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Minutes

Date: July 6, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: July 1, 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 9:02 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), Jiayo Chiang (Lodi), Tikan Singh (Lompoc), Poorvi Rau, and Jim Stack (Palo Alto), Nick Rossow (Redding) Basil Wong, Monica Nguyen, and Eric Shum (Santa Clara), and Owen Goldstrom, and Willie Manuel (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Plumas-Sierra REC, Port of Oakland, 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 June 3, 2020 Facilities Committee Meeting.

Motion: A motion was made by Basil Wong and seconded by Brian Schinstock recommending approval of the June 3, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, and Santa Clara. ABSTAIN = TID. The motion passed.

3. All NCPA Facilities, Members, SCPPA – Peterson Power Systems, Inc. First Amendment to MTGSA – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Peterson Power Systems, Inc., increasing the not to exceed amount from \$215,000 to \$1,000,000, with no other changes to the contract terms, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi Task General Services Agreement with Peterson Power Systems, Inc. effective March 8, 2019 for an amount not to exceed \$215,000. The Geothermal Facility Plant 1 fire pump diesel engine was completely overhauled, coupled with renting portable generators during the duration of the Plants 1 & 2 outages, quickly exhausted the funds available under this agreement. This amendment will increase the not to exceed amount from \$215,000 to \$1,000,000. It is an enabling agreement with no commitment of funds. This agreement will still be available for use at any facility owned and/or operated by the Agency, its Members, SCPPA, or SCPPA Members. NCPA currently has agreements in place for similar services with Koffler Electric Mechanical Apparatus Inc. dba Kemar, and Vince Sigal Electric, Inc. 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 Tikan Singh recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Peterson Power Systems, Inc., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$215,000 to \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and TID. The motion passed.

- 4. NCPA Geo Facility – Plant 1 Fire System Modernization Project** – Staff presented background information and was seeking a recommendation for Commission approval of the NCPA Geothermal Plant 1 Fire System Modernization Project, delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, for a not to exceed amount of \$1,200,000, including approval of \$320,000 for the project contingency from the Maintenance Reserve fund.

The fire protection system at NCPA's Geothermal Plant 1 is malfunctioning, unserviceable, unsupported by the manufacturer, and is no longer considered reliable. The Plant 1 fire protection system is critical to the safety of NCPA personnel and the preservation of plant equipment in the event of a fire. This project is part of the recurring and usual work that is necessary to preserve NCPA's facilities in a safe, efficient, and continuously usable condition. The fire system by its very nature is permanently attached, and part of the buildings and equipment at NCPA's Geothermal Projects. As such, this work fits into the classification of "maintenance" as that term is defined in Title 8, California Code of Regulations Section 16000. Per NCPA's purchasing policy, this work needs to be bid and must pay prevailing wages.

The Plant 1 Fire System Modernization Project forecasted cost is approximately \$1,200,000. Purchase orders referencing the terms and conditions of any agreements executed for work related to this project will be issued following NCPA procurement policies and procedures. The breakdown of the project cost will include \$800,000 from the approved budget for FY 2021, \$80,000 per CEC DCBO requirements (10% adder), and a project contingency from the Maintenance Reserve of \$320,000. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the NCPA Geothermal Plant 1 Fire System Modernization Project, and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance

with NCPA purchasing policies and procedures, without further approval by the Commission, for a forecasted amount not to exceed \$1,200,000, including approval of \$320,000 for the project contingency from the Maintenance Reserve fund. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Roseville, Santa Clara, and TID. ABSTAIN = Palo Alto, and Redding. The motion passed.

INFORMATIONAL ITEMS

- 5. New Business Opportunities** – Staff provided the Committee with an update regarding new business opportunities.

Staff is currently in negotiations with Sonoma Clean Power (SCP). A draft Power Management Services Agreement was sent to SCP for their review. SCP sent back comments for NCPA's review. Staff will review, and will follow up with SCP. The final agreement will be reviewed by this Committee, seeking a recommendation for Commission approval before moving forward. A proposal has also been sent to South Feather Water and Power Agency (SFWPA) for their review. Staff is still waiting on a response from SFWPA.

- 6. Resource Adequacy Commitments Impact on Operations** – Staff reviewed and discussed the impacts 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.

Outage schedules are presented and discussed during August and September. Once approved by the Facilities Committee these outages are scheduled with the CAISO by October 15 each year. Annual RA commitments are filed at the CAISO by October 30 each year. Options for planned and forced outages were discussed. Formal operating procedures are being developed for planned outages. Staff propose that during a planned outage Members may self-provide substitute RA by a defined date, or NCPA will be authorized to seek the substitute RA. NCPA may also seek approval of an outage without substitute RA, but the outage may need to be cancelled. During forced outages Members will be notified and shall be individually responsible for providing substitute RA capacity to mitigate the impacts associated with non-availability. NCPA may also act on behalf of Members pursuant to existing authority granted under existing agreements which include the MPP Agreement and the Pooling Agreement. The duration of the outage will also impact whether RA capacity should be committed or not.

Staff will develop proposed modifications to operating procedures based on Member feedback for FA schedules and operating agreements. Proposed modifications will be presented to the Members at a future Facilities Committee meeting seeking a recommendation for Commission approval.

- 7. 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 issues to report for the month of June. The average generation was 90.4 MW, which is up from 88.8 MW in May. The FY 2020 YTD generation is 655.7 GWh, which is 92.8 GWh (12%) below forecast. Vegetation management continues under the 230 KV line with crews from Cal Fire helping out. Improvements for steam production is under way to fix idle wells. The plan is to re-establish 10 underperforming wells, and convert into MWs. The original fire pump doors have been replaced on Plants 1 and 2. Insulation repairs have been completed to the inlet piping for the Unit 4 turbine, and parts of the steam pipeline. Lastly the Bear Canyon Road repairs have also been completed.

CTs – All CT Units are running, and now available. During the month of June CT1 had 10 actual starts, out of 19 forecasted with 2 ghost starts. The YTD total is 237. CT2 had 5 actual starts of 4 that were forecasted. Bringing the YTD total to 41. Alameda Unit 1 was in a forced outage due to a PG&E system problem. There are no planned outages for the summer.

Hydro – Collierville is running again now. The Walker Fire was June 16-17, 2020 under power lines, so tripped the relay. It burned approximately 1100 – 1200 acres. Three NCPA towers were not affected. Heavy vegetation work was done around these towers. Both lines were tested, and they are fine. The 230 KV Insulator Replacement Project will start July 8, 2020. Contractor mobilization is this week. Construction is scheduled from July 8, 2020 through August 26, 2020. An Osprey nest is currently on one of the towers, with two babies. Nothing can be done to this tower until they are gone.

Joel Ledesma, Assistant General Manager, Generation Services, introduced Jay Mearns, joining the Generation Services Department. Jay is an engineer working with Jeremy Lawson. Previous experience includes working for PG&E.

8. Planning and Operations Update –

- NCPA Renewables RFP – Staff is seeking Member feedback regarding the Renewable RFPs Members are interested in. Additional proposals have been received since the last Facilities Committee meeting. Proposal material will be available on the NCPA Connect Collaboration site.
- Meter Maintenance Program – Staff is currently seeking bids for the Meter Maintenance Program (MMP) services through a RFP. The roles and responsibilities of NCPA and Member staff, along with next steps will be discussed at the next Committee meeting.
- STAR Process Update – NCPA is participating in this process with comments due today. Staff has been reaching out to Members for input. A meeting is scheduled for August 1, 2020.
- COVID-19 Update – Dual operations continue for the NCPA dispatch and scheduling functions.

9. Next Meeting Date – The next regular Facilities Committee meeting is scheduled for August 5, 2020.

ADJOURNMENT

The meeting was adjourned at 11:05 pm by the Committee Chair.