



651 Commerce Drive
Roseville, CA 95678

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

Minutes

Date: June 8, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: June 3, 2020 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock (Roseville) at 10:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Terry Crowley (Healdsburg), Jiayo Chiang (Lodi), Tikan Singh (Lompoc), Shiva Swaminathan (Palo Alto), Nicholas Rossow (Redding), and Basil Wong and Steve Hance (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Plumas-Sierra, Port of Oakland, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. Approval of minutes from the April 30, 2020 Special Facilities Committee meeting and the May 6, 2020 Facilities Committee meeting.**

Motion: A motion was made by Brian Schinstock and seconded by Jiayo Chiang recommending approval of the April 30, 2020 Special Facilities Committee Meeting minutes, and the May 6, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Healdsburg, Lodi, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities – Univar USA, Inc. First Amendment to MTEMS** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task Agreement for Purchase of Equipment, Materials and Supplies, changing the vendor name to Univar Solutions, Inc., with no change to the not to exceed amount or contract term, for continued use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures.

On June 21, 2018, NCPA entered into a Five Year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies, for purchase of chemicals with Univar USA, Inc. On August 22, 2019, Univar USA, Inc. notified NCPA of their intention to change their name to Univar Solutions, Inc. This amendment does not change any of the other terms or conditions of the agreement. This is an enabling agreement with no commitment of funds. NCPA currently has similar agreements in place with The Dow Chemical Company, CellMark USA, Inc, SUEZ WTS USA, Inc., and Brenntag Pacific, Inc. and seeks bids from multiple qualified providers whenever services are needed. A draft Commission Staff Report, and draft first amendment to the agreement, with the original agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the five-year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Univar USA, Inc., with any non-substantial changes as recommended and approved by the NCPA General Counsel, to change the vendor name in the Agreement to Univar Solutions, Inc., for continued use at all facilities owned and/or operated by Northern California Power Agency (NCPA). A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

4. **All Generation Services Facilities and NCPA Members – Bell Burnett & Edwards MTCSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Consulting Services Agreement with Bell Burnett & Edwards for financial analysis, planning advisory, generation and transmission project planning, energy efficiency and demand reduction program design, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA and NCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with principals including Mike Bell, Alex Burnett, and Marcie Edwards. Bell, Burnett and Edwards is a corporation formed to assist with a broad range of consulting related services including but not limited to capital planning, rate forecasting, strategic analysis, resource adequacy planning, project development, implementation, reporting and management, and energy efficiency evaluation and program design. This is an enabling agreement with no commitment of funds. Other agreements in place for similar services include Black and Veatch, Burns and McDonnell, and Worley Parsons Group. A draft Commission Staff Report, and draft agreement were available for review. It is recommended to place this item on the 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 Consulting Services Agreement with Bell, Burnett and Edwards for financial analysis, planning, advisory and forecasting, generation and transmission project planning, project and program development, energy efficiency and demand reduction program design, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA and NCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Healdsburg, Lodi, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

5. **Palo Alto Admission to MPP** – Pursuant to Section 11.1 of the Amended and Restated Market Purchase Program Agreement (MPP), staff was seeking a recommendation for Commission approval of admission of Palo Alto as a new MPP Participant.

Per the MPP Agreement, NCPA can act on behalf of Participants to transact Approved Products. Under Section 11.1, a Member may execute the MPP Agreement and become a Participant provided that such joinder is approved by the NCPA Commission. Palo Alto has expressed interest in becoming a Participant under the MPP Agreement. Upon joining the MPP Agreement, Palo Alto will participate in the program pursuant to the terms and conditions of the MPP Agreement. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Brian Schinstock and seconded by Tikan Singh recommending Commission approval of Palo Alto becoming a Participant under the Amended and Restated Market Purchase Program Agreement (MPP Agreement) upon Palo Alto's execution of the MPP Agreement. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

6. Amendment 5 to the O&M Funding Agreement – Staff presented background information and was seeking a recommendation for Commission approval of Amendment 5 to the Agreement for the Funding and Operations and Maintenance for Central Valley Project Power Facilities (O&M Funding Agreement).

Through this agreement CVP customers provide funds for specific operations, maintenance, and capital projects related to CVP facilities. This ensures CVP facilities are maintained to enhance reliability of resources deliveries. All funds paid are returned as credits on power bills. NCPA's authority to act on behalf of Pool Members is provided through the Assignment Administration Agreement (AAA). The amendment requires an affirmative vote of all assigning Members.

Section 10 of the O&M Funding Agreement defines the rules and responsibilities of the Governance Board, including the composition of the Governance Board Members. Amendment 5 will provide clarity on how to fill vacancies on the Governance Board. Through this new procedure if a vacancy occurs in a customer group, the customer group will have 45 days to elect a new Governance Board Member. If a customer group fails to elect a new member, the Governance Board may fill the vacancy by appointing a customer that is not already on the Governance Board. The Governance Board will attempt to appoint a similar customer, but if no customer elects to participate, the Governance Board may appoint a customer from any group. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Basil Wong and seconded by Tikan Singh recommending the Commission adopt a resolution approving Amendment 5 to Contract 96-SNR-00110, and authorize the General Manager of NCPA to execute Amendment 5 to Contact 96-SNR-00110, on behalf of NCPA, including any non-substantive modifications to Amendment 5 of Contract 96-SNR-00110 approved by NCPA's General Counsel. A vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. The motion passed.

INFORMATIONAL ITEMS

7. New Business Opportunities – Staff gave an update regarding new business opportunities.

Sonoma Clean Power Authority (SCPA) is currently reviewing NCPA's Power Management draft Services Agreement. The security account requirement proposal will reduce the

amount of days for cure to ten calendar days. The security account deposit will equal the lesser of the highest three months of EAL, or \$1,000,000. Pending SCPA's feedback, staff will review the details with Members. The Facilities Committee will be updated as needed.

NCPA provided an updated Term Sheet to South Feather Water and Power Authority (SFWPA) on May 27, 2020. Staff also provided a draft Purchase Power Agreement (PPA) to SFWPA at the same time. Next steps include development of Second and Third Phase Agreements, pending SFWPA's feedback. Staff will update the Facilities Committee as needed. The NCPA Legal Committee will review the PPA on June 4, 2020.

- 8. Resource Adequacy Commitments Impact on Operations** – Staff reviewed and discussed impacts that Resource Adequacy (RA) commitments have on joint project operations.

Many Members are either claiming or selling RA capacity sourced from NCPA Projects. RA commitments result in certain obligations that impact scheduling and operations of NCPA Projects, which creates exposure to RAIM penalties. Planned outage requests are subject to CAISO review. Lack of substitute or replacement RA may result in a planned outage being rejected by the CAISO. Planned outage replacement can be supplied from system or local RA. Forced outage replacement can only be supplied from like sources (resources located at the same electrical bus). The CAISO has expressed concerns with outages being reclassified, raising potential concerns of changing planned outages to forced outages.

Next steps include possible amendments or updates to NCPA Project operating procedures documented in the Facilities Agreement to address conflicts attributed to RA commitments. Possible amendment options to think about include: 1) Individual versus joint cost responsibility; 2) Limits or prohibitions for RA commitments; 3) No recourse; and 4) Allowing NCPA authority to unilaterally procure replacement RA. Please contact staff with any questions, and possible ideas or thoughts.

- 9. Combined Integrated Resource Plan 2020 Annual Update** – Staff provided notice to the Facilities Committee that the 2020 Combined Integrated Resource (IRP) Plan Annual Update has been filed with Western, on behalf of the NCPA Pool Members. The report has been published to NCPA Connect.

- 10. NCPA Generation Services Plant Updates** – Plant Staff provided the Committee with an informational update on current plant activities and conditions.

Geo – There were no health or safety incidents to report for the month of May. Wildlife sightings included one brown bear, one mountain lion, and several rattle snakes. Average generation for May was 88.8 MW, which is up from 72.2 MW in April. FY 2020 YTD generation total is 590.6 GWh, 12% below forecast. Vegetation management continues with CalFire on sight daily. The J-5 well was not flowing prior to May 2020, but is now up and running. Staff plan to re-establish ten underperforming wells and convert into MWh. The Spring outage has been completed. The total duration of the outage was March 24, 2020 through May 12, 2020. The scope of work during the outage included turbine rotor and diaphragm repairs, turbine lube oil pump repair, steam ejector replacement, Siemens T3K upgrade, and Stretford repairs.

CTs – May was an active month for CT1 with 12 starts, including seven in real time. Neither CT had any forecasted starts. The YTD starts for CT1 is 225, with CT2 at 36. There was one forced outage due to the Turner Road bleed valves causing long shutdowns. The CT1 Alameda Unit 2 outage is still ongoing with replacement parts on the way. The STIG outage will continue into June due to the transformer.

Hydro – Lake Alpine is completely full, and has been spilling the last few weeks. It is beginning to slow down now with the snow melt almost over. New Spicer Meadow (NSM) is not full, and will not be spilling this year. It's approximately 77% of capacity, at 40% less discretionary generation than Summer and Fall 2019. The 230kV vegetation management has been completed. Repairs have been completed for the NSM 12" fixed cone valve. Preparation is underway for the recreation season. Campgrounds will be closed through at least June 15. Seasonal public safety buoys have been installed and hazardous trees are being cleaned up. The first fire of the season was May 29, 2020 near Collierville. It was relatively small, so Collierville did not need to be de-energized.

11. Planning and Operations Update

- NCPA Renewables RFP – A summary of proposals received to date was presented to the Utility Directors on May 14, 2020 and staff on May 26, 2020. A survey of interest was also sent out to Members for feedback. Projects will be evaluated after feedback is received.
- PG&E STAR Process – Initial data has been published by PG&E. Staff is currently reviewing the data and developing next steps. Resource commitments will be discussed with the Utility Directors. All non-CAISO projects have been presented to the stakeholders for review. CPUC may step in as TANC is stepping down.
- COVID-19 Update – Dual operations of NCPA dispatch and scheduling functions will continue. Ongoing evaluations of Covid19 impacts for short term and long term load forecasts will also continue.

12. Schedule next meeting date – The next regular Facilities Committee meeting is scheduled for July 1, 2020.

ADJOURNMENT

The meeting was adjourned at 12:31 pm by the Committee Chair.

**Northern California Power Agency
June 3, 2020 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
Tony Zimmer	NCPA
Joel Leckzma	NCPA
Marty Hankis	NCPA
Jane Luckhardt	NCPA

Teleconference call only due to Covid19.

Northern California Power Agency June 3, 2020 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	