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Minutes

Date: June 6, 2022
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: June 1, 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 9:02 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Roger Yang (Alameda), Mark Sorensen (Biggs), Dan Howard (Gridley), Shiva Swaminathan and Jim Stack (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Kamryn Hutson (Redding), and Basil Wong and Steve Hance (Santa Clara). Owen Goldstrom (non-voting Representative with TID) attended via teleconference. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

2. Approval of Minutes from the May 4, 2022 Facilities Committee Meeting

Motion: A motion was made by Shiva Swaminathan and seconded by Steve Hance recommending Committee approval of the May 4, 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, SCPPA – Caltrol, Inc. MTGSA** – Staff presented background information and was 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.

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.

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. 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 Brian Schinstock and seconded by Steve Hance recommending Commission approval 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. 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. **All NCPA Facilities, Members, SCPPA – Universal Protection Service, LP dba Allied Universal Security Services First Amendment to MTGSA** – Staff presented background information and was 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.

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.

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. A draft Commission Staff Report, the original agreement, and a draft First Amendment 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 Shiva Swaminathan recommending Commission approval 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. 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.

5. **NCPA Geothermal Facility – Steam Field Operations Forecast Report** – Staff presented the report with background information and 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.

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 MWh.
- The level of curtailment will be limited to 45 MW with discretion to adjust this level based on the steam field response.
- Duration of the curtailment is to be a minimum of 4 hours.
- Curtailments are limited to once per calendar day.

This Protocol establishes a 2022 annual peak generation target of 102.9 gross MW. The approved FY 2023 Geothermal budget covers the proposed action.

Motion: A motion was made by Basil Wong and seconded by Mike Brozo recommending Commission approval 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. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Palo Alto and Redding. The motion passed.

- 6. All NCPA Facilities, Members, SCSPPA – Quest Media and Supplies, Inc. MTCSA – Staff** provided background information and was 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 SCSPPA, and SCSPPA Members.

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, and security consulting services. They work seamlessly with staff, systems, policies, and procedures helping companies achieve their IT goals.

NCPA has a good working relationship with this 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. 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. 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 Shiva Swaminathan and seconded by Mark Sorensen recommending Commission approval 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, and security consulting, 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. 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.

- 7. All NCPA Facilities, Members, SCPPA – AESI-US, Inc. MTCSA –** Staff provided background information and was 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 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. 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. 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 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. 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.

- 8. City of Redding Admission to MPP –** Staff presented background information and was 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).

Pursuant to the MPP Agreement, NCPA may act on behalf of MPP Agreement Participants to transact energy and energy related commodities. The City of Redding has expressed its desire to

become a MPP Agreement Participant. Section 11.1 of the MPP Agreement states that a Member may execute the MPP Agreement and become a MPP Agreement Participant provided that such joinder is approved by the NCPA Commission. Upon becoming a MPP Participant, the City of Redding will participate in the program pursuant to the terms and conditions as set forth in the MPP Agreement.

NCPA's administrative costs for development and administration of the MPP Agreement will be allocated to Members in accordance with approved cost allocation methodologies as described in the NCPA annual budget.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval of the City of Redding becoming a Participant under the Amended and Restated Market Purchase Program Agreement (MPP Agreement) upon the City of Redding's execution of the MPP Agreement. 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.

Non-essential Members and NCPA staff left the meeting for the closed session discussion items 9 and 10.

CLOSED SESSION

General Counsel Jane Luckhardt took the Facilities Committee into Closed Session at 10:05 am.

- 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. 22-cv-02833-HSG.*
- 10. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Pursuant to Government Code Section 54956.9(d)(1) – one (1) case.

RECONVENED TO OPEN SESSION

All meeting attendees rejoined the public meeting at 11:10 am.

REPORT FROM CLOSED SESSION

Closed Session Disclosure: General Counsel Jane Luckhardt reported there was no reportable action taken on the Closed Session items 9 and 10.

INFORMATIONAL ITEMS

- 11. New Business Opportunities** – Staff provided 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.

NCPA is actively engaged in an effort to negotiate a Services Agreement with SJCE. Pending completion of that process, NCPA will present and seek approval of the Services Agreement in either the June or July Commission meeting. If this item is completed in this would require scheduling a Special Facilities Committee meeting.

NCPA Renewables RFP Update

Recent Proposals

- Grace Solar Energy Center
 - Term: 20 years commencing 6/1/2025
 - Volume: 100 MW Solar
- Descendant Ranch
 - Term: 20 years commencing 6/1/2025
 - Product: 100 MW Solar + 24 MW / 5 Hour Storage
- Yellow Pine III
 - Term: 20 years commencing 6/1/2025
 - Size: 60 MW Solar + 45 MW / 4 Hour Storage
- Corby
 - Term: 20 years commencing 6/1/2025
 - 100 MW / 4 Hour Storage

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

Geo – There were two safety incidents to report for the month of May. One NCPA employee was stung by a bee and had a severe allergic reaction, but is doing OK now. Another employee was splashed with chemicals, and is also doing OK. Vegetation for the month included maintaining fire breaks around transmission towers and roads, and clearing brush around pipelines. The average estimated net generation level for the month was 91.9 MW. Total estimated net generation was 68.4 GWh. Actual FY 2022 net generation is 741.3 GWh YTD. The FY 2022 Net Generation Forecast has been updated to 800.8 GWh. Plant #1 was in an outage for Stretford repairs May 6-7, 2022. Routine plant and Steam Field maintenance continued during the month with vegetation management along the main road, and measuring pipeline pressure drops.

Hydro – Collierville (CV) Power House was 100% available during the month of May, and New Spicer Meadows Power House was at 92% due to a PG&E transmission forced outage. New

Spicer Meadows storage increased by 37,700 acre feet at 41% month over month from 91,000 acre feet to 128,7000 acre feet and cresting. Last year's peak was at 94,600 acre feet. The California snow water content is 5% of average for this time of year in Central California. Current operations are continuing in the water conservation mode. Union, Utica, and Alpine spills are tapering, Alpine has been reduced to a "Dry Year" release rate, Beaver Creek Diversion is finished for the season, and North Fork Tunnel Diversion is tapering. Staff initiated a Spicer storage draft due to the runoff tapering, as well as requested a flow variance from CDWF on May 12, 2022. Current regulatory and resource agency activities included USGS approving 20'-21' water record, preparing a revised QCIP for annual dam maintenance, preparing McKays and Spicer DSSMRs, scheduling 2022 FERC and DSOC dam safety inspections and scheduling annual fall reservoir dewatering's with CDFW. Maintenance activities included 230 kV ROW vegetation management at 75% complete, the opening of Spicer Road to the public, and campground hazardous tree removal.

CTs – May was a busy month for the CT1, but was quiet for CT2. CT1 had 14 actual starts, and 1 ghost start bringing the FYTD total to 215, 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. CT2 was in a planned outage for spring maintenance. CT1 Lodi has used 49.3 hours (24%) of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 9.7 hours of 20, and Unit 2, 8.1 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for May 2022.

13. Planning and Operations Update –

- **Resource Integrations In Progress**
 - Antelope Solar (NCPA) – TBD
 - Deer Creek – July 2022
 - Sandborne Storage – Q4 2022
 - Scarlet Solar / Storage – Q1 2023
 - Dagget Solar / Storage – Q2 2023

- **Discussion Topics**
 - CAISO Credit Discussions
 - Summer 2022 Readiness
 - o Load Shedding Coordination
 - o CAISO communications

14. Next Meeting – The next regular Facilities Committee meeting is scheduled for July 6, 2022.

ADJOURNMENT

The meeting was adjourned at 12:06 pm.

**Northern California Power Agency
June 1, 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.

<u>NAME</u>	<u>AFFILIATION</u>
Carrie Pollo	NCPA
JAYO Chang	Codi'
Monty Hawks	NCPA
BRIAN SCHINSTOCK	ROSEVILLE
Ryley Kelly	Roseville
Michael DeBortol'	NCPA
Jane Luckhardt	NCPA
Tony Zimmer	NCPA

**Northern California Power Agency
June 1, 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	<i>Grayo Ariang</i>
LOMPOC	
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	<i>Brian Schinstock</i>
SANTA CLARA	✓
TID	✓ (Non-Voting Rep)
UKIAH	