need to know in connection with this Agreement, and

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Consultant shall return to Agency or destroy Confidential Information (including all copies thereof), Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Consultant shall not disclose Agency's Confidential Information to any person other than those of the Consultant's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

10.1 Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

10.3 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.6 Conflict of Interest. Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 Contract Administrator. This Agreement shall be administered by Tony Zimmer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

10.8 Notices. Any written notice to Consultant shall be sent to:

Joel Charlebois
Vice President, Regulatory Compliance
AESI-US, Inc.
5055 Memorial Drive, Suite A#204
Stone Mountain, GA 30083

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

10.9 Professional Seal. Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

10.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

10.11 Alternative Dispute Resolution. If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:

- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

10.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order shall control.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.15 No Third-Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signatory third parties. However, should Consultant provide Services to an Agency member, SCCPA and/or a SCPA member (collectively for the purposes of this section only "Member") pursuant to section 1.4, the parties recognize that such Member may be a third-party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

AESI-US, INC.

Date_____

Date_____

RANDY S. HOWARD
GENERAL MANAGER

JOEL CHARLEBOIS, VICE PRESIDENT
REGULATORY COMPLIANCE

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

AESI-US, Inc. ("Consultant") shall provide the following services, as requested by the Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

On an as-needed basis and upon request by NCPA, Members, SCPPA, or SCPPA Members, AESI-US, Inc. shall perform NERC CIP or Operations and Planning Standards related tasks.

AESI-US, Inc.'s professional staff have extensive utility industry experience and in-house experience and capabilities for both the CIP and O&P standards. Upon request for NERC CIP or O&P tasks, AESI will provide NCPA the following information for their approval before proceeding with any tasks:

1. The scope of work and approach to perform the task.
2. A list of the deliverables that will be associated with the task.
3. The cost estimate, which could a Fixed Cost or T&M using AESI-US, Inc.'s hourly rates.

The deliverables will be a function of the specific NERC CIP or O&P tasks that are requested by NCPA. The deliverables will be identified by AESI and approved by NCPA before proceeding with the tasks. Depending on execution of the assigned task, the deliverable maybe changed with the approval of NCPA.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

The cost estimate, is dependent on the requested tasks and could be a Fixed Fee or T&M using AESI-US, Inc.'s hourly rates as noted in the following table:

Staff	2022 Hourly Rate
Principal Consultant	\$370
Senior Executive	\$315
Executive Consultant	\$295
Director/Specialist	\$275
Senior Consultant II	\$250
Senior Consultant I	\$230
Consultant II	\$215
Consultant I	\$195
Sr. Analyst	\$170
Sr. Admin	\$105

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.