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## Facilities Committee Agenda – Amended

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**Date:** October 5, 2022  
**Subject:** NCPA Facilities Committee Meeting  
**Location:** NCPA, 651 Commerce Drive, Roseville, California 95678 / Conference Call  
**Time:** 9:00 am

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**\*\*In compliance with the Brown Act, you may participate via teleconference at one of the meeting locations listed below or attend at NCPA Headquarters. In either case, please: (1) post this Agenda at a publicly accessible location at the participation location no later than 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.\*\***

### **NCPA, 651 Commerce Drive, Roseville, CA 95678 (916) 781-3636**

ALAMEDA MUNICIPAL PWR 2000 Grand St., Alameda, CA	BAY AREA RAPID TRANSIT 300 Lakeside Drive, Oakland, CA	CITY OF BIGGS 3016 Sixth Street, Biggs, CA
CITY OF GRIDLEY 685 Kentucky Street, Gridley, CA	CITY OF HEALDSBURG 401 Grove Street, Healdsburg, CA	CITY OF LODI 1331 S. Ham Lane, Lodi, CA
CITY OF LOMPOC 100 Civic Ctr. Plaza, Lompoc, CA	CITY OF PALO ALTO 250 Hamilton Avenue, 3 <sup>rd</sup> Floor Palo Alto, CA	PORT OF OAKLAND 530 Water Street, Oakland, CA
PLUMAS-SIERRA REC 3524 Mulholland Way, Sacramento CA	CITY OF REDDING 3611 Avtech Pkwy., Redding, CA	CITY OF ROSEVILLE 2090 Hilltop Circle, Roseville, CA
CITY OF SHASTA LAKE 4332 Vallecito St., Shasta Lake, CA	SILICON VALLEY POWER 881 Martin Ave., Santa Clara, CA	TURLOCK IRRIGATION DISTRICT 333 E. Canal Drive, Turlock, CA
CITY OF UKIAH 300 Seminary Ave., Ukiah, CA		

*The Facilities Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears as a Discussion/Action Item or a Report or an Information Item. When this Agenda is supplemented by Staff Reports, they are available to the public upon request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville, California, or [www.ncpa.com](http://www.ncpa.com).*

*Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at (916)781-3636 in advance of the meeting to arrange for such accommodations.*

## REVIEW SAFETY PROCEDURES

### 1. Call Meeting to Order and Roll Call

#### PUBLIC FORUM

Any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee's consideration of that item shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Committee on any item within the jurisdiction of the Committee and not listed on the Agenda may do so at this time.

#### OPEN SESSION

#### DISCUSSION / ACTION ITEMS

2. **Approval of Minutes** – Approve minutes from the September 7, 2022 Facilities Committee meeting.
3. **Reserve and Security Deposit Policies Study** – Staff and Utility Financial Solutions (UFS) will present and discuss the draft recommendations of the deposit and reserve requirements study and seek Committee feedback. **\*\*Informational Only\*\*** (Sponsor: Administrative Services)
4. **All NCPA Facilities, Members, SPCPA – Exponential Power LLC MTGSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Exponential Power LLC for battery related services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SPCPA, and SPCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (Category: Consent; Sponsor: CTs)
5. **All NCPA Facilities, Members, SPCPA – Precision Iceblast Corporation First Amendment to MTGSA** – Staff is seeking a recommendation for Commission approval of a First Amendment to the five-year Multi-Task General Services Agreement with Precision Iceblast Corporation for inspection and maintenance related services, increasing the not-to-exceed from \$1,000,000 to \$3,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SPCPA, and SPCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (Commission Category: Consent; Sponsor: CTs)
6. **All NCPA Facilities, Members, SPCPA – Sunshine Metal Clad, Inc. MTGSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. for routine maintenance services, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SPCPA, and SPCPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (Commission Category: Consent; Sponsor: Geo)
7. **Property Insurance Program Renewal for CY 2023** – Staff is seeing a recommendation for Commission approval to renew the Agency's property insurance program for CY 2023. (Category: Consent; Sponsor: Administrative Services)
8. **Authorize NCPA's General Manager to Execute Confirmation Number 0268 for Precision Iceblast Corporation Services to Roseville/Roseville Electric Utility and issue a Purchase**

**Order Under the Support Services Program** – Subject to approval by the Roseville City Council of the requested services under the terms of the Northern California Power Agency Support Services Program Agreement, staff is seeking a recommendation for Commission approval of Resolution 22-108 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0268 in the amount not-to-exceed \$687,492.00, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to Precision Iceblast Corporation for Heat Recovery Steam Generator Deep Cleaning Services. The Confirmation exceeds the General Manager's signing authority which requires Commission approval. Staff anticipates this item will be placed on the November 3, 2022 Commission agenda. (*Commission Category: Consent; Sponsor: Administrative Services*)

- 9. FY 2023 Schedule Coordination Program Agreement Deposit Requirement Deferral** – Staff is seeking a recommendation for Commission approval to defer the SCPA deposit requirement for Fiscal Year 2023 until the draft recommendations of the Reserve and Security Deposit Policies study can be reviewed with the Commission. (*Category: Discussion/Action; Sponsor: Administrative Services*)

### **INFORMATIONAL ITEMS**

- 10. New Business Opportunities** – Staff will provide an update regarding new business opportunities. (*Sponsor: Power Management*)
- 11. FY 2022 Annual Billing Settlements Review** – Staff will present a draft of the FY2022 Annual Billing Settlement and encumbrances for the period of July 1, 2021 through June 30, 2022. (*Sponsor: Administrative Services*)
- 12. Overview of FY 2024 Budget Process and Approach** – Staff will present an overview of the FY2024 Budget process and recommended operating budget directions. (*Sponsor: Administrative Services*)
- 13. NCPA Generation Services Plant Updates** – Plant Staff will provide the Committee with an informational update on current plant activities and conditions. (*Sponsor: Generation Services*)
- 14. Planning and Operations Update** – Staff will provide an update on issues related to planning and operations. (*Sponsor: Power Management*)
- 15. Next Meeting** – The next Facilities Committee meeting is scheduled for November 2, 2022.

### **ADJOURNMENT**

JC/cp



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# Minutes – Draft

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**Date:** September 14, 2022  
**To:** NCPA Facilities Committee  
**From:** Carrie Pollo  
**Subject:** September 7, 2022 Facilities Committee Meeting Minutes

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1. **Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Jiayo Chiang (Lodi) at 9:03 am. Attending via teleconference and/or on-line presentation were Alan Harbottle and Roger Yang (Alameda), James Sheppard (Biggs), Cliff Wagner (Gridley), Shiva Swaminathan (Palo Alto), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Ryley Kelly (Roseville), and Steve Hance (Santa Clara). Peter Lorenz (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, Plumas-Sierra, Shasta Lake, TID, and Ukiah were absent. A quorum of the Committee was established.

## **PUBLIC FORUM**

No public comment.

2. **Approval of Minutes from the August 3, 2022 Facilities Committee meeting.**

Motion: A motion was made by Steve Hance and seconded by Cliff Wagner recommending approval of the August 3, 2022 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Gridley, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. ABSTAIN = Biggs and Lodi. The motion passed.

3. **All NCPA Facilities, Members, SCPPA – Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co., Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co., Inc. for motor maintenance services, 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.

This is an existing NCPA vendor. The current agreement with Industrial Electrical Co., Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has agreements in place for similar services with Caltrol, Inc., Custom Valve Solutions, Koffler Electrical Mechanical Apparatus, 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 agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co., Inc. for motor 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 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, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 4. All NCPA Facilities, Members, SCPPA – Nooter/Eriksen, Inc. MTGSA-EMS –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement and Agreement for Equipment, Materials and Supplies with Nooter/Eriksen, Inc. for heat recovery steam generator (HRSG) support services and parts, 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.

This is a new agreement with a new NCPA vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA currently has agreements in place with HRST, Inc. and Tetra Engineering Group, Inc. 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 agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Alan Harbottle and seconded by Steve Hance recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Nooter Eriksen, Inc. for heat recovery steam generator (HRSG) support services and parts, 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. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 5. All NCPA Facilities, Members, SCPPA – Unique Scaffold MTGSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Unique Scaffold for scaffolding related services, with a not to exceed amount of \$4,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

This is an existing NCPA vendor. The current agreement is with Ernie & Sons Scaffolding, Inc. dba Unique Scaffold. Ernie & Sons Scaffolding has transferred their assets to Unique Scaffold. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has agreements in place for similar services with American Industrial Scaffolding, Inc., ASRC/D2 Industrial (pending), BrandSafway, LLC and Elevator, LLC. 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 agreement were available for review. It is recommended to place this item on the Commission

## Consent Calendar.

Motion: A motion was made by Steve Hance and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Unique Scaffold for scaffold related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$4,000,000 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, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

### **6. All NCPA Facilities (Except LEC), Members, SCPPA – Ford Construction Company, Inc.**

**MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Ford Construction Company, Inc. for general maintenance services, with a not to exceed amount of \$3,000,000, for use at all facilities owned and/or operated by NCPA (except LEC), NCPA Members, by SCPPA, and SCPPA Members.

This is an existing NCPA vendor. The current agreement with Ford Construction Company, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. 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 K.W. Emerson, Inc. and Syblon Reid. 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 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 Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Ford Construction Company, Inc. for general maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$3,000,000 over five years, for use at any facilities owned and/or operated by NCPA (except the Lodi Energy Center), NCPA Members, by SCPPA, and SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- Prior to the presentation of item # 7, Mike Brozo (Plumas-Sierra) joined the meeting via teleconference and online presentation.

### **7. Casualty Insurance Program Extension to March 1, 2023** – Staff presented background information and was seeking a recommendation for Commission approval to extend the current liability insurance program.

NCPA utilizes Alliant Insurance Services, Inc. as the Agency's broker to procure Casualty insurance, including Liability, Workers Comp, and Auto coverages. Over the last several years, the renewal process has been increasingly challenging because of higher premiums and broker delays. The leading cause for this delay is the Liability program being presented and negotiated during the height of the wildfire season. Despite having a robust Wildfire Mitigation Plan and our vegetation management practice, the media coverage of California wildfires seems to suggest that our plants are in constant and imminent danger.

One of the goals identified in the 2021-2026 Strategic Plan was to develop a long-term, cost-effective insurance coverage strategy. The current casualty insurance coverage expires on

December 31, 2022. After a thorough discussion with Alliant, they suggested moving the renewal outside the typical wildfire season by extending our current coverage by two months. In addition, after meeting with the Chief AEGIS underwriter in July 2022, they corroborated Alliant's recommendation stating that moving the renewal date was in the best interest of NCPA.

NCPA directed Alliant to approach the markets requesting if an extension to the current Casualty programs were an option they would consider. After a few months of negotiations, the markets agreed. A summary of the premiums is detailed in the table below:

NCPA			
Program	Carrier	Current Premium	Extension NTE
Excess Liability	AEGIS	1,091,244	209,000
Excess Liability	EIM	179,460	34,000
Excess Liability	Ironshore	77,437	15,000
Workers Comp	Liberty Mutual	229,089	44,000
Auto	Liberty Mutual	60,185	12,000
		<b>Total</b>	<b>314,000</b>
LEC			
Program	Carrier	Current Premium	Extension
Excess Liability	AEGIS	170,836	33,000
		<b>Total</b>	<b>33,000</b>
		<b>Grand Total</b>	<b>347,000</b>

Moving the renewal date of the liability insurance program will have no impact on the coverages or limits provided by the current program. Furthermore, moving the renewal date will not interfere with or change anything associated with the property insurance program provided by FM Global. The actual prices will come in lower than presented today.

Motion: A motion was made by Steve Hance and seconded by Shiva Swaminathan recommending Commission approval authorizing the General Manager to extend the expiration of the Agency's Casualty insurance coverage from 12/31/2022 to 2/28/2023 at a not-to-exceed premium of \$347,000. 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. **NCPA Geothermal Facility – Rejection of All Original Bids Received on July 1, 2021 for the NCPA Geothermal Plants #1 & #2 Emergency Shower and Eyewash Stations Replacement Project** – Staff provided background information and was seeking a recommendation for Commission approval delegating authority to the General Manager or his designee to reject all original bids received on July 1, 2021 for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project.

The emergency showers and eyewash stations at NCPA's Geothermal Plants #1 and #2 are in disrepair and out of compliance with current OSHA standards and must be replaced. An outside engineering firm was hired to provide an estimate for replacement of the thirteen emergency

showers and eyewash stations. The engineering firm estimated this project would cost approximately \$200,000.

In accordance with the NCPA procurement policies and procedures, NCPA followed a formal Public Works Bid process for this project. On May 24 2021, NCPA posted a Notice Inviting Bids for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project (GEO376), with proposals due by July 1, 2021. Bid walks took place on June 8, 2021 and June 10, 2021, and there were three attendees. Staff received bids from two vendors, as shown below:

Vendor	Bid
Hudson Mechanical	\$829,480.00
Northern Industrial Construction	\$561,035.35

The bids received were substantially higher than the amount available for this project in the FY 2022 budget. The Contract Documents for this project allow the Agency to exercise its discretion and request the NCPA Commission to reject all bids. Geothermal project staff determined it would be prudent to delay this project until FY 2023 to allow time for additional funds to be allocated to perform this work. As a result of rejecting these bids, staff will be seeking approval of new bids that will be presented in a subsequent Staff Report.

At the time of original bidding, there was \$200,000 allocated for this work in the FY 2022 budget. Thus, there were not sufficient funds available for NCPA to move forward with this project based on the bids received. Geothermal project staff determined that delaying the project until the next fiscal year would allow time for additional funds to be allocated to perform this work.

Motion: A motion was made by James Sheppard and seconded by Jiayo Chiang recommending Commission approval delegating authority to the General Manager or his designee to reject all original bids received on July 1, 2021 for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Port of Oakland, and Roseville. ABSTAIN = Palo Alto, and Redding. The motion passed.

- 9. NCPA Geothermal Facility – Geothermal Plants #1 & #2 Emergency Shower and Eyewash Stations Replacement Project** – Staff provided background information and was seeking a recommendation for Commission approval of the Geothermal Plants #1 & #2 Emergency Shower and Eyewash Stations Replacement 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 total not to exceed \$915,000, and authorizing the use of \$558,000 from the FY 2023 Geothermal Facility Project Budget, \$117,000 from FY 2022 encumbered funds, \$140,000 from the Maintenance Reserve, and \$100,000 from the FY 2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

The emergency shower and eyewash stations at NCPA’s Geothermal Plants #1 and #2 are in disrepair and out of compliance with current OSHA standards. The scope of the project is to replace a total thirteen emergency showers and eyewash stations at both plants, and ensure that the stations are upgraded to OSHA standards. Sheds containing a water heater, pump, and circulating valve will be installed to provide tepid water per OSHA standards, and insulate and heat trace all piping for freeze protections. This is a mandatory project.

Total cost of this project is not to exceed \$915,000. This amount includes \$142,186.86, or approximately 18%, in contingency funds. No cash collection or budget augmentation is required for this work. Additional Maintenance Reserve collections are not anticipated in future budget

years to refund the Reserve. 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.

A breakdown of funding sources is shown in the table below.

<b>Description</b>	<b>Amount</b>
FY 2023 Budget – Plants #1 & #2 Emergency Shower & Eyewash Stations	\$558,000
FY 2022 Budget – Plants #1 & #2 Emergency Shower & Eyewash Stations (Encumbered)	\$117,000
Maintenance Reserve – Deferred Well Workovers (\$500,000)	\$140,000
FY2023 Geothermal Facility O&M Budget	\$100,000
<b>Total</b>	<b>\$915,000</b>

In accordance with NCPA’s procurement policies and procedures, Geothermal project staff followed a Public Works Bid process for this project. On May 24, 2021, NCPA posted a Notice Inviting Bids for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project (GEO376), with proposals due by July 1, 2021. Bid walks took place on June 6 and June 8, 2021, with two attendees at each bid walk. Two vendors submitted bids: Hudson Mechanical and Northern Industrial Construction. The bids received were higher than the amount available for this project in the FY 2022 budget. Geothermal project staff determined it would be prudent to delay this project until the next fiscal year to allow time for additional funds to be allocated to perform this work.

On June 27, 2022, NCPA posted an updated Notice Inviting Bids for the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement Project (GEO376), with proposals due by August 11, 2022. Bid walks took place on July 12, 2022 and July 14, 2022, and there were two attendees at each bid walk. Staff received bids from two vendors, as shown below:

<b>Vendor</b>	<b>Bid</b>
Hudson Mechanical	\$948,555.00
Northern Industrial Construction	\$772,813.14

Geothermal project staff have evaluated the bids received and have determined Northern Industrial Construction to be the responsive, responsible bidder. If approved by the NCPA Commission, work will be awarded to Northern Industrial Construction.

Motion: A motion was made by Cliff Wagner and seconded by James Sheppard recommending Commission approval authorizing the Geothermal Plants #1 and #2 Emergency Shower and Eyewash Stations Replacement 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 total not exceed \$915,000, and authorizing the use of \$558,000 from the FY 2023 Geothermal Facility Project Budget, \$117,000 from FY 2022 encumbered funds, \$140,000 from the Maintenance Reserve, and \$100,000 from the FY 2023 Geothermal Facility Operations and Maintenance Budget to fund the project. 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.

#### **10. NCPA Geothermal Facility – Geothermal H-Line Pipeline Repair Project – Staff presented background information and was seeking a recommendation for Commission approval of the Geothermal H-Line Pipeline 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 total not to exceed amount of \$280,000 and authorizing the use of \$67,500 of encumbered funds from the FY 2022 budget and \$212,500 from the FY 2023 Geothermal Facility Operations and Maintenance Budget to fund the project.

NCPA Geothermal staff have determined a 500-foot section of the H-Line Steam Pipeline at NCPA's Geothermal Facility is being undermined by erosion. To prevent further damage to the H-Line Steam Pipeline and avoid a possible environmental incident with the pipeline, staff is proposing repairs to the damaged portions.

The scope of work for the proposed Geothermal H-Line Pipeline Repairs Project will include the following activities:

- Convert a pipe support into a pipe anchor
- Repair three additional pipe supports
- Modify five water drop pots or knockout pots
- Repair several conduit pipe supports
- Repair 500 feet of eroded area to prevent further damage
- Repair pipe insulation and paint all affected pipeline sections

The total cost of this project is not to exceed \$280,000. This amount includes \$36,446, or approximately 15%, in contingency funds. Funds for this project were included in the approved FY2023 Geothermal Facility Budget as Steam Field Pipe Supports – Engineering. \$67,500 of encumbered funds from the FY 2022 budget and \$212,500 from the FY 2023 Geothermal Facility Operations and Maintenance Budget will be used to fund this project. No cash collection or budget augmentation is required for this work. 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.

In accordance with NCPA's procurement policies and procedures, Geothermal project staff followed a formal Public Works Bid process. On July 5, 2022, NCPA issued a Notice Inviting Bids for the Geothermal H-Line Pipeline Repairs Project (GEO395), with proposals due by August 25, 2022. A bid walk took place on July 19, 2022 and July 21, 2022, and there were four attendees. NCPA received bids from two vendors: Hudson Mechanical, and Northern Industrial Construction. Staff have evaluated the bids received and have determined Northern Industrial Construction to be the responsive, responsible bidder with a bid of \$243,554. If approved by the NCPA Commission, work will be awarded to Northern Industrial Construction.

Motion: A motion was made by Jiayo Chiang and seconded by Alan Harbottle recommending Commission approval authorizing the Geothermal H-Line Pipeline Repairs 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 total not exceed \$280,000 and authorizing the use of \$67,500 of encumbered funds from the FY 2022 budget and \$212,500 from the FY 2023 Geothermal Facility Operations and Maintenance Budget to fund the project. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Palo Alto, and Redding. The motion passed.

#### **11. NCPA Geothermal Facility – Geothermal Plant 2 Cooling Tower Basin Clean-Out Project –**

Staff provided background information and was seeking a recommendation for Commission approval of the Geothermal Plant 2 Cooling Tower Basin Clean-Out 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 total not exceed \$620,024, and authorizing the use of \$150,024 from the Maintenance Reserve to fund this project.

The Unit #3 and Unit #4 cooling tower basins at NCPA's Geothermal Plant #2 need to be cleaned of sediment. NCPA Geothermal Plant #2 is due for a six-week overhaul starting on November 1, 2022. Geothermal project staff would like to complete the cleaning of the Unit #3 and Unit #4 cooling tower basins during the upcoming overhaul.

In April 2010, the Unit #3 cooling tower was shut down and left in cold standby. Non-operation of the cooling tower presented a fire hazard and the tower was demolished in May 2014, leaving the basin intact. Since that time, the Unit #3 basin has been used for the disposal of liquid sedimentary waste. Staff has determined that the Unit #3 basin can be utilized as storage for additional make up water to offset evaporation in the Unit #4 cooling tower, thus avoiding a possible loss in efficiency and the potential for curtailment of the unit during the summer months. The scope of work for this project will include the removal and disposal of sedimentation in the Unit #3 basin, which will allow it to be used for water storage going forward.

The Unit #4 cooling tower continues to be in use, but has not been cleaned since the 2016 Plant #2 overhaul. Cleaning of this type is customary during major overhauls. The scope of work for this project will also include draining the Unit #4 cooling tower basin, and removing and disposing of any sediment buildup.

The total cost of this project is not to exceed \$620,024. This amount includes \$103,337, or approximately 20%, in contingency funds and \$10,600 for a performance bond. \$470,000 for the Geothermal Plant 2 Cooling Tower Basin Clean-Out Project was approved in the FY 2023 budget. An additional \$150,024 will come from the Maintenance Reserve to fund this project. No cash collection or budget augmentation are required for this work. 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.

A breakdown of the project costs is shown in the table below.

<b>Geothermal Plant #2 Cooling Tower Basin Clean Out Project</b>	<b>Cost</b>
Unit #4 Basin Clean Out	\$ 158,047
Unit #3 Basin Clean Out	\$ 348,040
Performance Bond	\$ 10,600
Sub-Total (Bid Amount)	\$ 516,687
Contingency (~20%)	\$ 103,337
<b>Total Project Cost</b>	<b>\$ 620,024</b>

In accordance with NCPA's procurement policies and procedures, Geothermal project staff followed a formal Public Works Bid process. On July 12, 2022, NCPA issued a Notice Inviting Bids for the Geothermal Plant #2 Cooling Tower Basin Clean-Out Project (GEO397), with proposals due by August 4, 2022. A bid walk took place on July 26, 2022, and there were three attendees. NCPA received one bid from MP Environmental Services, Inc. Staff evaluated the bid received and plans to award this work to MP Environmental Services, Inc. pending project approval by the NCPA Commission.

Motion: A motion was made by Steve Hance and seconded by Alan Harbottle recommending Commission approval authorizing the Geothermal Plant #2 Cooling Tower Basin Clean Out 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 total not exceed \$620,024, and authorizing the use of \$150,024 from the Maintenance Reserve to fund this project. 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.

- 12. NCPA Hydro Facility – Stanislaus Weather Modification Program Request for Additional Funds** – Staff presented background information and was seeking a recommendation for Commission approval to amend Resolution 18-68 authorizing the request for additional funds for the Stanislaus Weather Modification Program, increasing the total not-to-exceed amount of this Program from \$1,800,000 to \$2,100,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the Program in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for the remaining term of the Program.

The Stanislaus Weather Modification Program was originally approved in the August 23, 2018 Commission meeting (SR 186:18; Resolution: 18-68) with a budget not-to-exceed \$1,800,000. NCPA started the Program with RHS Consulting Ltd. and spent \$205,591.21 of the Program funds in the Winter 2018-2019. NCPA and RHS mutually agreed, after the completion of the 2018-2019 season, to discontinue working together for the remainder of the term. NCPA elected to move forward with the second, and only other responsive bidder, Weather Modification LLC for the remainder of the Program.

The overall Program estimate of \$1,800,000 was structured with the cost estimates consistent with the lower bidder RHS as well as actual costs experienced during each season which are contractually comprised of both fixed and variable costs. The requested budget augmentation reflects the higher costs of the original Weather Modification LLC bid as well as increases to contractual variable costs associated with flight hours, fuel, and materials. This has resulted in the need to increase the total Program authorization amount by an additional \$300,000 for a total not-to-exceed cost of \$2,100,000.

Total initial estimated cost of the Program for a five (5) year period was not-to-exceed \$1,800,000. This was based on unit / quantity assumptions provided to contractors, the price proposal recommended for acceptance for (\$274,793) for the winter period beginning November 1, 2018 through April 30, 2019. Additional costs could be incurred if services are requested for an additional month, or if actual costs (airplane flight time and consumables) are more than anticipated.

Winter Year	Original Estimate	Actual	Water Year Type
2018-2019	\$274,793	\$205,591	Wet
2019-2020	\$291,637	\$453,438	Dry
2020-2021	\$301,399	\$398,013	Dry
2021-2022	\$311,979	\$410,851	Dry
Program To Date	\$1,179,808	\$1,467,893	
2022-2023	\$322,956	\$423,080	
Subtotal	\$1,502,764	\$1,890,975	
Contingency	20%	11%	
<b>Total Project Cost</b>	<b>\$1,800,000</b>	<b>\$2,100,000</b>	

Total cost will not exceed \$2,100,000 over the five year term of the Program (ending August 2023). Purchase orders associated with agreements executed for this Program will utilize approved Hydroelectric budget funds.

Scientific experts in the field of weather modification estimate the snow pack can be increased from 2% to more than 10% percent by a well-managed weather modification Program. An increase of 2% would result in approximately ten thousand (10,000) MWh per year for the NCPA Hydroelectric Project during an average snow pack year. The value of an additional 10,000 MWh's for 2023 is on the order of \$700,000 (assuming a weighted price of \$70/MWh). Cost allocation will be based on project participation percentages.

A formal Request for Proposal was released on June 18, 2018 and sent to the three (3) vendors that were known to provide cloud seeding services in California. Two (2) responsive proposals were received. In accordance with NCPA's procurement policies and procedures, these responses were evaluated and RHS Consulting Ltd. was initially selected based on qualifications of the bidder's proposed Project Team, recent and relevant cloud seeding experience, proposed project approach, compliance with CEQA, willingness to sign NCPA's General Services Agreement, and corresponding fees. NCPA and RHS mutually agreed, after the completion of the 2018-2019 season, to discontinue working together for the remainder of the term. NCPA elected to move forward with the second, and only other responsive bidder, Weather Modification LLC, for the remainder of the Program.

Environmental impact considerations were previously analyzed by and are covered by an Initial Study and Negative Declaration ("IS/ND") adopted by the Commission on January 12, 2006. In anticipation of extending the Program by an additional five (5) years, NCPA prepared an Addendum to the IS/ND which was approved in the August 23, 2018 Commission Meeting (SR 168:18; Resolution: 18-52). The Addendum shows that the continuation of the Program will not result in any new or previously unidentified significant impacts.

Motion: A motion was made by Shiva Swaminathan and seconded by Cliff Wagner recommending Commission approval authorizing the request for additional funds for the Stanislaus Weather Modification Program, increasing the total not-to-exceed amount of this Program from \$1,800,000 to \$2,100,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the Program in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for the remaining term of the Program. 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.

## **INFORMATIONAL ITEMS**

### **13. New Business Opportunities – Staff provided an update regarding new business opportunities.**

#### **Calpine Geothermal Offer**

- Term: 12 years commencing 1/1/2025
- Volume: 50 MW base 7x24; potentially up to an additional 50 MW
- Price: To Be Discussed
- All other terms per the term sheet
- Key Next Steps:
  - Transaction Confirmation Negotiations
    - RA Agreement
    - RPS Agreement
  - Member Project subscription
    - Third Phase Agreement process
    - Confirm level of interest with Members

**14. Meter Maintenance Program Update** – Staff provided an update regarding proposals received in response to NCPA's Request for Proposals for Meter Maintenance Program Services.

CAISO Certified Meters must be certified and repaired in short order. NCPA staff have been experiencing a growing number of challenges without the Meter Maintenance Program. Staff propose developing a new Meter Maintenance Program to enable timely responses to issues. A RFP was created for these services. NCPA received proposals from Trimark Associates, Inc., and Ulteig Engineering, Inc.

- Two (2) Vendors
  - Trimark Associates – Final Bid - \$247K Annually
  - Ulteig – Final Bid - \$148K Annually
- Scope Capability

	Trimark	Ulteig
Provide Routine Preventative Meter Maintenance	Yes	Yes
Provide Unplanned Emergency Repair/Replacement (both metering and telecomm equipment )	Included	T&M
Oversee ISP Repairs	Included	T&M
Able to Travel and Service 49 Total Meters throughout Northern CA	Yes	Yes

Staff feels repairs under time and material cost structure will still provide a lower cost. Staff recommend using Ulteig to provide the Member meter maintenance services. Updates will be provided in future meetings regarding the Meter Maintenance Program Agreement and enabling agreement with Ulteig.

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

**Hydro** – Collierville (CV) Power House was 99% available during the month of August due to Unit 2 brushes. New Spicer Meadows Power House was at 99% availability due to Unit 3 oil pump. New Spicer Meadows storage decreased by 17,049 acre feet at 15% month over month from 116,199 acre feet to 99,150 acre feet as of September 6, 2022. At this time last year New Spicer Meadows Reservoir storage was only 67,960 acre feet. Current regulatory activities include completion of the FERC and DSOD annual inspections, FERC reviewing the supplemental environmental documentation for QCIP for annual dam maintenance, conducting ongoing CAOES EAP consultations, completed Lake Alpine Dam stability analysis, and preparation for the USGS annual audit process. Maintenance in the upper watershed includes Phase 1 work on Alpine Dam, work on Union Dam next week, and Utica valve operator replacement in October. Planned maintenance outages began yesterday with the Spicer Powerhouse Unit 3. Unit 1 will begin the week of September 12, 2022, and Unit 2 will begin the week of September 19, 2022. Beaver Creek and North Fork intakes cleanouts will be during the week of the September 26, 2022. The Collierville dual unit outage begins October 1, 2022 followed by the Unit 2 outage from October 2 – 14, 2022, and Unit 1 October 17 – 28, 2022.

**CTs** – CT1 had 32 actual starts, with 28 in real time and 4 ghost, of 46 forecasted. FYTD total is 54 starts. CT2 had 3 starts this month of 21 forecasted. FYTD total is 5 starts. CT1 Lodi was forced into an outage due to the generator power quality meter August 16 – 17, 2022. CT2 had a forced outage due to a gas turbine lube oil hose August 17 – 30, 2022. CT1 Lodi has used 171.6 hours (85%) of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 1.58 hours of 20, and Unit 2, 12.27 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for August 2022.

**Geo** – There were no safety incidents to report for the month of August. Safety training is 66% complete. The plant conducted a second round of hands on CPR/AED training. The Geo staff also conducted a tour for the Port of Oakland August 11, 2022. The average net generation level for the month was 91.2 MW. Total net generation was 67.8 GWh. Actual year 2022 net generation was 526.7 GWh YTD, 2.7% over forecasted. The year 2022 Net Generation Forecast was 512.8 GWh YTD. FM Global was on site August 16 – 17, 2022 for their audit. Preparation for the Plant 2 overhaul from November 1 – December 16, 2022, continued during the month with Unit 4 turbine rotor refurbishment. Plant maintenance activities included the repair of the vacuum pump motor for Plant 2, and the Plant 1, Unit 1 circulating pump.

## **16. Planning and Operations Update**

**Current Market Conditions** – Due to the high heat event currently going on there is an extremely high energy demand. The CAISO set a record for the all-time highest load September 6, 2022, and issued an Energy Emergency Alert 3 (EEA3) for the first time in history. The CAISO had to make adjustments to the loads. NCPA generation is running at full capacity, and responding well to the load. The forecast for today as well as the next few days is for peak demands with loads coming in higher than forecasted. By this Saturday hopefully the demand levels will start returning to normal levels. Please contact staff with any questions or concerns.

### **Resource Integrations in Progress**

- Antelope Solar (NCPA) – October 2022
- Deer Creek – TBD
- Sandborne Storage – Q1 2023
- Scarlet Solar / Storage – Q1 2023
- Dagget Solar / Storage – Q4 2022
- Proxima Solar / Storage – Q3 2023

**17. Next Meeting** – The next Facilities Committee meeting is scheduled for October 5, 2022.

## **ADJOURNMENT**

The meeting was adjourned at 11:30 am by the Committee Chair.

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

[illegible]



**Northern California Power Agency  
September 7, 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>Guapo Chang</i>
LOMPOC	
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	✓
SANTA CLARA	✓
SHASTA LAKE	
TID	✓ (non-voting)
UKIAH	



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** November 3, 2022

**SUBJECT:** Exponential Power, LLC – Five Year Multi-Task General Services Agreement for Battery Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Combustion Turbines	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Shasta Lake	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
<i>If other, please specify</i>		
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## **RECOMMENDATION:**

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Exponential Power, LLC for battery related 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 any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

## **BACKGROUND:**

Various battery related 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 purchases. NCPA has an agreement in place for similar services with American Power Systems and Nor-Cal Battery.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

## **SELECTION PROCESS:**

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. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

## **COMMITTEE REVIEW:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On October 5, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

**AFTER LEC PPC APPROVAL:** On October 10, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution 22-XX
- Multi-Task General Services Agreement with Exponential Power, LLC

## RESOLUTION 22-XX

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH EXPONENTIAL POWER, LLC

(reference Staff Report XXX:22)

WHEREAS, various battery related services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Exponential Power, LLC is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Exponential Power, LLC to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement, with any non-substantial changes as 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.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
EXPONENTIAL POWER, LLC**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Exponential Power, LLC, a C-corporation with its office located at N56W16665 Ridgewood Drive, Menomonee Falls, WI 53051 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2022 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have



agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

**4.3 Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

**4.4 Pollution Insurance.** Not Applicable.

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

**4.5.5 Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that

may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

- 4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** If Contractor's Work involves its transporting hazardous materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site

to a level sufficient to receive a “No Further Action Required” or “Closure Letter” from the appropriate regulatory authority.

## **Section 6. STATUS OF CONTRACTOR.**

**6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

**6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

## **Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.



- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) business days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1** Immediately terminate the Agreement;
- 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
- 8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

## **Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

- 9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4** **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

## **Section 10. PROJECT SITE.**

**10.1** **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2** **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to

have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

## **Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.

- 12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

### **Section 13. MISCELLANEOUS PROVISIONS.**

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 13.7 **Contract Administrator.** This Agreement shall be administered by the Assistant General Manager, Generation Services, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 13.8 **Notices.** Any written notice to Contractor shall be sent to:

Exponential Power, LLC  
Attention: Kristi Longshore, VP Sales  
1649 Sands Place, SE Suite C  
Marietta, GA 30067

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
  - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
  - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.



**13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

**13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

**13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

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**13.15 No Third-Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

EXPONENTIAL POWER, LLC

Date \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD,**  
General Manager

\_\_\_\_\_  
**KRISTI LONGSHORE,**  
VP of Stationary Sales

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

**EXHIBIT A**

**SCOPE OF WORK**

Exponential Power, LLC ("Contractor") shall provide battery related services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA Members. Services to include, but not be limited to the following:

- Maintenance
- Equipment (including associated off the shelf product specifications and drawings)
- Testing
- DC Equipment

## **EXHIBIT B**

### **COMPENSATION SCHEDULE AND HOURLY FEES**

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Pricing will be quoted at the time services are requested by Agency.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

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(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Exponential Power, LLC

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

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(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**NOT APPLICABLE**

**EXHIBIT D**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**NOT APPLICABLE**

**EXHIBIT E**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** November 3, 2022

**SUBJECT:** Precision Iceblast Corporation – First Amendment to Five Year Multi-Task General Services Agreement for Inspection and Maintenance Related Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Combustion Turbines	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Shasta Lake	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
<i>If other, please specify</i>		
<hr/>		
<hr/>		



## **RECOMMENDATION:**

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a First Amendment to the five-year Multi-Task General Services Agreement with Precision Iceblast Corporation for inspection and maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

## **BACKGROUND:**

Inspection and maintenance related 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 entered into a five year Multi-Task General Services Agreement with Precision Iceblast Corporation effective June 23, 2021 for an amount not to exceed \$1,000,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

An NCPA Member is interested in using this agreement for services through NCPA's Support Services Program, which will result in this agreement running low on funds. To ensure there are sufficient funds available for the remainder of the contract term, NCPA desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increasing the not to exceed amount from \$1,000,000 to \$3,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

NCPA has agreements in place for similar services with Environex, Inc., Groome Industrial Services Group, Inc., and Tetra Engineering Group, Inc.

## **FISCAL IMPACT:**

Upon execution, the total not to exceed amount of the agreement will increase from \$1,000,000 to \$3,000,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

## **SELECTION PROCESS:**

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. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

Pending Committee review and approval.

AFTER FACILITIES APPROVAL: On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

AFTER LEC PPC APPROVAL: On October 10, 2022, the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (3):

- Resolution 22-XX
- Multi-Task General Services Agreement with Precision Iceblast Corporation
- First Amendment to Multi-Task General Services Agreement with Precision Iceblast Corporation

## RESOLUTION 22-XX

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO THE MULTI-TASK GENERAL SERVICES AGREEMENT WITH PRECISION ICEBLAST CORPORATION

(reference Staff Report #XXX:22)

WHEREAS, Northern California Power Agency (NCPA) and Precision Iceblast Corporation entered into a Multi-Task General Services Agreement effective June 23, 2021, for Precision Iceblast Corporation to provide inspection and maintenance services, for use at any facilities owned and/or operated by NCPA, NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, an NCPA Member is interested in using this agreement for services through NCPA's Support Services Program, which will result in the agreement running low on funds; and

WHEREAS, NCPA now desires to increase the not to exceed amount from \$1,000,000 to \$3,000,000 to ensure sufficient funds are available for the remainder of the contract term; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
PRECISION ICEBLAST CORPORATION**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Precision Iceblast Corporation, a corporation with its office located at 801 Maple Street, Peshtigo, WI 54157 ("Contractor") (together sometimes referred to as the "Parties") as of June 23, 2021 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.



**4.3 Professional Liability Insurance.** Not Applicable.

**4.4 Pollution Insurance.** If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on "an occurrence" basis. In addition, Contractor shall ensure that such insurance complies with any applicable requirements of the California Department of Toxic Substances Control and California regulations relating to the transport of hazardous materials (Health & Safety Code sections 25160 *et seq.*).

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

**4.5.5 Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the

payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

- 4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** If Contractor's Work involves its transporting hazardous materials, Contractor shall be deemed to be in exclusive possession and control of such materials and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of such materials, until Agency accepts delivery at its Site. For the purposes of this Agreement, such acceptance shall occur after Contractor or its agents complete transfer of such materials into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Contractor shall be responsible for all such notifications. Should Contractor be required to remedy or remove such materials as a result of a leak, spill, release or discharge of such materials into the environment at Agency's Site



or elsewhere, Contractor agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

## **Section 6. STATUS OF CONTRACTOR.**

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

## **Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

**7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.

**7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

**8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or

**8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

## **Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

- 9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:



**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4** **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

## **Section 10. PROJECT SITE.**

**10.1** **Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2** **Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to

have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

## **Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.



- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

**Section 13. MISCELLANEOUS PROVISIONS.**

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 13.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

**13.8 Notices.** Any written notice to Contractor shall be sent to:

Precision Iceblast Corporation  
Attention: Matt Peterson  
801 Maple Street  
Peshtigo, WI 54157

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

**13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

**13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

**13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:

**13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;

**13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

**13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails,

the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

**13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

**13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

**13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

**13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.


**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

SIGNATURES ON NEXT PAGE

The Parties have executed this Agreement as of the date signed by the Agency.


NORTHERN CALIFORNIA POWER AGENCY

Date 6/23/2021

  
**RANDY S. HOWARD,**  
General Manager

PRECISION ICEBLAST CORPORATION


Date MAY 21, 2021

  
**JOEL WILLIAMS,**  
Vice President Business Development

Attest:

  
Assistant Secretary of the Commission

Approved as to Form:

  
Jane E. Luckhardt, General Counsel

## Michelle Schellentrager

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**From:** Randy Howard  
**Sent:** Monday, June 21, 2021 8:16 AM  
**To:** \*Mgmt Team  
**Cc:** \*Admin Assts  
**Subject:** Signature Authority

Good morning,

Monty Hanks will have signature authority on my behalf June 21-24, 2021.

Thank you,  
Randy

*Randy S. Howard*  
General Manager  
Northern California Power Agency  
*A Public Agency*  
651 Commerce Drive, Roseville CA 95678  
916-781-4200

## **EXHIBIT A**

### **SCOPE OF WORK**

Precision Iceblast Corporation ("Contractor") shall provide inspection and maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA members.

Services to include, but not be limited to the following:

- SCR Catalyst Cleaning & Repacking
- CO Catalyst Cleaning & Repacking
- Ammonia Injection Grid Cleaning
- Ammonia Vaporizer Cleaning
- SCR & CO Catalyst Replacement
- HRSG Tube Cleaning
- Inlet Filter House & Duct Refurbishment
- Full-Scale Plant Cleandown
- Baghouse / Filter Changeouts
- Drain System & Pit Cleanouts
- Cooling Tower / ACC Cleaning
- Grate Block / Bar Refurbishment

## **EXHIBIT B**

### **COMPENSATION SCHEDULE AND HOURLY FEES**

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Pricing will be quoted as a fixed firm price at the time services are requested.

Pricing for services to be performed at NCPA Member or SCPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Joel Williams

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Precision Iceblast Corporation

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

  
(Signature of officer or agent)

Dated this 21<sup>st</sup> day of MAY, 20 21.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.



**NOT APPLICABLE**

**EXHIBIT D**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_  
(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**NOT APPLICABLE**

**EXHIBIT E**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)



## FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND PRECISION ICEBLAST CORPORATION

This First Amendment ("Amendment") to the Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Precision Iceblast Corporation ("Contractor") (collectively referred to as "the Parties") as of \_\_\_\_\_, 202\_\_.

WHEREAS, the Parties entered into a Multi-Task General Services Agreement dated effective June 23, 2021, (the "Agreement") for Contractor to provide inspection and maintenance services at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$1,000,000 to a 'NOT TO EXCEED amount of \$3,000,000; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED THREE MILLION** dollars (\$3,000,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

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2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: \_\_\_\_\_

NORTHERN CALIFORNIA POWER AGENCY

Date: \_\_\_\_\_

PRECISION ICEBLAST CORPORATION

\_\_\_\_\_  
**RANDY S. HOWARD,**  
General Manager

\_\_\_\_\_  
**JOEL WILLIAMS,**  
Vice President Business Development

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



# Commission Staff Report – *DRAFT*

**COMMISSION MEETING DATE:** November 3, 2022

**SUBJECT:** Sunshine Metal Clad, Inc. – Five Year Multi-Task General Services Agreement for Routine, Recurring, and Usual Insulation Maintenance Services; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Michael DeBortoli	<b>METHOD OF SELECTION:</b>
	Assistant General Manager	N/A
<b>Division:</b>	Generation Services	<i>If other, please describe:</i>
<b>Department:</b>	Geothermal	

<b>IMPACTED MEMBERS:</b>		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Shasta Lake	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
<i>If other, please specify</i>		
<hr/>		
<hr/>		

## **RECOMMENDATION:**

Approve Resolution 22-XX authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. for routine, recurring, and usual insulation maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

## **BACKGROUND:**

Routine, recurring, and usual insulation maintenance 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. The current agreement with Sunshine Metal Clad, Inc. is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. 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 American Industrial Scaffolding, Inc., Bayside Insulation & Construction, Inc. and Farwest Insulation Contracting.

## **FISCAL IMPACT:**

Upon execution, the total cost of the agreement is not to exceed \$2,500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

## **SELECTION PROCESS:**

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. NCPA seeks bids from qualified providers as required. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

## **ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

## **COMMITTEE REVIEW:**

Pending Committee review and approval.

**AFTER FACILITIES APPROVAL:** On October 5, 2022 the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

**AFTER LEC PPC APPROVAL:** On October 10, 2022 the Lodi Energy Center Project Participant Committee reviewed and approved the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments (2):

- Resolution 22-XX
- Multi-Task General Services Agreement with Sunshine Metal Clad, Inc.

## RESOLUTION 22-XX

### RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH SUNSHINE METAL CLAD, INC.

(reference Staff Report #XXX:22)

WHEREAS, routine, recurring, and usual insulation maintenance services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, by the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Sunshine Metal Clad, Inc. is a provider of these services; and

WHEREAS, the NCPA Commission has reviewed the Multi-Task General Services Agreement with Sunshine Metal Clad, Inc. to provide such services as needed at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into A Multi-Task General Services Agreement, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY





**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
SUNSHINE METAL CLAD, INC.**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Sunshine Metal Clad, Inc., a corporation with its office located at 7201 Edison Highway, Bakersfield, CA 93307 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2022 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** TWO MILLION FIVE HUNDRED THOUSAND dollars (\$2,500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

**4.2.2 Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

**4.2.3 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

**4.3 Professional Liability Insurance.** Intentionally Omitted.

**4.4 Pollution Insurance.** Intentionally Omitted

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

**4.5.5 Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

**4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** Intentionally Omitted.

## **Section 6. STATUS OF CONTRACTOR.**

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types

of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

## **Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding

Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;



- 8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality

agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

**9.4.3.2** Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

**9.4.3.3** Disclosure by Agency in response to a request pursuant to the California Public Records Act.

**9.4.4 Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

## **Section 10. PROJECT SITE.**

**10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

**10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

## **Section 11. WARRANTY.**

**11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

**11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be

obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the

Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.

- 12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

### **Section 13. MISCELLANEOUS PROVISIONS.**

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

**13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

**13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

**13.7 Contract Administrator.** This Agreement shall be administered by Michael DeBortoli, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

**13.8 Notices.** Any written notice to Contractor shall be sent to:

James Eudy  
President  
Sunshine Metal Clad, Inc.  
7201 Edison Highway  
Bakersfield, CA 93307

Any written notice to Agency shall be sent to:

Randy S. Howard  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt  
General Counsel  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
  - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
  - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
  - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
  - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
  - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

SUNSHINE METAL CLAD, INC.

Date\_\_\_\_\_

Date\_\_\_\_\_

\_\_\_\_\_  
**RANDY S. HOWARD, General Manager**

\_\_\_\_\_  
**JAMES EUDY, President**

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



## **EXHIBIT A**

### **SCOPE OF WORK**

As requested by the Agency, Sunshine Metal Clad, Inc. ("Contractor") shall provide routine, recurring, and usual insulation maintenance services for the preservation, protection, and keeping of any facilities owned and/or operated by Agency, its members, Southern California Public Power Authority ("SCPPA") or SCPPA members, in a safe and continually usable condition.

Provide labor, equipment, and materials to address deteriorated insulation and maintain insulation. Any manlifts, scaffolding, forklifts, or other required equipment shall be provided by Contractor, with the associated costs to be included in any quotes provided.

Any and all work related to lead and asbestos abatement or public works is not included within this Scope of Services and will be subject to a separate written agreement.

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:



#### NORTHERN CALIFORNIA POWER AGENCY

#### LABOR & EQUIPMENT RATES - 2022

#### PREVAILING WAGE JOBS

CLASSIFICATION	STRAIGHT TIME / HOUR	OVERTIME / HOUR
SUPERVISOR / SAFETY COORDINATOR	\$175.00	\$262.50
INSULATOR 1	\$135.00	\$202.50
WORK TRUCKS - MEDIUM & LARGE		
WORK TRUCK / AUTO - Per Hour	\$10.00	
TRUCKS - 1 - TON / STAKE BED - Per Hour	\$15.00	
TRUCKS - 2 TON / BOX VANS - Per Hour	\$20.00	
TRAILERS		
SHOP TRAILER - MATERIAL - Day Rate	\$50.00	
PAD TRAILER W/TOOLS - Day Rate	\$50.00	

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

**EXHIBIT C**  
**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

---

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

---

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

---

(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT D**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT E**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)



# Commission Staff Report

**COMMISSION MEETING DATE:**

**SUBJECT:** Approval of Northern California Power Agency's (NCPA) Property Insurance Program for Calendar Year 2023

**AGENDA CATEGORY:** Consent

**FROM:** Monty Hanks  
Assistant General  
Manager/CFO

**Division:** Administrative Services

**Department:** Risk Management

**METHOD OF SELECTION:**

N/A

*If other, please describe:*

## IMPACTED MEMBERS:

- |  |   |   |
|--|---|---|
| <b>All Members</b> <input checked="" type="checkbox"/>                   | <b>City of Lodi</b> <input type="checkbox"/>        | <b>City of Shasta Lake</b> <input type="checkbox"/> |
| <b>Alameda Municipal Power</b> <input type="checkbox"/>                  | <b>City of Lompoc</b> <input type="checkbox"/>      | <b>City of Ukiah</b> <input type="checkbox"/>       |
| <b>San Francisco Bay Area<br/>Rapid Transit</b> <input type="checkbox"/> | <b>City of Palo Alto</b> <input type="checkbox"/>   | <b>Plumas-Sierra REC</b> <input type="checkbox"/>   |
| <b>City of Biggs</b> <input type="checkbox"/>                            | <b>City of Redding</b> <input type="checkbox"/>     | <b>Port of Oakland</b> <input type="checkbox"/>     |
| <b>City of Gridley</b> <input type="checkbox"/>                          | <b>City of Roseville</b> <input type="checkbox"/>   | <b>Truckee Donner PUD</b> <input type="checkbox"/>  |
| <b>City of Healdsburg</b> <input type="checkbox"/>                       | <b>City of Santa Clara</b> <input type="checkbox"/> | <b>Other</b> <input type="checkbox"/>               |

*If other, please specify*

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**RECOMMENDATION:**

Approve Resolution 22-XX authorizing the General Manager or his designee to negotiate and bind Property coverage with FM Global for CY23 at a not-to-exceed premium of \$3,800,000.

**BACKGROUND:**

One of the goals identified in the 2021-2026 Strategic Plan was to develop a long-term, cost-effective insurance coverage strategy while building solid relationships between the Agency and its insurers. FM Global was new to the Agency as of 2021 and quickly established itself as a valued partner. FM Global offers engineering support, cyber security assessments, and responsive account managers/engineers. In addition, FM Global provides membership credits.

*Engineering Support*

FM Global provides engineering support to the plants through loss control visits. The ultimate goal of these visits is for FM Global to provide recommendations to plant staff with the goal of increasing the business resiliency of the plant. In addition to the loss control visits, FM Global also supports plant staff with expertise from project scoping through implementation. FM Global also performs all onsite jurisdictional inspections and certifications.

*Cyber Security Assessments*

FM Global performed Cyber Security Assessments for LEC, Geo, and Hydro in CY22, with Headquarters in Roseville due to be assessed in Q4 or Q1 of CY23. These assessments aim to recommend to the Ops Tech (OT) staff how to improve system hardening against bad actors.

*Account Managers and Engineers*

The level of service received from FM Global's account manager and engineering team has been top-notch, far exceeding the support received from previous insurers. NCPA staff continue to build strong relationships with FM Global staff across the board.

**FM Global Credits for 2022**

NCPA will receive a 5% Membership Credit from FM Global in the amount of \$194,178 to be applied directly to the policy premium at renewal for CY23. In addition, NCPA will also receive a Resiliency Credit of \$194,178 (5%) to be used for loss control recommendations to increase plant resiliency and help reduce FM Global's risk profile.

**Plant Appraisals**

In CY22, appraisals were performed for Geo and LEC and are shown in the column labeled CY23 in the table below. For Hydro and the CTs, a standard 7% increase over the CY22 values was used to obtain actual values for FY23. Of note, Geo saw a 16% decrease in appraised value compared to the CY22 book value. The appraisals were commissioned and paid for by FM Global. NCPA expects Hydro and the CTs to be appraised in CY23.

	CY22	CY23	YOY Change	YOY Pct. Change
Geo	406	341	-65	-16%
LEC	426	496	70	16%
Hydro + CTs	414	443	29	7%

**\*All values are in millions**

### **Business Interruption Insurance (BI)**

Business interruption insurance was quoted for CY23. Since LEC declined BI in CY22 and FM Global agreed to a two-year rate lock, BI insurance will not be available to LEC for CY23; this can be revisited for the CY24 renewal. Forecasted revenue for Geo is up \$27M YOY, driven by higher forward energy price curves. Forecasted revenue for Hydro is up \$12M YOY, also driven by higher forwards but a lower forecasted generation expected for FY23. Insurable BI values are detailed in the table below.

	CY22	CY23	YOY Change	YOY Pct. Change
Geo	50	77	27	54%
Hydro	60	72	12	20%

**\*All values are in millions**

### **CY23 Property Insurance Premium**

The property insurance premium is allocated based on the total insured value, calculated as Property Value + BI. FM Global has indicated the expected CY23 Property Insurance Renewal Premium at a not-to-exceed of \$3,800,000. NCPA's commitment is an NTE of \$2,480,000, while LEC's commitment is an NTE of \$1,320,000 for the CY23 property renewal.

NCPA signed a two-year rate lock with FM Global at the inception of the CY22 insurance program. This lock keeps the rate used to calculate the total premium from CY22 to CY23 the same. While the rate remained unchanged, NCPA saw an increased total insured value for its assets in CY23. This increase in value is the driver for why NCPA's property premium will go up approximately 5% in CY23, but those premium increases are offset by membership credits. The two-year rate lock proved to be beneficial since the property market is experiencing increases north of 10%.

### **FISCAL IMPACT:**

The total cost to renew the property insurance program is estimated not-to-exceed \$3,800,000 and will be allocated to the specific project locations on an assessed value basis. This amount is already included in the Risk Management budget and no budget augmentation is required.

### **ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

### **COMMITTEE REVIEW:**

Pending.



Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 22-XX

## **RESOLUTION 22-XX**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE RENEWAL OF THE CY23 PROPERTY INSURANCE PROGRAM**

**(reference Staff Report #XXX:22)**

WHEREAS, NCPA contracts with FM Global to provide property insurance for the Agency's assets; and

WHEREAS, plant appraisals were carried out to determine property values for Geo and LEC, while a market increase was applied to the assessed values for Hydro, CTs, and headquarters in Roseville; and

WHEREAS, forecasted revenues were generated for Hydro and Geo and were provided to FM Global for Business Interruption insurance and was added to total plant value; and

WHEREAS, NCPA and FM Global agreed to a two-year rate lock with this renewal being the second year of the rate lock; and

WHEREAS, FM Global will apply a five percent membership credit to the premium and a five percent resiliency credit to be used towards loss control recommendations; and

WHEREAS, the policy premium will be allocated based on each respective location's assessed value as a percentage of the total value of NCPA's assets; and

WHEREAS, in order to bind renewal of the property policy with FM Global, this action grants the authority to the General Manager or his designee to negotiate and bind renewal of the Agency's property insurance coverage at a not-to-exceed premium of \$3,800,000; and

WHEREAS, the Facilities Committee reviewed and recommended on October 5<sup>th</sup>, 2022 and LEC PPC reviewed and approved on October 10<sup>th</sup>, 2022; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED that the Commission of the Northern California Power Agency approves granting the authority to the General Manager to negotiate and bind the Agency's property insurance program at a not-to-exceed premium of \$3,800,000.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022  
by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



# Commission Staff Report

**COMMISSION MEETING DATE:** November 3, 2022

**SUBJECT:** Authorize Northern California Power Agency General Manager to Execute Confirmation Number 0268 for Precision Iceblast Corporation Services to the City of Roseville/Roseville Electric Utility and Issue a Corresponding Purchase Order Under the Support Services Program

**AGENDA CATEGORY:** Consent

<b>FROM:</b>	Monty Hanks Chief Financial Officer/Assistant General Manager	<b>METHOD OF SELECTION:</b>	<i>Other</i>
Division:	Administrative Services	<i>Roseville Acknowledged Satisfaction of City's Purchasing Policies</i>	
Department:	Accounting & Finance		

<b>IMPACTED MEMBERS:</b>					
All Members	<input type="checkbox"/>	City of Lodi	<input type="checkbox"/>	City of Shasta Lake	<input type="checkbox"/>
Alameda Municipal Power	<input type="checkbox"/>	City of Lompoc	<input type="checkbox"/>	City of Ukiah	<input type="checkbox"/>
San Francisco Bay Area Rapid Transit	<input type="checkbox"/>	City of Palo Alto	<input type="checkbox"/>	Plumas-Sierra REC	<input type="checkbox"/>
City of Biggs	<input type="checkbox"/>	City of Redding	<input type="checkbox"/>	Port of Oakland	<input type="checkbox"/>
City of Gridley	<input type="checkbox"/>	City of Roseville	<input checked="" type="checkbox"/>	Truckee Donner PUD	<input type="checkbox"/>
City of Healdsburg	<input type="checkbox"/>	City of Santa Clara	<input type="checkbox"/>	Other	<input type="checkbox"/>
<i>If other, please specify</i>					
<hr/>					
<hr/>					

## **RECOMMENDATION:**

Subject to approval by the Roseville City Council of the requested services under the terms of the Northern California Power Agency (NCPA) Support Services Program Agreement, approval of Resolution 22-108 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0268, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Precision Iceblast Corporation for Heat Recovery Steam Generator (HRSG) Deep Cleaning Services.

## **BACKGROUND:**

The City of Roseville became a signatory to the NCPA Support Services Program Agreement (SSPA) on October 5, 2015, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors.

In August 2022 the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for Precision Iceblast Corporation to provide HRSG Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and confined space rescue team services. Pursuant to the Precision Iceblast Corporation proposal, the cost for the services is \$623,770.00. In addition, Roseville staff has requested the addition of a ten percent contingency of \$62,377.00 to allow for additional services as may be requested.

If approved, Confirmation Number 0268 states that NCPA agrees to provide the requested services through its contract with Precision Iceblast Corporation in the amount of not-to-exceed \$686,147.00. There is no guarantee that the full amount of possible services will be paid to Precision Iceblast Corporation but is merely a limit of potential expenditures for services under Confirmation Number 0268. With the addition of NCPA's administrative fees which will be billed out as actually incurred, the total amount expended under the Confirmation will not exceed \$687,492.00.

This item will be considered by the Roseville City Council at an upcoming meeting, and is subject to that approval.

## **FISCAL IMPACT:**

There is no fiscal impact to NCPA. The services provided by Precision Iceblast Corporation to Roseville will be billed to and paid by Roseville pursuant to the terms of the Support Services Program Agreement. NCPA's administrative costs will be reimbursed by Roseville.

## **SELECTION PROCESS:**

Roseville will utilize Precision Iceblast Corporation services through NCPA's Support Services Program and has confirmed through submission of its Task Request that it is responsible for satisfying the City of Roseville's Purchasing Policies.

**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

Pending Committee review and approval.

AFTER FACILITIES APPROVAL – On October 5, 2022, the Facilities Committee reviewed and endorsed the recommendation above for Commission approval.

Respectfully submitted,

RANDY S. HOWARD  
General Manager

Attachments:

- Resolution 22-108
- Proposed Confirmation Number 0268

## **RESOLUTION 22-108**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY AUTHORIZING THE GENERAL MANAGER TO EXECUTE CONFIRMATION NUMBER 0268 FOR PRECISION ICEBLAST CORPORATION SERVICES TO THE CITY OF ROSEVILLE/ROSEVILLE ELECTRIC UTILITY AND ISSUE A CORRESPONDING PURCHASE ORDER UNDER THE SUPPORT SERVICES PROGRAM**

**(reference Staff Report #231:22)**

WHEREAS, the City of Roseville became a signatory to the NCPA Support Services Program Agreement (SSPA) on October 5, 2015, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors; and

WHEREAS, the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for Precision Iceblast Corporation to provide Heat Recovery Steam Generator (HRSG) Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and confined space rescue team services. Pursuant to the Precision Iceblast Corporation proposal, the cost for the services is \$623,770.00. In addition, Roseville staff has requested the addition of a ten percent contingency of \$62,377.00 to allow for additional services as may be requested; and

WHEREAS, Confirmation Number 0268 states that NCPA agrees to provide the requested services through its contract with Precision Iceblast Corporation in the amount of not-to-exceed \$686,147.00. There is no guarantee that the full amount of possible services will be paid to Precision Iceblast Corporation but is merely a limit of potential expenditures for services under Confirmation No. 0268. With the addition of NCPA's administrative fees which will be billed out as actually incurred, the total amount expended under the Confirmation will not exceed \$687,492.00; and

WHEREAS, this item will be considered by the Roseville City Council at an upcoming meeting and is subject to that approval; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, subject to approval by the Roseville City Council of the requested services under the terms of the Support Services Program Agreement, the Commission of the Northern California Power Agency authorizes the NCPA General Manager or his designee to execute Confirmation Number 0268, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to Precision Iceblast Corporation for HRSG Deep Cleaning services for the City of Roseville/Roseville Electric Utility.

///

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022, by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY



## CONFIRMATION UNDER THE NCPA SUPPORT SERVICES PROGRAM AGREEMENT

1. This is a Confirmation pursuant to the Support Services Program Agreement and subject to the terms and conditions of that agreement, except as expressly provided in this Confirmation. All capitalized terms have the meaning given to them in the Support Services Program Agreement.

2. The Participating Member for this Confirmation is the CITY OF ROSEVILLE in the amount of not-to-exceed \$686,147.00 for the Precision Iceblast Corporation work described in paragraph 3. The amount includes the proposal amount of \$623,770.00, plus a ten percent contingency of \$62,377.00. The dollar amount is not a guarantee that the full amount will be paid to Precision Iceblast Corporation, but is merely a limit of potential expenditures under this Confirmation.

3. The Participating Member requests the following described Support Services in the dollar amount specified. NCPA agrees to provide the following Support Services to the Participating Member:

Precision Iceblast Corporation shall provide Heat Recovery Steam Generator Deep Cleaning services for Unit One and Unit Two located at Philip Road, scaffolding for both units, and Confined Space Rescue Team services, as more fully detailed in the proposal dated September 19, 2022, copy attached as Exhibit "A".

4. The Participating Member executing this Confirmation agrees to pay for the Support Services in the not-to-exceed amount specified in paragraph 2 above; plus, the Administrative Cost of not to exceed \$1,345.00 (\$685.00 to develop the Confirmation and first month of administration, plus \$165 per month for four additional months) to be billed as costs are actually incurred, in accordance with the provisions of the Support Services Program Agreement. The total amount expended under this Confirmation will not exceed \$687,492.00.

5. A Security Account deposit is not required for this Confirmation.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Participating Member:  
CITY OF ROSEVILLE  
By its Designated Representatives:

NORTHERN CALIFORNIA POWER AGENCY

\_\_\_\_\_  
Daniel Beans, Electric Utility Director

\_\_\_\_\_  
Randy S. Howard, General Manager

And

\_\_\_\_\_  
Michelle Sheidenberger, City Attorney

\_\_\_\_\_  
Assistant Secretary to Commission

Approved as to form:

\_\_\_\_\_  
Jane E. Luckhardt, NCPA General Counsel



## COMMERCIAL PROPOSAL

09-19-2022 Roseville Energy Park

### 1. CUSTOMER INFORMATION

COMPANY NAME	City of Roseville
COMPANY ADDRESS	5120 Philip Road Roseville CA 95747
CONTACT NAME	Ediberto Vasquez
TELEPHONE CONTACT	916-746-1683
CONTACT EMAIL	EVasquez@roseville.ca.us
SITE ADDRESS	5120 Philip Road Roseville CA 95747
OUTAGE START DATE	Spring 2023
OUTAGE START DATE	Spring 2023

### 2. PRECISION ICEBLAST

Precision Iceblast Corporation specializes in Power Generation and Heat Recovery Steam Generator Deep Cleaning services. We have been operating for over three decades in the power generation industry, developing inspections and cleaning projects in HRSG boilers applied in cogeneration and combined cycle plants.

In addition to HRSG cleaning services, we are contracted to carry out dry ice blasting projects, surface preparation services and painting equipment and installations in almost every industry. Our revolutionary technology is safer, more efficient, and environmentally friendly to clean any surface, including boiler tubes, the surface of mechanical and electrical equipment, industrial installations, static and rotating equipment.

In the Power Generation industry, Precision Iceblast has conducted over 1200 HRSG cleaning projects worldwide to date working on five different continents. We are a leader in HRSG boiler cleaning services and offer an integrated service for power plants that includes cleaning inspections, HRSG performance analysis and HRSG Deep Cleaning services for owners and O&M operators throughout the entire HRSG lifecycle.



Precision Iceblast Headquarters, 801 Maple Street  
Peshtigo, WI 54157

### 3. INTRODUCTION

During the operation of Combined Cycle Plants or Cogeneration Plants, naturally the Heat Recovery Steam Generator (HRSG) will suffer fouling due to operational deposits and corrosion produced by the process, causing loss of thermal performance and output for the plant. Seeking to restore the performance of the HRSG and having a higher reliability and availability is critical to every plant. Precision Iceblast's patented deep cleaning method (HRSG DEEP CLEANING™) ensures safe cleaning of 95% of HRSG fin tube heating surfaces, providing better thermal efficiency for the HRSG and increasing overall output of the plant.



Fig 1.0 HRSG tubes before cleaning

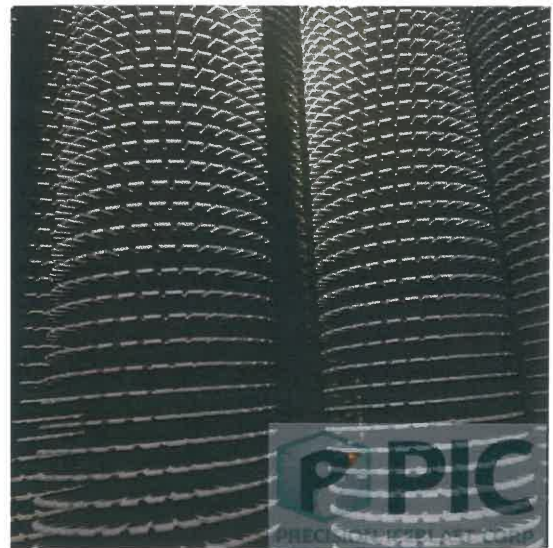


Fig 1.1 HRSG tubes after cleaning

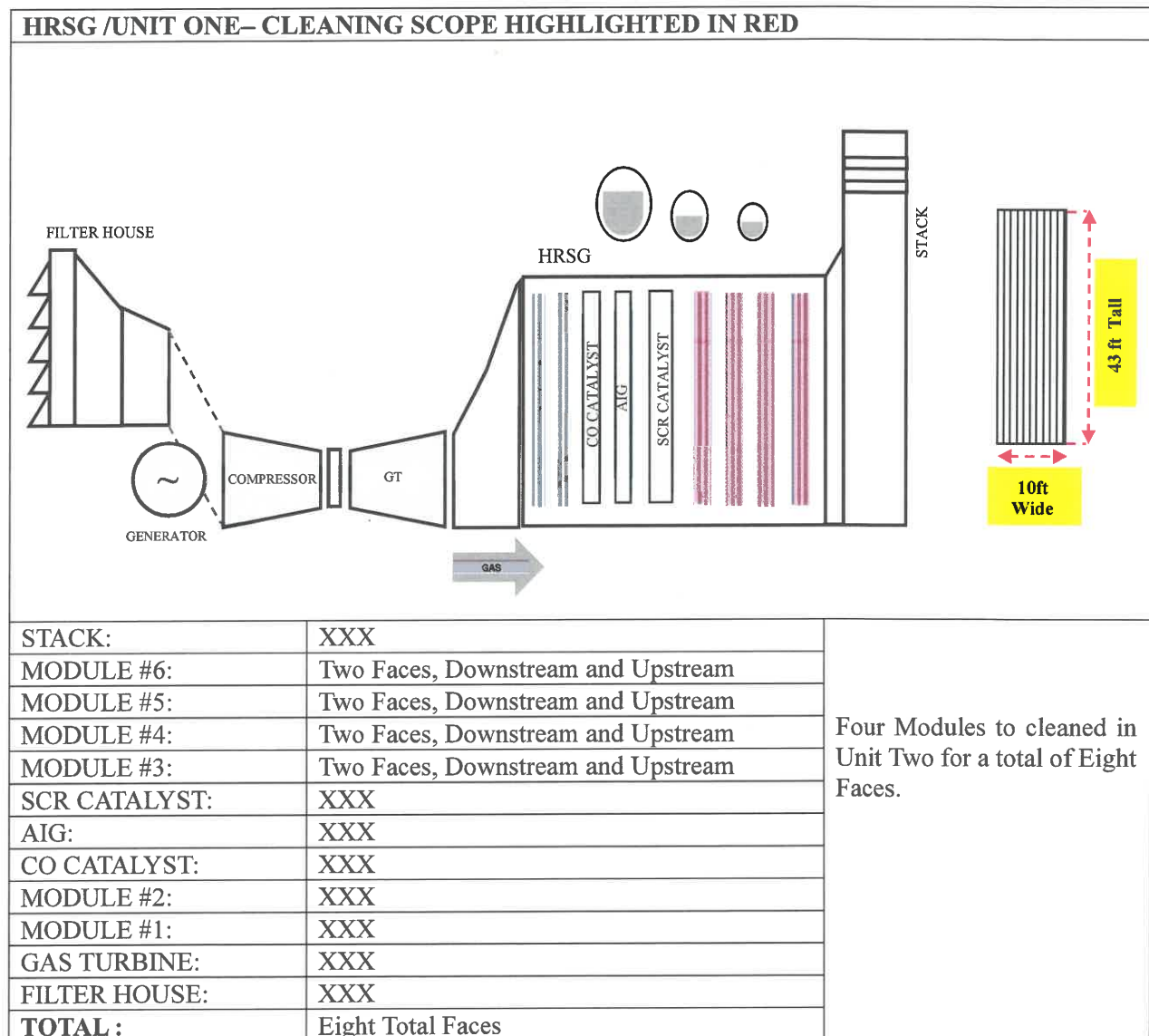
### KEY BENEFITS OF THE HRSG DEEP CLEANING METHOD FOR YOUR PLANT

- ✓ Minimal of 50% back pressure reduction with most clients seeing upwards of 80% reduction.
- ✓ Dramatic reduction in Heat Rates with clients seeing up to 300 btu/kwh reductions.
- ✓ Dramatic increases in Gas Turbine and Steam Turbine MW Output with some clients seeing up to 25 MW gained after cleaning.
- ✓ Increases tube life and slows down corrosive processes that can cause tube failures during HRSG operation.
- ✓ Ensures no risk or damage to pressure parts, owners' equipment or bodily harm.
- ✓ No federal permitting required to perform tube cleaning.
- ✓ Provide complete turn-key solutions with minimal plant support.

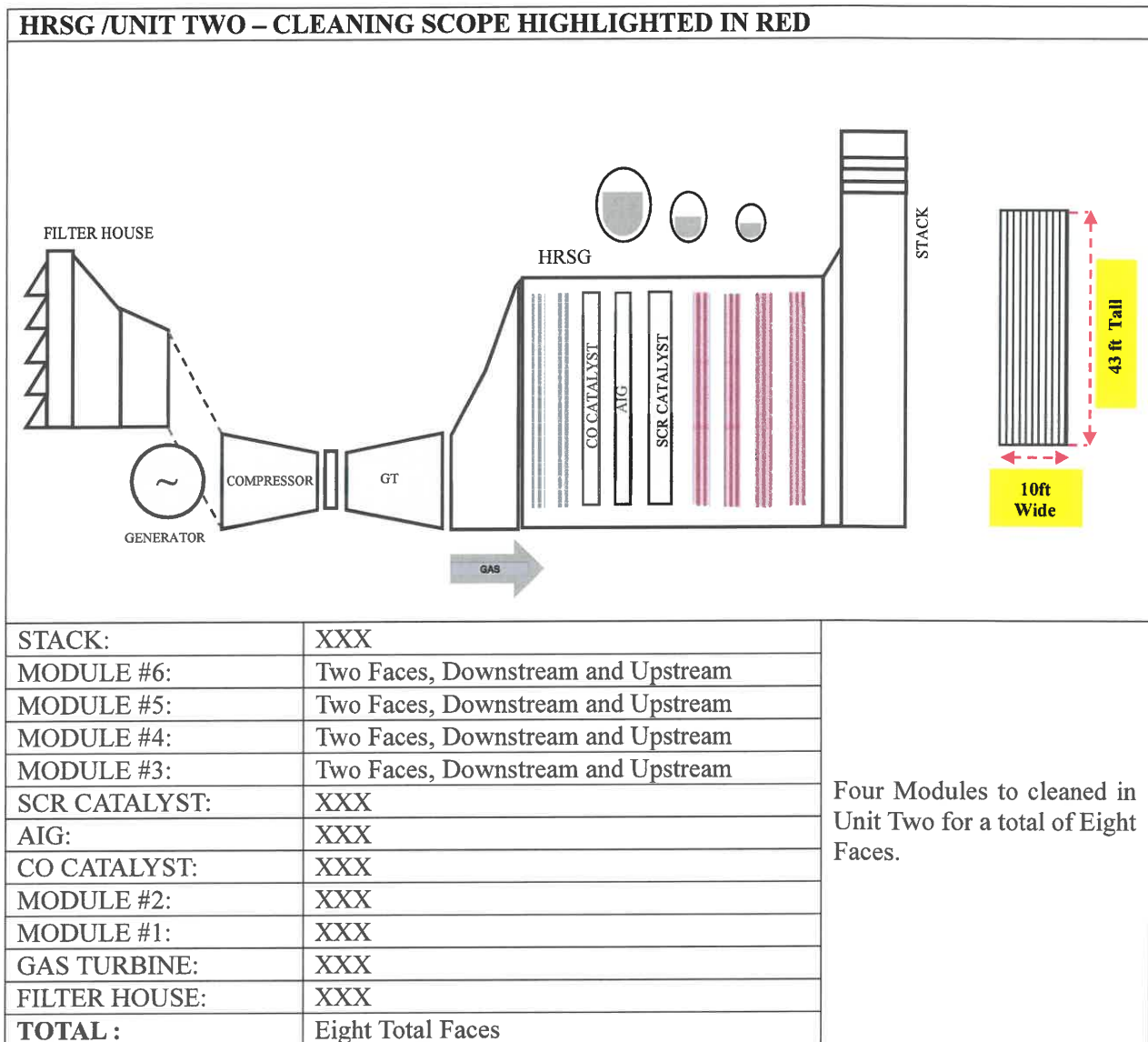
## 4. SCOPE OF THE PROJECT

Precision Iceblast undertakes to carry out the scope of service referred to in this proposal for the customer City of Roseville. This proposal includes a cleaning and coating services (**Patented HRSG DEEP CLEANING™**) combined with ultra-high pressure CO2 dry ice for **two Vogt HRSG units, Horizontal gas flow, installed at your Roseville Energy Park facility located in Roseville, California.**

In more detail we highlight in Figure 1 the tube bundles in red color that will be cleaned with the HRSG DEEP CLEANING™ methodology.

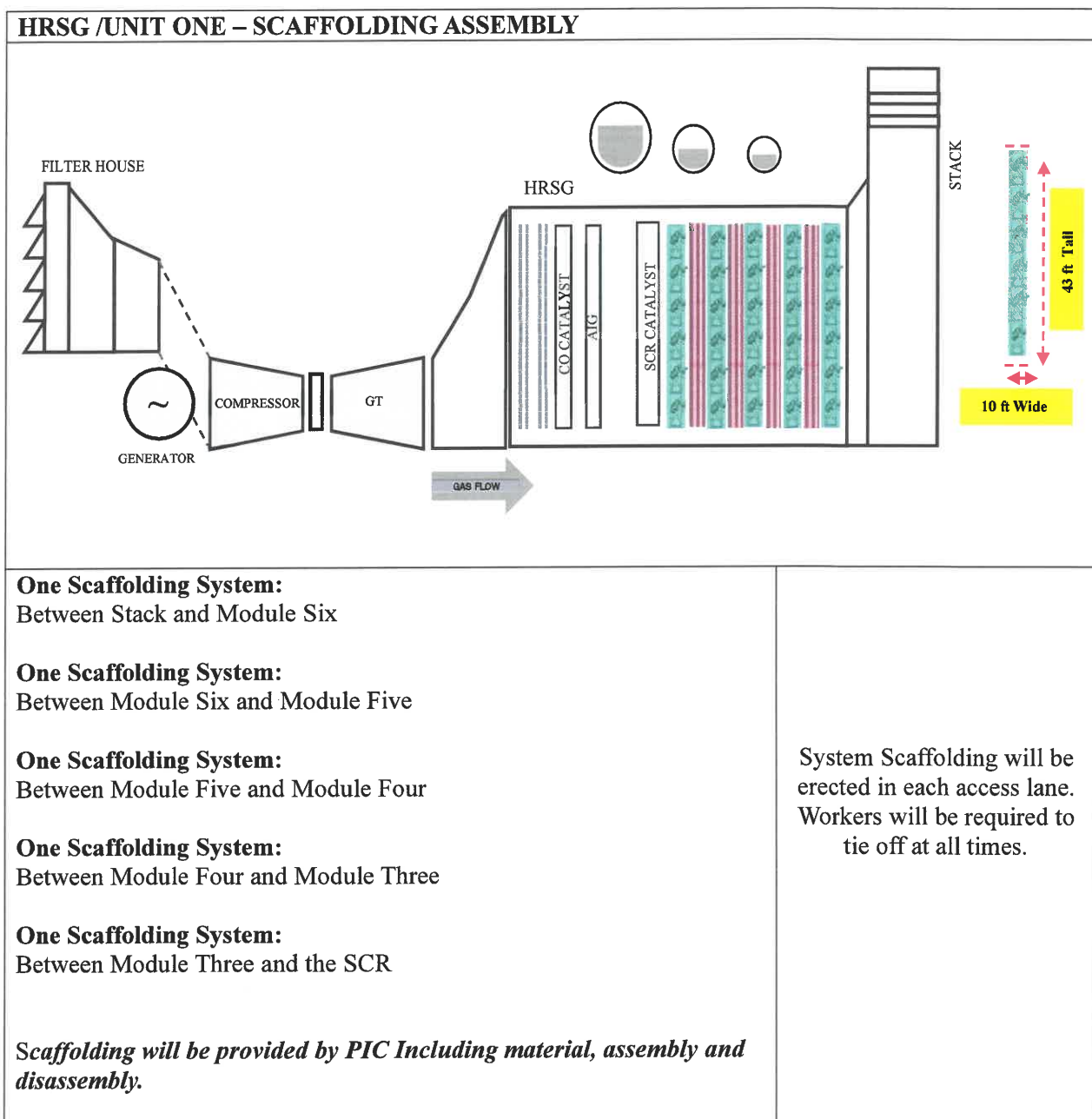


**Figure 1.2 – GENERIC HRSG DRAWING Highlighting the tube bundles that will be cleaned with PIC's HRSG DEEP CLEANING™ methodology.**

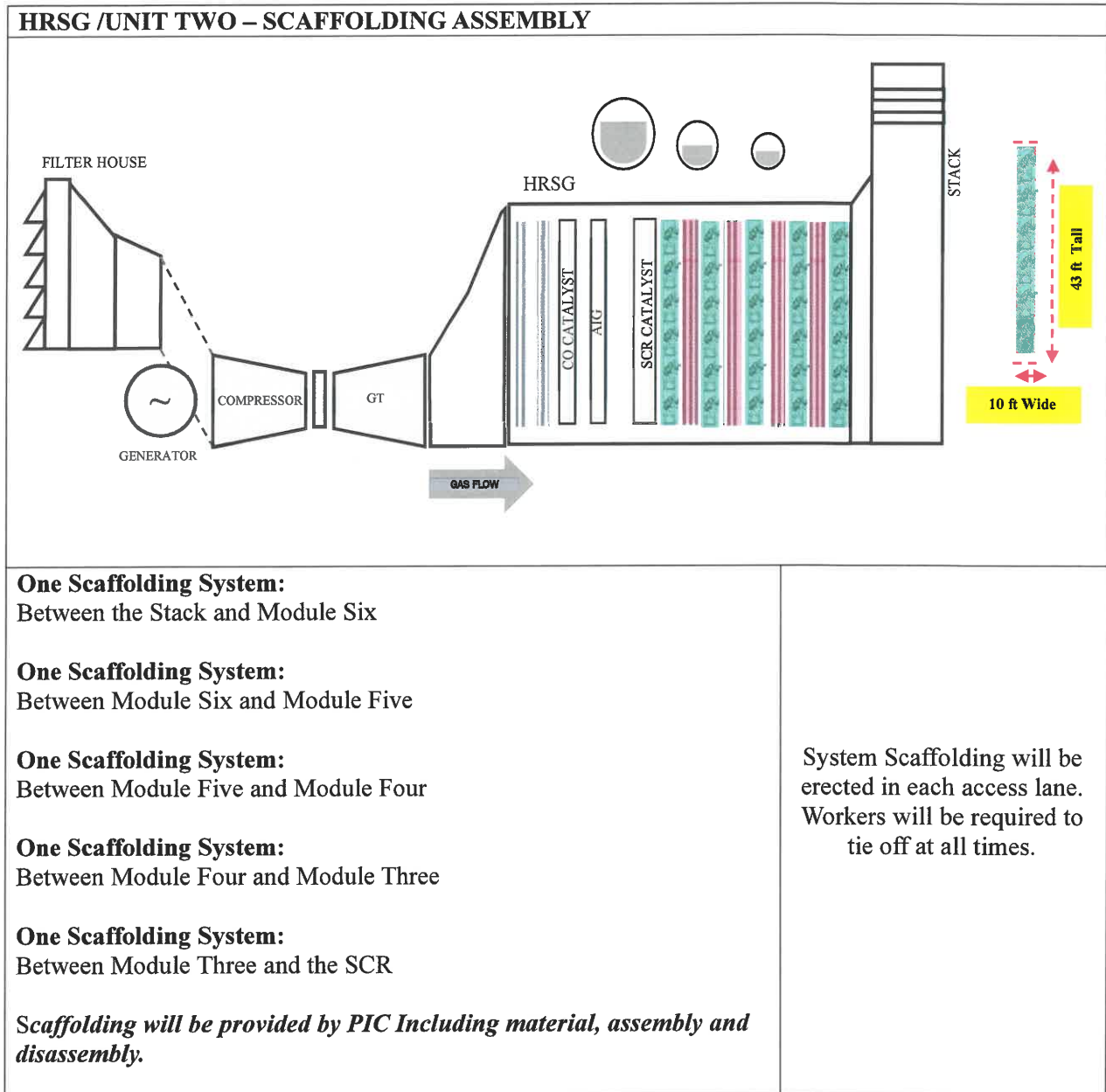


**Figure 1.3 – GENERIC HRSG DRAWING Highlighting the tube bundles that will be cleaned with PIC's HRSG DEEP CLEANING TM methodology.**





**Figure 1.4 –GENERIC HRSG DRAWING highlighting the scaffolding towers that will be assembled and disassembled by customer.**



**Figure 1.5 –GENERIC HRSG DRAWING highlighting the scaffolding towers that will be assembled and disassembled by customer.**

## 5. METHODOLOGY AND WORK PROCEDURE

To obtain the best results possible, Precision Iceblast performs different techniques that aim to guarantee the cleaning efficiency of its customers' boiler tube modules between 90% to 95%. During a HRSG cleaning project, our technical team can perform the following procedures mentioned below. All these different processes and approaches will ensure that your HRSG is professionally cleaned. With thirty years of experience and performing over thousand HRSG boiler tube cleaning projects, regardless of the type of fouling found in the HRSG, we can ensure we provide the most detailed cleaning system with our ultra-high pressure dry ice blasting, our deep cleaning alignment tools, HRSG cleaning solution and specialized team we can ensure our process will provide the upmost return on investment over other methods of cleaning. Most importantly, this process is SAFE on all pressure parts and components of your HRSG. To ensure complete satisfaction, the PIC team will borescope inspect each module before and after cleaning to make sure all possible fouling is removed.

### Deep Cleaning Procedure

In this procedure, our team of specialists will use deep cleaning alignment equipment that mainly includes an elongated alignment tool to create temporary access lanes between the tubes. The tool is configured to maximize the surface area that contacts the finned tubes, which in turn minimizes the amount of stress on any specific point on the finned tubes. As a result, when the wedge meets the finned tubes, the finned tubes will not be damaged. These tools are designed per site specific and are designed to create access two to three tubes past the middle point of the module. When cleaning from both sides of the module this allows for a four to six tube overlap ensuring all of the heating surface has been cleaned. In return this ensures the client optimal returns on investment.

After creating a temporary access lane between the HRSG tubes, sufficient space can be created between the tubes to insert specialized wands that allow all boiler tubes in the module to be cleaned. Once the access lane is created, a wand is used to blast ultra-high pressure compressed air and our PIC 56 blasting gun with dry ice to clean the tubes.

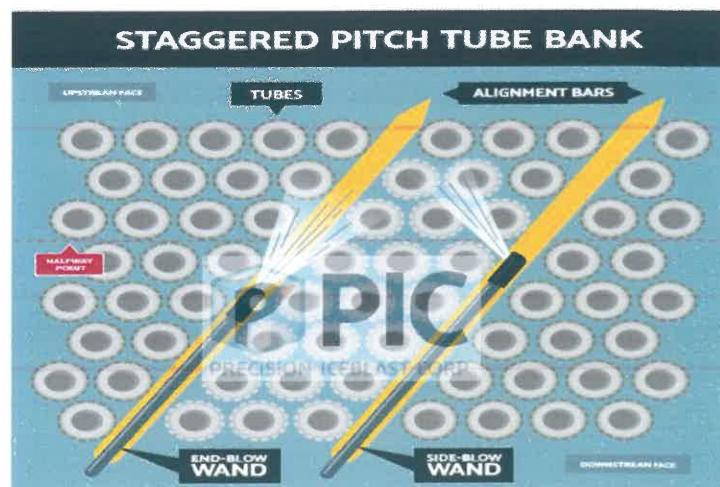


Fig. 1.6 Special wands with different blasting angle settings

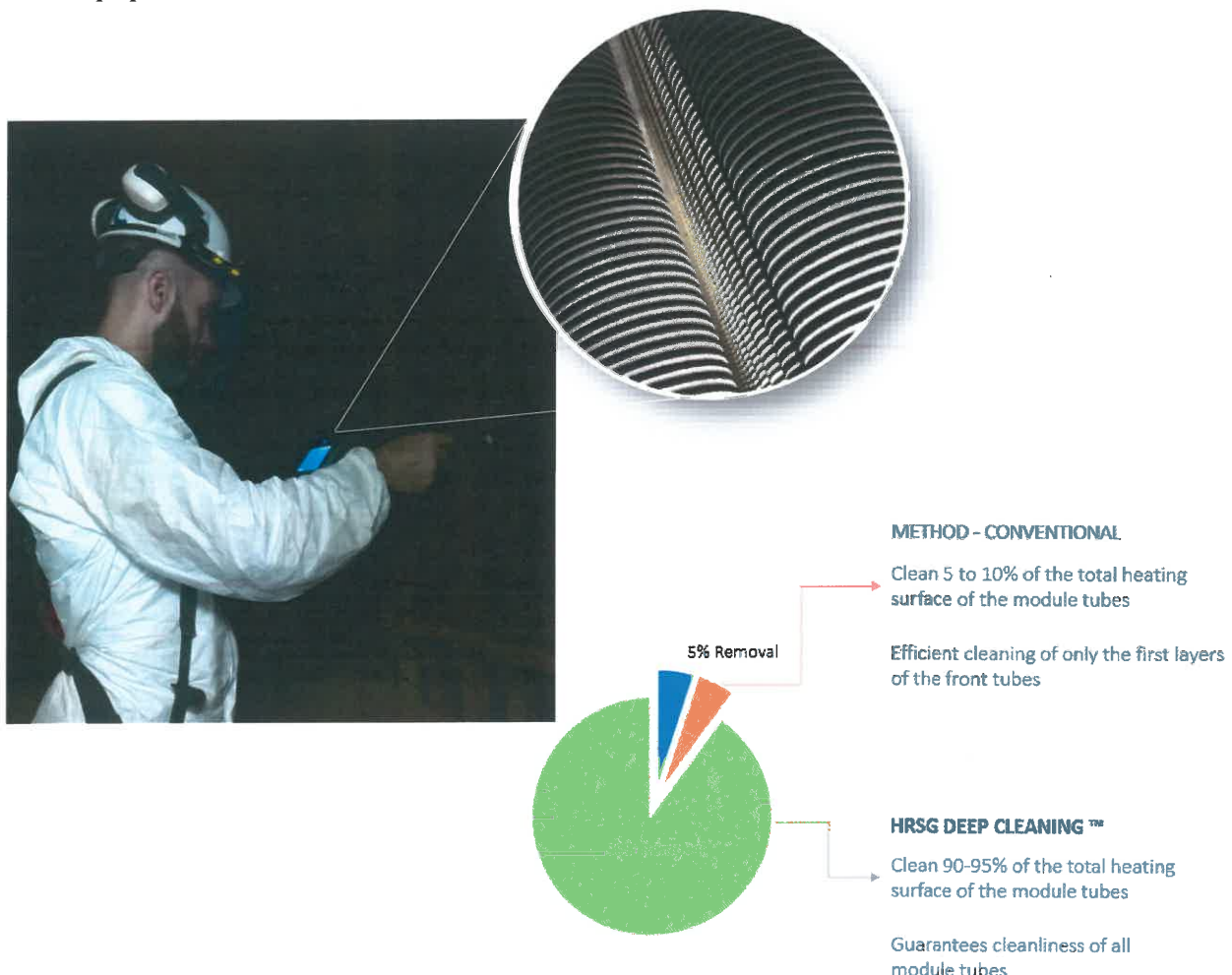


## Hard Deposits

For deposits that are difficult to remove, Precision Iceblast Corporation has developed its own biodegradable solution to help break down the deposits. This solution is lightly applied to the tubes with a low-pressure sprayer. After allowing the solution to break down the deposits (approximately 15 minutes), the tubes are then blasted with dry ice at ultra-high pressure to remove any loose material. This proprietary solution has been thoroughly tested and is highly effective and completely safe on all tubes. The solution is used on a very minimal basis and only used in units with extreme fouling issues. Most cleanings do not require the use of this solution. If all these processes still do not remove the fouling from the tubes, PIC will add crushed glass medium to the dry ice to create a process aggressive enough to remove the fouling.

## Borescope Inspections

With every cleaning project, PIC provides a borescope inspection of each module being cleaned before cleaning, during cleaning and after cleaning is completed ensuring that each module is cleaned 100%. With the borescope inspection PIC will inspect each level at random spots ensuring the tube fouling has been removed ensuring the client the most optimal results possible. Once work is completed PIC will provide the client with all the before and after photos from each cleaning project in a final report which will include the borescope photos.



## Blowdown Procedure

This procedure consists of performing a final blow down of the tube modules with ultra-high pressure compressed to eliminate the remaining fouling between the tubes, working the debris to the bottom floor of the boiler.

To perform the blowdown procedure, our team starts from the top of the module and blows out all the tube ties and areas of debris build. The blowdown procedure is performed with a wand or ball valve and controlled air.

The blowdown procedure is necessary for situations where the HRSG's tube modules are heavily deposited. Specifically, when there is a lot of fouling in the deep tubes.

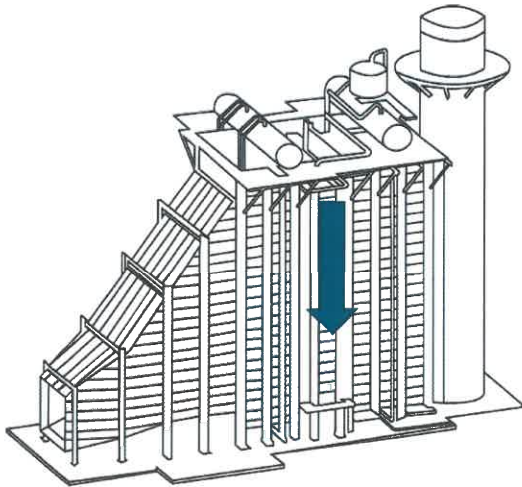


Fig. 1.9 Blowdown procedure for horizontal flue gas, top-down direction

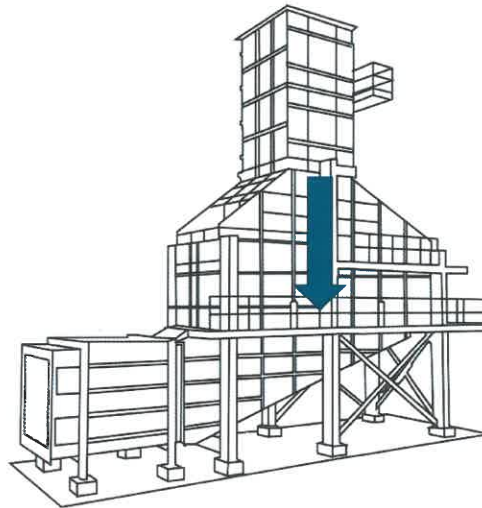


Fig. 2.0 Blowdown procedure for vertical flue gas, top-down direction

## HRSG Final Cleaning Procedure

Upon completion of the cleaning, PIC's team of experts will use ultra-high pressure (350psi) compressed air to remove loose debris between HRSG tube modules. Blow down begins at the top of each module and all waste is directed to the bottom floor. The waste is removed from the boiler using buckets. After removing most of the debris, the PIC crew will blow out the bottom floor parts of the boiler. Vacuum cleaners are used to remove remaining debris and the process is repeated until all remaining debris is removed from the unit. After the final cleaning, scaffolding, or suspended equipment will be removed from the unit and then returned to HRSG in operating conditions for the plant.

## 6. COMPARISON OF CLEANING METHODS

### Conventional Ice Blasting, Air lancing, Sand Blasting, and Chemical Cleaning

These type of cleaning methods mentioned above are performed at the access lane trying to clean in the inward direction of the tube module. These methods have been found to only clean the first one or two rows of tubes leaving most of the heating surfaces untouched with minimal, if any, efficiency results achieved. This type of process also has been found to cause tube failures due to buoyancy instability. This is caused by having a leading tube cleaned and performing to design and then feeding into a tube that is not cleaned and underperforming. Furthermore, these types of methods have been found to pack fouling into the middle of the module instead of removing the debris due to the nature of the process not being capable of cleaning past the first row of tubes.

Please see below photos for representation of cleanliness typically found with conventional cleaning methods. Figure 2.1 is before any type of cleaning methods performed showing heavy corrosion found in the tube module. Corrosion is one of the easiest types of fouling to remove due to the nature of being loosely adhered. Figure 2.2 is the results of conventional cleaning efforts. The first one to two rows of tubes were found to be cleaned, but no cleaning efforts were found beyond the second row of tubes. Also note the amount of debris that was pushed into the center of the module after conventional cleaning efforts.

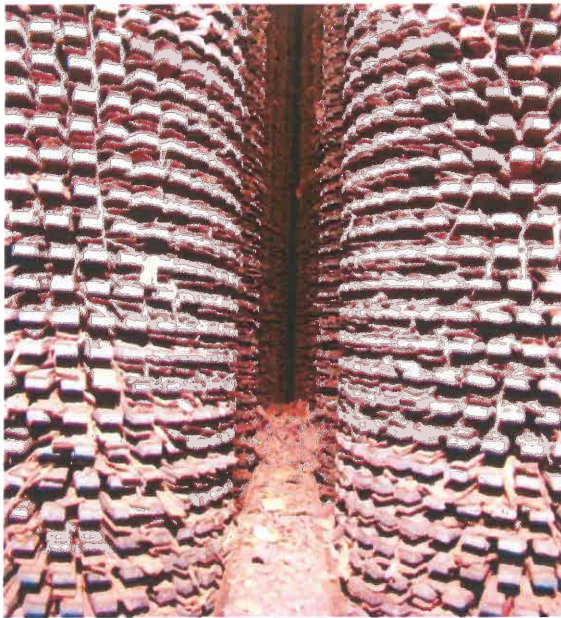


Figure 2.1 Before Cleaning Efforts

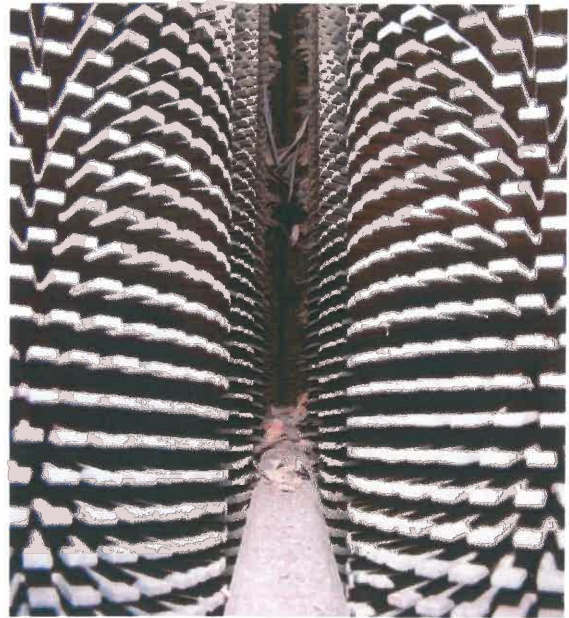


Figure 2.2 After Conventional Cleaning Methods



09-19-2022 Roseville Energy Park

## Explosion Cleaning, Pulse Waves, Det Cord, Acoustic, and Kinetic Cleaning Efforts

These type of cleanings efforts, just like conventional cleaning efforts, are also performed in the access lane trying to clean the tube module with inward cleaning efforts. These methods have been found to clean up to the third or fourth row of tubes leaving the inner tube module uncleaned. These types of methods also do not allow for thorough inspections of the tube modules after cleaning due to not having scaffolding in the unit. The front leading row of tubes look clean, but physically inspecting the modules inner tubes for cleanliness is impossible during this cleaning. These types of methods have been found to cause damage to penetration seals, expansion joints, gas baffling, and other pressure part items.

Please see below photos for representation of cleanliness typically found with these types of cleaning methods. Figure 2.3 illustrates these type of cleaning methods showing the front leading row of tubes appearing to be clean. Figure 2.4 illustrates the inner tubes from these type of cleaning efforts. The first three to four rows of tubes are found to be cleaned, but borescope inspections found no cleaning found beyond the fourth row of tubes. This example again was corrosion, which is a very easy fouling to remove and the cleaning efforts were found to be less than acceptable. In this scenario, PIC was contracted to perform our Patented Deep Cleaning process to clean after explosion cleaning where an additional 20 tons of debris was removed and reduced the differential pressure by an additional 3.5 inches per each unit.

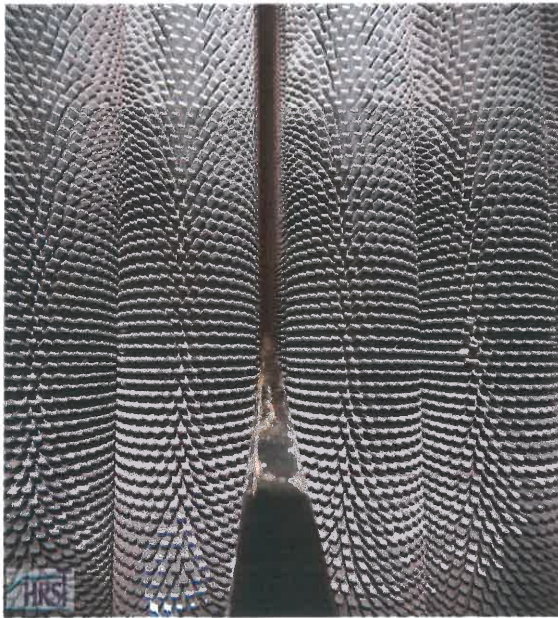


Figure 2.3 After Explosion Cleaning Front Row

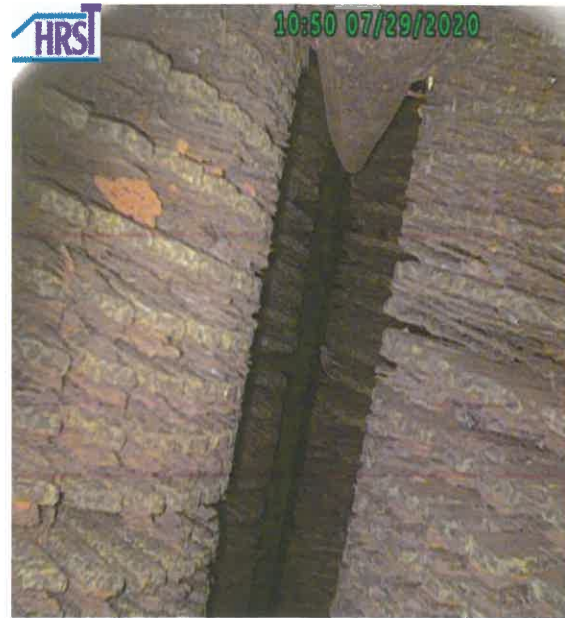


Figure 2.4 After Explosion Cleaning Fourth Row

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## 7. SCOPE OF RESOURCES AND RESPONSIBILITIES

ITEM	HUMAN RESOURCES AND RESOURCES	QTD	PIC	CLIENT
001	PIC - Blasters	02	X	-
002	PIC - Labor	02	X	-
003	PIC - Supervisor	01	X	-
004	Forklift (first and last day)	-	-	X.
005	PIC Set of Boxes	01	X	-
006	High Pressure Compressor (1150cfm/350psi)	01	X	-
007	Scaffolding material	12	X	-
008	HRST deep cleaning equipment	01	X	-
009	Dry ice	20,000 lbs	X	-
010	Off road fuel	3,600 gal	-	X
011	Dumpster for Debris Disposal / VAC Truck	02	-	X
ITEM	DELIVERABLE DOCUMENTS	QTD	PIC	CLIENT
<b>BEFORE JOB</b>				
001	Company documents / policy insurance	01	X	-
002	Crew documents	01	X	-
003	Equipment's documents / certificates	01	X	-
004	HSE documents / health emergency plan	01	X	-
<b>AFTER JOB</b>				
001	Work event report signed	01	X	-
002	Final project report	01	X	-
003	Provide boiler performance data (14 days before and after cleaning)	02	-	X

## 8. SCHEDULE (12 HOURS, PER SHIFT, 7AM TO 7PM)

EXECUTION PHASE Unit One	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7
SCAFFOLDING	Setup	Setup					
HRSG DEEP CLEANING			Module 6	Module 6	Module 5	Module 5	Module 4
DEBRIS REMOVAL							
DEMobilize OFF SITE							

EXECUTION PHASE Unit One / Unit Two	Day 8	Day 9	Day 10	Day 11	Day 12	Day 13	Day 14
SCAFFOLDING				Removal	Removal	Setup	Setup
HRSG DEEP CLEANING	Module 4	Module 3	Module 3				
DEBRIS REMOVAL				X	X		
DEMobilize OFF SITE							

EXECUTION PHASE Unit Two	Day 15	Day 16	Day 17	Day 18	Day 19	Day 20	Day 21
SCAFFOLDING							
HRSG DEEP CLEANING	Module 6	Module 6	Module 5	Module 5	Module 4	Module 4	Module 3
DEBRIS REMOVAL							
DEMobilize OFF SITE							

EXECUTION PHASE Unit One/ Unit Two	Day 22	Day 23	Day 24				
SCAFFOLDING		Removal	Removal				
HRSG DEEP CLEANING	Module 3						
DEBRIS REMOVAL		X	X				
DEMobilize OFF SITE			X				

### Notes:

- This schedule includes the mobilization of equipment and crew of one team(s) of five employees per shift, to carry out the cleaning project of two HRSG units in twenty-four days on day shift. If preferred the client can add an additional team to work 24 hours a day for an additional cost to reduce the time to twelve days.

## 9. PROPOSAL VALUE

<b>Cost For HRSG DEEP Cleaning Unit One:</b>	<b>\$ 159,890.00 USD</b>
<b>Cost for Scaffolding:</b>	<b>\$ 46,560.00 USD</b>
<b>Cost for HRSG DEEP Cleaning Unit Two:</b>	<b>\$ 159,890.00 USD</b>
<b>Cost for Scaffolding:</b>	<b>\$ 46,560.00 USD</b>
<b>Cost for Confined Space Rescue Team:</b>	<b>\$ 110,890.00 USD</b>
<b>Cost for Prevailing Wage if Needed:</b>	<b>\$ 99,980.00 USD</b>
<b>Additional Cost for 24/7 Coverage:</b>	<b>\$ 29,890.00 USD</b>

\$ 623,770.

## 10. TERMS

Terms are 25% with Purchase Order, due 30 days prior to project start date. The remaining 75% will be due upon job completion, Net 15 days. A 2% penalty will occur after the initial 15 days of the due date of each invoice and then every 30 days thereafter. Extra costs will occur if Precision Iceblast Corporation's work is delayed as a result of the customer's actions or reasons beyond Precision Iceblast Corporation's control including but not limited to weather. If for any reason work is terminated early, Precision Iceblast Corporation will receive a mobilization charge plus be compensated for work that has already been performed and material costs for work that was not performed. A change order will need to be signed for any change from the original scope of work.

Extra costs will occur if Precision Iceblast Corporation's work is delayed as a result of the customer's actions or reasons beyond Precision Iceblast Corporation's control including but not limited to weather. If for any reason work is terminated early, Precision Iceblast Corporation will receive a mobilization charge plus be compensated for work that has already been performed and material costs for work that was not performed. A change order will need to be signed for any change from the original scope of work.

"This non-binding quote is provided for informational purposes only, and neither Customer nor PIC will have any obligation to the other (contractual or otherwise) with respect to the work described herein. If Customer and PIC wish to proceed, PIC will provide Customer a separate definitive written agreement to be signed by the parties that sets forth their respective rights and obligations."

### Deadline to close the order.

We indicate that the order must be closed at least 90 days in advance so that we can guarantee the planning of the necessary resources

## COMMERCIAL PROPOSAL

FOR:

**City of Roseville**

**Roseville Energy Park**

**PROPOSAL PREPARED BY**

09-19-2022

*Jace R Finkenbine*

**Jace R. Finkenbine**

**Midwest/Northwest Combined Cycle Sales Manager**



**Jace Finkenbine**

Midwest/Northwest Combined Cycle Sales  
Manager

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[jfinkenbine@precision-iceblast.com](mailto:jfinkenbine@precision-iceblast.com)

[www.precision-iceblast.com](http://www.precision-iceblast.com)







# Commission Staff Report

**COMMISSION MEETING DATE:** November 3, 2022

**SUBJECT:** FY2023 Schedule Coordination Program Agreement Balancing Account Deposit Requirement Deferral

**AGENDA CATEGORY:** Consent

**FROM:** Monty Hanks  
Assistant General  
Manager/CFO  
  
**Division:** Administrative Services  
  
**Department:** Accounting & Finance

**METHOD OF SELECTION:**  
N/A

## IMPACTED MEMBERS:

<b>All Members</b> <input type="checkbox"/>	<b>City of Lodi</b> <input checked="" type="checkbox"/>	<b>City of Shasta Lake</b> <input type="checkbox"/>
<b>Alameda Municipal Power</b> <input checked="" type="checkbox"/>	<b>City of Lompoc</b> <input checked="" type="checkbox"/>	<b>City of Ukiah</b> <input checked="" type="checkbox"/>
<b>San Francisco Bay Area Rapid Transit</b> <input checked="" type="checkbox"/>	<b>City of Palo Alto</b> <input checked="" type="checkbox"/>	<b>Plumas-Sierra REC</b> <input checked="" type="checkbox"/>
<b>City of Biggs</b> <input checked="" type="checkbox"/>	<b>City of Redding</b> <input type="checkbox"/>	<b>Port of Oakland</b> <input checked="" type="checkbox"/>
<b>City of Gridley</b> <input checked="" type="checkbox"/>	<b>City of Roseville</b> <input type="checkbox"/>	<b>Truckee Donner PUD</b> <input type="checkbox"/>
<b>City of Healdsburg</b> <input checked="" type="checkbox"/>	<b>City of Santa Clara</b> <input checked="" type="checkbox"/>	<b>Other</b> <input type="checkbox"/>

*If other, please specify*

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## **RECOMMENDATION:**

Approve Resolution 22-xx authorizing the General Manager or his designee to defer the FY2023 \$9.5 million deposit collection for the Schedule Coordination Program Agreement Balancing Account until the draft recommendations of the Reserve and Program Security Deposit Study can be shared with the Commission.

## **BACKGROUND:**

The Northern California Power Agency (NCPA) provides various Power Management services to its members pursuant to service-based agreements. One of those agreements is the Amended and Restated Scheduling Coordination Program Agreement (SCPA). Scheduling Coordination Services include but are not limited to, the submission of schedules and bids on behalf of members, obtaining and maintaining settlement quality meter data, performing outage coordination for planned and unplanned outages, validation and reconciliation of CAISO settlement charges and credits, and allocating CAISO charges and credits among the members.

Section 10.1 of the SCPA states:

“...a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months...”

When the FY2023 budget was prepared and approved, forward market prices indicated higher than normal prices significantly increasing the calculated deposit requirement. Participants were expected to deposit an additional \$9.5 million (see table below) to stay in compliance with the terms of the agreement. During the budget review process, participants commented that their costs were already strained with other, non-controllable increases such as Transmission and Load Aggregation costs and this deposit requirement only exasperated their challenges. The participants and NCPA agreed to collect the incremental requirement on a quarterly basis starting with the September ARB bill as opposed to the standard practice of collecting 100% of the deposit requirement with the July ARB. The purpose of this one-time change was to allow time for the participants to collect summer-related receipts from their ratepayers and allow NCPA time to engage with a consultant to study the various reserve and program security deposit agreement requirements and compare them with industry best practices.

**Table from FY2023 Approved Budget  
Sec G\_Reserves, Page G-4**

Participant	Balancing Account Current Balance Proposed Adjustments					
	Balance as of January 31, 2022	Current Requirement Adjustments				Total Participant Balances After Adjustments
		90% Minimum	Amounts Less Than 90% Minimum (Bill to Participants)	110% Maximum	Amounts Greater Than 110% Maximum (Credit to Participants)	
Alameda	\$ 2,595,994	\$ 3,390,449	\$ 794,455	\$ 4,143,882	\$ -	\$ 3,390,449
BART	2,804,244	4,479,527	1,675,283	5,474,977	-	4,479,527
Biggs	117,829	189,934	72,105	232,142	-	189,934
Gridley	237,431	177,681	-	217,165	(20,266)	217,165
Healdsburg	580,048	646,088	66,040	789,663	-	646,088
Lodi	3,586,399	5,202,101	1,615,702	6,358,123	-	5,202,101
Lompoc	1,069,515	1,207,665	138,150	1,476,035	-	1,207,665
Palo Alto	6,516,093	8,060,281	1,544,188	9,851,455	-	8,060,281
Plumas	897,970	1,475,642	577,671	1,803,562	-	1,475,642
Port of Oakland	1,172,793	1,440,340	267,548	1,760,416	-	1,440,340
Santa Clara	13,604,205	16,067,029	2,462,823	19,637,479	-	16,067,029
Ukiah	912,049	1,180,786	268,736	1,443,182	-	1,180,786
Total	\$ 34,094,570	\$ 43,517,521	\$ 9,482,701	\$ 53,188,081	\$ (20,266)	\$ 43,557,006

NCPA's 2021-2026 Strategic Plan identified a goal to review the reserve and program security deposit policies to ensure collected balances are meeting the emerging market risks and opportunities. In conjunction with that goal and the member sentiments about the additional SCPA collection, staff solicited an RFP for a Reserve and Program Security Deposit Study in May. NCPA selected Utility Financial Solutions (UFS) to perform the study and work commenced in June. Over the next two months, staff met several times with UFS providing documentation, answering questions, and reviewing each project reserve and program deposit requirement. The draft recommendations were reviewed with the Finance Committee at a Special Meeting in September prior to reviewing this study with the Facilities Committee in October. The consultant's draft recommendations are based on industry best practices, and in regards to the SCPA program, UFS recommended that NCPA collect the highest two months of estimated CAISO costs (an amount roughly equal to what NCPA is holding today) instead of the three months currently required by the program agreement. This was largely based on NCPA's cash flow with the timing of collections from participants and payments to CAISO. The Finance Committee made a motion for staff to review with the Facilities Committee and request a recommendation for Commission approval to defer the FY2023 deposit collection until the study and final recommendations can be reviewed and approved by the Commission.

#### **SCPA Agreement, Section 12: Administration of Agreement**

Section 12, sub-section 12.1 states:

*"The Commission has sole overall responsibility and authority for the administration of this Agreement. Any acts, decisions or approvals taken, made or sought by NCPA under this Agreement shall be taken, made or sought, as applicable, in accordance with the Joint Powers Agreement, the NCPA Commission Bylaws and Section 12.2 of this Agreement."*

This section grants the Commission the ability to direct staff on how to administer aspects of the agreement including the deposit requirements of the Balancing Account subject to a review and recommendation from the Facilities Committee, a quorum of the Commission, and a majority vote of the Participants. In addition, NCPA is currently holding a significant amount of funds in

the reserve (\$34 million), and the Agency's CFO and Treasurer/Controller believe that the balance is sufficient to cover any short-term cash flow issues related to the SCPA program while the study is being reviewed. Lastly, while the SCPA grants authority for NCPA to issue special or emergency invoices if needed, no participant has ever defaulted on their obligations. Due to those facts, the Agency's CFO and Treasurer/Controller recommend deferring collections until the final recommendations of the study can be reviewed and approved by the Commission.

**FISCAL IMPACT:**

Approval of Resolution 22-XX will not have a direct impact on the appropriations already authorized by the approval of the FY2023 budget. This action will only defer collections, if any, after a review of the final recommendations of the Reserve and Program Security Deposit Study is approved by the Commission.

**ENVIRONMENTAL ANALYSIS:**

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore, not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

**COMMITTEE REVIEW:**

Pending

Respectfully submitted,

RANDY S. HOWARD  
General Manager

**Attachments:**

- Resolution 22-xx
- NCPA's Reserve and Program Security Deposit Presentation prepared by UFS

## **RESOLUTION 22-XX**

### **RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A DEFERRAL OF THE FY2023 SCHEDULE COORDINATION PROGRAM AGREEMENT BALANCING ACCOUNT DEPOSIT REQUIREMENT**

**(reference Staff Report #xxx:22)**

WHEREAS, the Northern California Power Agency's (NCPA) Power Management division provides various services to its members pursuant to service-based agreements and one of those agreements is the Amended and Restated Scheduling Coordination Program Agreement (SCPA); and

WHEREAS, Scheduling Coordination Services include but are not limited to, the submission of schedules and bids on behalf of members, obtaining and maintaining settlement quality meter data, performing outage coordination for planned and unplanned outages, validation and reconciliation of CAISO settlement charges and credits, and allocating CAISO charges and credits among the members; and

WHEREAS, Section 10.1 of the SCPA states a Participant shall deposit into the Balancing Account held by NCPA an amount equal to the highest three (3) months of estimated CAISO invoices for the succeeding twelve (12) months; and

WHEREAS, when the FY2023 budget was approved, forward market prices indicated higher than normal prices significantly increasing the calculated deposit requirement and SCPA participants were expected to deposit an additional \$9.5 million to stay in compliance with the terms of the agreement; and

WHEREAS, NCPA engaged with Utility Financial Solutions (RFS), a rate design and cost of service consultant, to study NCPA's reserves and program security deposit requirements and UFS recommended collecting only the highest two months (instead of three) of estimated CAISO costs for the SCPA program due to the cash flow timing of collections from participants and payments to the CAISO, and

WHEREAS, both the Finance and Facilities Committee reviewed the study and recommended a deferral of the FY2023 SCPA Balancing Account deposit requirement until the final recommendations are approved by the Commission; and

WHEREAS, Section 12.1 of the SCPA states the Commission has sole overall responsibility and authority for the administration of this Agreement. Any acts, decisions or approvals taken, made or sought by NCPA under this Agreement shall be taken, made or sought, as applicable, in accordance with the Joint Powers Agreement, the NCPA Commission Bylaws and Section 12.2 of this Agreement; and

WHEREAS, SCPA Section 12.1 grants the Commission the ability to direct staff on how to administer aspects of the agreement including the deposit requirements of the Balancing Account subject to a review and recommendation from the Facilities Committee, a quorum of the Commission, and a majority vote of the Participants; and

WHEREAS, NCPA is currently holding a significant amount of funds in the reserve matching an amount roughly equal to the consultant's recommendation that is sufficient to cover any short-

term cash flow issues related to the SCPA program and while the SCPA grants authority for NCPA to issue special or emergency invoices if needed, no participant has ever defaulted on their obligations; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to defer the FY2023 \$9.5 million deposit collection for the Schedule Coordination Program Agreement Balancing Account until final recommendations of the Reserve and Program Security Deposit Study can be approved by the Commission.

PASSED, ADOPTED and APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2022 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
San Francisco BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Shasta Lake	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

\_\_\_\_\_  
JERRY SERVENTI  
CHAIR

ATTEST:

\_\_\_\_\_  
CARY A. PADGETT  
ASSISTANT SECRETARY