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Minutes

Date: October 12, 2018
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: October 3, 2018 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by William Forsythe, Representative from the City of Roseville. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Debbie Whiteman and Alan Hanger (Alameda), Shiva Swaminathan (Palo Alto), Jared Carpenter (Port of Oakland), and Lowell Watros (Redding). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Gridley, Healdsburg, Lompoc, Plumas-Sierra, Santa Clara, TID, and Ukiah were absent. A quorum of the Committee was not established.

PUBLIC FORUM

No public comment.

- 2. Approve minutes from the August 1, 2018 and September 9, 2018 Facilities Committee Meetings, and the August 14, 2018 Special Facilities Committee Meeting** – Since there was not a quorum of the Committee, no action was taken. These minutes will be taken to the next Facilities Committee Meeting on November 7, 2018 for approval.
- 3. All Generation Services Facilities, Members, SCPPA – WSA Engineered Systems MTGSA** – Staff gave background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with WSA Engineered Systems for equipment, materials, and off-site maintenance labor of automatic brush/ball tube cleaning systems, 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. This is an enabling agreement with no commitment of funds.

Since there was not a quorum, the general consensus of the Facilities Committee recommends Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with WSA Engineered Systems, Inc. to provide

equipment, materials, and offsite maintenance labor of brush/ball tube cleaning systems, as well as on-site supervision and operator training on new systems, 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, its members, by the Southern California Public Power Authority ("SCPPA"), or by SCPPA Members. This item will move forward to the next Commission Meeting October 25, 2018, and placed on the consent calendar.

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

CTs – The Lodi CT1 has had only 5 starts in the last few weeks due to the cloudy and cooler weather. The Alameda CT1 U1 parts are currently in Houston. The blades were tested for momentum/balance, and will be matched and balanced out based on the computer run. They passed the high speed rotor balance test. The planned shipping date is October 14, with completion of the repairs scheduled for October 31.

Hydro – The Donnell Fire is still currently burning at a very high elevation. It is mostly contained at this time, with the fire fighters letting it smolder out on its own. The Collierville Unit 2 generator rewind is currently in progress. The stator has been removed and is on deck going through a full mechanical disassembly. A team of six (6) individuals are removing the copper bars. These bars are very tightly glued in, with the glue being sand blasted out. The rewind was ahead of schedule, however this process has slowed the schedule down, but is still slightly ahead of schedule. The core has undergone a loop test for damage. Most of the core is OK, with the areas being repaired that aren't. The next steps are to begin the winding installation, the re-assembly, and then commissioning tests. The unit should be finished and released by approximately December 21, with the demobilization and site cleanup completed in mid-January. Please contact Randy Bowersox if interested in visiting the plant during the rewind.

5. SFWPA Services Update – Staff provided an update regarding ongoing discussions with South Feather Water and Power Agency (SFWPA) about NCPA's possible provision of Services to SFWPA. SFWPA has expressed interest in services offered by NCPA when their current contract with PG&E expires June 30, 2020. The services provided by NCPA would be similar to the MEID and PCWA services.

SFWPA owns and operates 120 MW of hydro generation, through four projects including Woodleaf, Sly Creek, Forbestown, and Kelly Ridge. The extra 120 MW would impact NCPA's operations and resources. With the addition of the 120 MW, NCPA's assets would most likely change from a low impact entity to a medium impact entity (1500 MW), which would have different and/or additional WECC/NERC standards and requirements than currently.

Tony Zimmer, Dennis Sismaet, and Michael Brush, toured the SFWPA facilities September 19. NCPA would also like to send staff from the IT department, SCADA, and Hydro operations to tour the facilities. SFWPA is looking for a longer term agreement and establishing relationships. This would be a good resource in NCPA's portfolio. SFWPA is actively working with a consultant to consider options. They should know by the end of the year if they would like to move forward with services from NCPA. They have also provided NCPA with a high level term sheet, that NCPA will distribute to members if requested. Staff will come back with updates to the committee for review.

6. Cotenancy Agreement – Staff provided background information and an update regarding ongoing discussions in response to CDWR’s notice of termination of its entitlement in the Agreement of Cotenancy in the Castle Rock Junction-Lakeville 230-kV Transmission Line.

The Agreement of Cotenancy is between NCPA, SVP, CDWR, and PG&E for the Castle Rock Junction-Lakeville 230 kV Transmission Line. The agreement establishes rights of tenants-in-common for use of the Castle Rock Junction-Lakeville 230kV transmission line for the delivery of power from the geothermal facilities to the CAISO grid. The original entitlement shares are distributed as follows; PG&E = 931 MW, SVP = 60.1 MW, NCPA 49.9 MW, and CDWR = 165 MW. CDWR has assigned 55 MW to NCPA and SVP, which remains effective as long as NCPA and SVP remain cotenants. The cotenancy line is a key element of the Large Generator Interconnection Agreement among NCPA, PG&E, and CAISO, for the Geothermal Generating Unit 2 Project.

On July 30, 2018, CDWR provided notice of its intention to terminate its share, which can be terminated one year from this notice. The remaining cotenants have the option, but not the obligation, to assume a share of the line from CDWR. If no cotenant assumes the share of the line, the line is to be decommissioned and salvaged.

NCPA met with PG&E on September 20, 2018 to discuss options. PG&E does not want any of CDWR’s share. NCPA and SVP are seeking to have PG&E take control of the entire line, and CDWR has expressed that they can terminate cotenancy, and long-term transmission service at will. NCPA is working to schedule another meeting to discuss pending questions and a possible outcome. Options to consider are that the three entities can assume a pro-rata allocation of CDWR’s share, and the cotenants can calculate the cost of decommissioning the line and collect the amount from CDWR and distributed to PG&E, NCPA, and SVP. The key issue is long term contingent liability of the line and the fire risk with associated liability. One more option to consider, is to sell a share of the line to Calpine, as they may need the line. Ken Speer will contact Calpine regarding this option. As well, CDWR may need future resources. More geothermal will be available beginning 2022, and could be an option as a potential partner with NCPA. Staff will keep the committee updated as things progress, and may come back for a recommendation.

7. Planning and Operations Update –

- Business Continuity Project Bid to Bill – Due to internal issues recently with the system provider that caused problems transmitting the schedule through the CAISO, staff is investigating options with certain redundancy and critical points of failure. Staff will keep the Committee updated with progress of this project.
- The NCPA 2019 planned outages have been filed at the CAISO for RA due at the end of October. Please contact staff if you haven’t scheduled the RA, or with any other questions.
- FERC Order TO18 – The outcome is pretty positive and should result in material TO18 refunds.
- FERC Order TO19 – Has been negotiated lower than TO18 rates, which is only the second time it’s been lower than the previous year.
- PG&E has filed TO20 using a formula rate instead of a fixed rate.
- NCPA has filed rehearing of the prior order regarding NCPA’s PG&E Order 890 compliant.
- Randy Howard, NCPA General Manager, and Mike Webster, SCPA Executive Director, recently met with CEC Commissioners regarding working with LADWP on their 500 MW Project for Energy Efficiency. Through SCPA’s 5 Year Letter of Intent, NCPA Members will have access to this agreement through shared services.

Bill Forsythe commended NCPA on a great Annual Conference, and wonderful 50th Year Anniversary Celebration.

- 8. Schedule Next Meeting Date** – The next regular Facilities Committee meeting is scheduled for November 7, 2018.

ADJOURNMENT

The meeting was adjourned at 10:50 am.

**Northern California Power Agency
October 3, 2018 Special Facilities Committee Meeting
Attendance List**

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

NAME	AFFILIATION
Carrie Pollo	NCPA
Marty LeBeth	NCPA
Javo Clivany	Lodi
Bill Forsythe	Roseville
Tony Zimmer	NCPA
Dennis Sismaet	NCPA
Randy Howard	NCPA
Jane Luckhardt	NCPA
Marty Hanks	NCPA
Michael DeBortoli	NCPA
Randy Bowersox	NCPA
Ken Speer	NCPA

**Northern California Power Agency
October 3, 2018 Facilities Committee Meeting
Attendance List**

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MEMBER	NAME
ALAMEDA	
BART	
BIGGS	
GRIDLEY	
HEALDSBURG	
LODI	<i>Jiayo Chiang</i>
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	<i>Bill Forsythe</i>
SANTA CLARA	
TID	
UKIAH	