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Minutes

Date: July 11, 2018
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: July 5, 2018 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** - The meeting was called to order by Committee Chair Mike Brozo at 9:02 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Hanger and Debbie Whiteman (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Tikan Singh (Lompoc), Shiva Swaminathan (Palo Alto), and Steve Hance and Peter Virasak (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

- 2. Approve minutes from the June 6, 2018 Facilities Committee meeting.** A motion was made by Steve Hance and seconded by William Forsythe recommending approval of the June 6, 2018 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.
- 3. All Generation Services Facilities, Members, SCPPA – Dynamic Ratings, Inc. MTPSA –** Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task Professional Services Agreement with Dynamic Ratings, Inc. for instrument and predictive maintenance services and purchase of related equipment, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review. Dynamic Ratings Inc. was the best bidder with the newest tools including transformer tools.

Motion: A motion was made by Jiayo Chiang 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 Dynamic Ratings, Inc., for instrument and predictive maintenance services, 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 all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 4. All Generation Services Facilities, Members, SCPPA – Eaton Corporation MTGSA – Staff** was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Eaton Corporation for electrical services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review. The current agreement is expired.

Motion: A motion was made by William Forsythe and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Eaton Corporation for electrical services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000.00 over five years, for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 5. All Generation Services Facilities, Members, SCPPA – Industrial Air Flow Dynamics MTGSA – Staff** was seeking a recommendation for Commission approval of a Multi-Task General Services Agreement with Industrial Air Flow Dynamics for expansion joints, penetration seals, and HRSG related maintenance services, with a not to exceed amount of \$4,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review. This type of work is very expensive.

Motion: A motion was made by William Forsythe and seconded by Mike Brozo recommending Commission approval of the authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Industrial Air Flow Dynamics, Inc. for expansion joints, penetration seals and HRSG related maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$4,000,000.00 over five years, for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 6. All Generation Services Facilities, Members, SCPPA - Tetra Engineering Group, Inc. MTPSA – Staff** was seeking a recommendation for Commission approval of a Multi-Task Professional Services Agreement with Tetra Engineering Group, Inc. for inspections related to HRSG, power piping, steam plant assessments, and engineering consulting services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review. The current agreement is expiring soon.

Motion: A motion was made by Jiayo Chiang and seconded by William Forsythe recommending Commission approval of the authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Tetra Engineering Group, Inc. for inspections related to HRSG, power piping, steam plant assessments, root cause failures and consulting engineering, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000.00 over five years, for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 7. NCPA Combustion Turbine 1 Facilities – Bay Cities Pyrotector, Inc. Public Works Agreement** – Staff was seeking a recommendation for Commission approval of a Public Works Agreement with Bay Cities Pyrotector, Inc. for the CT1 fire system upgrade project, with a not to exceed amount of \$328,684.47, for use at NCPA's Combustion Turbine 1 facilities. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets through the maintenance reserve funds. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by William Forsythe and seconded by Jiayo recommending Commission approval authorizing the General Manager or his designee to enter into a Public Works Agreement with Bay Cities Pyrotector, Inc. for CT1 facilities fire system upgrade services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$328,684.47, for use at NCPA CT1 Lodi and CT1 Alameda facilities. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

- 8. NCPA Combustion Turbine 1 Facilities – Alameda Unit 1 Maintenance and Budget Augmentation** – Staff reviewed the results of a borescope report, including photos and leading theories, as well as next steps for repairs related to the recent trip and subsequent damage to NCPA's Alameda Unit 1.

On June 19, 2018 Units 1 and 2 were called in the real time market for operation during the morning. Both units ran with no trouble and were cycled off. Unit 1 was the first unit to come back on for day ahead market runs. It did not reach full output, only making 21 MW (vs24) and prior to tripping, dropped to 18 MW. There were no alarms. The unit then tripped, also causing Unit 2 to trip. Prior to this, the unit was disassembled in 2015 for a major inspection with refurbishing, upgrades, and replacement of equipment blades. The unit was also disassembled this year for Flex Seal, with no compressor damage found.

The borescope summary includes oil on plenum floor of the inlet. Three stage 0 stator vanes liberated at the root, with major impact damage throughout the compressor. Debris in fuel nozzles, with combustion caps, and crossfire tube cooling holes in the combustion chamber. The turbine has material loss from one stage 1 nozzle, material loss from one stage 1 bucket and impact marks throughout.

Motion: A motion was made by Steve Hance and seconded by Alan Hanger recommending Commission approval authorizing the General Manager to enter into agreements and issue purchase orders necessary to restore Alameda CT Unit 1 to service, for a total cost not to exceed \$2,000,000, and to increase the CT1 FY19 budget. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

9. NCPA Geothermal Facility – Northwest Paving, Inc. Public Works – Staff provided background information and was seeking a recommendation for Commission approval of a Public Works Agreement with Northwest Paving, Inc. with a not to exceed amount of \$332,000, for road repairs at NCPA’s geothermal facility. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. This is budgeted in the 2018 encumbered funds. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Mike Brozo recommending Commission approval authorizing the General Manager to enter into a Public Works Agreement with Northwest Paving, Inc. for a not to exceed amount of \$301,327 with any non-substantial changes recommended and approved by the NCPA General Counsel. Staff further recommends that an additional \$30,673 (approximately 10% of contractor’s bid) be authorized for possible contingencies, so that the total project cost is not to exceed \$332,000. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

10. All Generation Services Facilities - Pengo Wireline of California, Inc. MTPSA – Staff provided background information and was seeking a recommendation for Commission approval of a Multi-Task Professional Services Agreement with Pengo Wireline of California, Inc., for downhole wirelines services on wells, with a not to exceed amount of \$750,000, for use at all NCPA Generation Services Facilities. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft agreement were available for review.

Motion: A motion was made by William Forsythe and seconded by Mike Brozo recommending Commission approval authorizing the General Manger or his designee to enter into a Multi-Task Professional Services Agreement with Pengo Wireline of California Inc., for the deployment of downhole wireline services on wells, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years, for use at all NCPA Generation Services Plant Locations. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto. The motion passed.

11. NCPA Hydroelectric Facility – Weather Modification Program – Staff presented background information and was seeking a recommendation that the Commission adopt an addendum to the previously approved CEQA Initial Study and Negative Declaration, and authorize the General Manager to enter into one or more contracts and to issue purchase orders for a total not-to-exceed amount of \$1,800,000 over five years for the Stanislaus Weather Modification Program. All purchase orders will be charged against approved annual Hydroelectric operating budgets. A draft Commission Staff Report and the draft addendum to the agreement were available for review.

Motion: A motion was made by Jiayo Chiang and seconded by Mike Brozo recommending Commission approval of the addendum to the CEQA Initial Study/Negative Declaration authorizing the General Manger or his designee to enter into one or more contracts as approved by the NCPA General Counsel and to issue purchase orders for a total not-to-exceed amount of \$1,800,000 over five (5) years for the Stanislaus Weather Modification Program. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

12. NCPA Hydroelectric Facility – Western Area Power Administration Support Agreement Extension - Staff is seeking a recommendation for Commission approval of an extension to the Support Agreement between NCPA and Western Area Power Administration for maintenance services, for use at NCPA Hydro facility. All purchase orders issued pursuant to the agreement will be charged against approved Annual Operating Budgets. A draft Commission Staff Report and the draft addendum to the agreement were available for review.

Motion: A motion was made by William Forsythe and seconded by Alan Hanger recommending Commission approval authorizing the General Manager or his designee to extend an existing Contract for Maintenance Services with Western Area Power Administration (WAPA) for transmission line, transformer and substation service maintenance, as 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. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. The motion passed.

13. NCPA Generation Services Plant Updates – Information Only – NCPA Plant Staff will provide the Committee with an informational update on current plant activities and conditions.

Staff provided the facility outage schedule for 2019. Hydro will have a major outage with the stator rewind for Unit 1 scheduled from August 31 through December 8. RA balance will be updated and distributed next week, with capacity balance and CAISO requirements based on last year's estimate. Staff has asked that members check their schedules and get back to NCPA with any questions or issues regarding the outages that are proposed.

Geo staff updated the Committee with various activities going on at the sites. Current generation is 2MW higher than originally forecasted. The cooling tower deck is receiving an overlay to preserve the wood, while P-Site wells are undergoing wireline work due to damage. Several O&M supervising positions have been filled, plus there are additional postings for operations positions due to retirements.

14. Planning and Operations Update –

- CCA Services Update – East Bay Community Energy has been operating since June 1. NCPA is working on procurement with them. Things have been going smoothly with Pioneer Community Energy. Both organizations are now focused on longer term procurement. San Jose Clean Energy will begin operating on September 1. They are actively working with the CAISO to complete their registration process.
- PG&E has developed a new procedure regarding fire safety which would include load dropping in the event of a fire emergency. Certain members have been contacted by PG&E regarding this new procedure. NCPA will contact PG&E to setup a meeting to learn more about the program. NCPA will also do some initial research per review of any CPUC documentation regarding the new program. Plumas-Sierra has offered to help with the research efforts.
- Order 890 Complaint – NCPA is working to develop a new transmission planning procedure that may be presented to PG&E for consideration. FERC held a technical conference in May due to the filed complaint. In response to the technical conference, NCPA, TANC and the CPUC filed coordinated comments further supporting development of an open and transparent PG&E transmission planning process. NCPA will report back at the next Facilities Committee meeting, and may file a motion for expedited treatment of the complaint at FERC, if resolution is not reached soon.
- NCPA failed to meet certain spinning reserve instructions for Collierville on May 11. There is an ongoing investigation regarding the validity of the CAISO instructions. NCPA is looking

into the ADS software as well. NCPA will retest the unit for spinning reserves within the next six months.

15. Schedule next meeting date – The next regular Facilities Committee meeting is scheduled for August 1, 2018.

ADJOURNMENT

The meeting was adjourned at 11:10 am by the Committee Chair.

**Northern California Power Agency
July 5, 2018 Facilities Committee Meeting
Attendance List**

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

MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Jiayo Chang</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	<i>Prudhial Brog</i>
PORT OF OAKLAND	
ROSEVILLE	<i>Willie</i>
SANTA CLARA	
TID	
UKIAH	