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Minutes

Date: November 4, 2021
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: November 3, 2021 Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by the Committee Vice Chair Jiayo Chiang (Lodi) at 9:03 am. Attending via teleconference and/or on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Shiva Swaminathan (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Brian Schinstock (Roseville), and Paulo Apolinario, and Monica Nguyen (Santa Clara). Owen Goldstrom (non-voting Representative with TID) also attended via teleconference. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. Approval of Minutes from the October 6, 2021, Facilities Committee meeting, and the October 14, 2021 Special Facilities Committee meeting.**

Motion: A motion was made by Catalina Sanchez and seconded by Mark Sorensen recommending approval of the minutes from the October 6, 2021 Facilities Committee meeting, and the October 14, 2021 Special Facilities Committee meeting. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, and Santa Clara. The motion passed.

- 3. Appointment of Facilities Committee Chair and Vice Chair** – The 2021 Vice Chair, Jiayo Chiang will be appointed as the 2022 Chair and the Committee nominated Alan Harbottle as the new Vice Chair.

Motion: A motion was made by Shiva Swaminathan and seconded by Mike Brozo recommending approval of the 2021 Vice Chair, Jiayo Chiang, to be appointed as the 2022 Chair, and nominates

Alan Harbottle as the new Vice Chair. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 4. All NCPA Facilities, Members, SCPPA – Contra Costa Electric, Inc. First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of the First Amendment to the five-year Multi-Task General Services Agreement with Contra Costa Electric, Inc. for electrical maintenance services, increasing the not-to-exceed amount to \$1,500,000, with no other changes to the contract terms, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi-Task General Services Agreement with Contra Costa Electric, Inc., effective December 6, 2019, for an amount not to exceed \$500,000, for use at all NCPA, NCPA Member, SCPPA, and SCPPA Member facilities. Contra Costa was recently awarded the LEC Motor Cable Replacements Project (pending December Commission approval) totaling \$467,762. In order to avoid using up the entire agreement funds available, NCPA now desires to enter into a First Amendment to the Multi-Task General Services agreement to increase the not-to-exceed amount from \$500,000 to \$1,500,000. NCPA has agreements in place for similar services with Eaton Corporation, Electrical Maintenance Consultants, GE Energy and Schneider Electric.

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, the draft First Amendment, and original 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 Mark Sorensen recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Contra Costa Electric, Inc. for electrical maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$500,000 to \$1,500,000, for continued 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, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 5. All NCPA Facilities – Airgas Specialty Products, Inc. MTEMS** – Staff presented background information and was seeking a recommendation for Commission approval of the five-year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Airgas Specialty Products, Inc. for chemical purchases, with a not-to-exceed of \$1,000,000, for use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures.

Chemical purchases are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA. 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 purchases with Apex Engineering Products, Brenntag Pacific, Hill Brothers, Northstar Chemical, Thatcher Chemical and Univar USA, Inc. 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 the draft agreement were available for review. It is recommended to place this item on the Commission Consent Calendar.

Motion: A motion was made by Catalina Sanchez and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Airgas Specialty Products, Inc. for chemical purchases, with any non-substantial changes recommended and approved by the NCPA General Counsel, for use at any facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 6. Settlements Summary Results for FY21 –** Staff presented background information and was seeking a recommendation for Commission approval of the final FY21 Annual Billing Settlement for the period of July 1, 2020 through June 30, 2021.

This year's Net Refund of Excess Collections due to participants at fiscal year-end was \$1.32 million or 0.2% of Collections (net of credits) to date. The sources of these refunds were as follows: (1) Net Generation & Transmission operating costs of (\$0.64 million); (2) Management Services costs of \$0.68 million; and (3) Pass-Through Costs and Interest and Other Income of \$1.28 million. Fuel, CAISO charges and energy and ancillary services sales do not play a material role in the annual settlements process as those items are adjusted monthly in the Agency's All Resources Bill when the actual costs for these categories are invoiced by NCPA. A draft Commission Staff Report was available for review. It is recommended to place this item on the Commission Consent Calendar.

Next steps include presenting the final FY21 Annual Billing Settlement for the period of July 1, 2020 through June 30, 2021 to the LEC PPC on November 15, the Utility Director's on November 18, with final Commission approval on December 2, 2021.

Motion: A motion was made by Catalina Sanchez and seconded by Shiva Swaminathan recommending Commission approval of FY 2021 Annual Billing Settlements as presented 11/03/2021 for the period of July 1, 2020 through June 30, 2021, totaling approximately \$1.32 million. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, And Santa Clara. The motion passed.

- 7. NCPA Geothermal Facility – Geothermal Plant 2 Unit 4 Overhaul Project –** Staff presented background information and was seeking a recommendation for Commission approval of the Geothermal Plant 2 Unit 4 Overhaul Project, including delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project, in an amount not to exceed \$3,500,000, and authorizing the use of \$3,500,000 from Maintenance Reserve to fund this project. All purchase orders will be issued following NCPA procurement policies and procedures.

The Geothermal Plant 2, Unit 4 is due for an overhaul. The Geothermal Plant 2 Unit 4 Overhaul Project was originally scheduled to take place in Spring of 2022, but due to planning delays, COVID-19 concerns, and budgeting requirements, the outage was deferred to Fall of 2022.

Listed below are highlights of major work to be performed as a part of the Geothermal Plant 2 Unit 4 Overhaul Project:

1. Unit 4 Turbine Rotor and Generator
 - a. All work to transport, inspect, clean, perform preventative maintenance, test, and return one redesigned Ansaldo steam turbine rotor.
 - b. All inspections, removal, cleaning, installation, and documentation of turbine.
2. Main Condenser and NCG Heat Exchanger
 - a. General tube maintenance cleaning

3. Balance of Plant (BOP)
 - a. Pull, refurbish, test and install motor and pumps.
 - b. Replace MCC Breakers
 - c. Upgrade Siemens DCS to version 8.3
 - d. Replace Stretford MCC
 - e. Install actuators to enable jet transfer to vacuum pump
 - f. Refurbish circulation water system actuators
 - g. EHC (Electro-hydraulic Control)
 - h. Seal Oil
 - i. Gland Steam Condenser
 - j. Cooling Tower

In preparation for the overhaul, some equipment will need to be sent out for repair and refurbishment. Long lead items also need to be ordered. Funds are needed in advance of the overhaul to refurbish the spare turbine rotor, turbine diaphragms, spare generator rotor, and other miscellaneous balance of plant equipment. This equipment and materials are to be staged and ready for installation at the beginning of the overhaul.

The estimated cost of the Geothermal Plant 2 Unit 4 Overhaul Project is not to exceed \$3,500,000. The FY2022 budget was approved to pre-collect funds in the Maintenance Reserve for this work. All proposed work performed shall be funded through the Maintenance Reserve account. The scope of work and estimated costs are as follows.

<u>Geothermal Plant 2 Unit 4 Overhaul Project Work</u>	Estimated Cost
Overhaul of Unit #4 Turbine Rotor and Generator	\$1,850,000
Cleaning of Main Condenser and Gas Removal System Heat Exchangers	\$ 150,000
Repairs and Cleaning of Unit #4 Cooling Tower	\$ 250,000
Repairs and Cleaning of Unit #4 Stretford System	\$ 200,000
Replace Motor Control Center Breakers	\$ 150,000
Inspect and Test Main GSU Transformer and Electrical Switch Gear	\$ 50,000
Overhaul of Large Pumps and Motors	\$ 250,000
Subtotal	\$2,900,000
Contingency (~20%)	\$ 600,000
Total Project Cost	\$3,500,000

Motion: A motion was made by Brian Schinstock and seconded by Bill Her recommending Commission approval authorizing the Geothermal Plant 2 Unit 4 Overhaul 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 cost not to exceed \$3,500,000, and authorizing the use of \$3,500,000 from 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.

8. **2025 Western Base Resource Contract** – Staff will present contracts and materials in support of the 2025 Western Base Resource Contract, and will seek a recommendation for Commission approval of the 2025 Western Base Resource Contracts. ***This item was pulled from the agenda.***

9. Camp Far West PPA and Third Phase Agreement – Staff discussed background information and was seeking a recommendation for Commission approval of the Camp Far West Power Purchase Agreement and Third Phase Agreement.

South Sutter Water District (SSWD) owns and operates the Camp Far West Hydroelectric Project (Camp Far West). This is a run-of-river project located at Camp Far West Reservoir, and provides 6.8 MW of RPS eligible energy, as well as LCR eligible energy in the Sierra LCR area. NCPA, on behalf of and in coordination with the Participating Members, has worked with SSWD to develop a Power Purchase Agreement (PPA). The initial PPA delivery term is for 20 years. Products include facility energy, capacity rights, and environmental attributes. NCPA will schedule and dispatch the Camp Far West resources, while SSWD will operate and maintain the Camp Far West facility. The facility is currently operating in the CAISO markets. The resource will be transferred to NCPA upon the initial delivery date. Rates for the products are as follows: 1) RA Capacity Rate = \$4.00 / kW-month; 2) Energy Rate = CAISO Credit — pass-through of CAISO market credits and charges; and 3) REC Rate = \$14.25 per MWh.

The Third Phase Agreement between NCPA and the Participating Members enables NCPA to enter into the SSWD PPA. Key Third Phase Agreement provisions include: 1) Specifying the rights and obligations of NCPA and the Participants; 2) Products will be delivered to the Participants based on their Project Participation Percentage; 3) Each Participant agrees to pay for their share of Project Costs, Administrative Services Costs, scheduling coordination costs, and all other related costs; 4) Establishes Security Deposit Requirements; and 5) Establishes rules for governance and other administrative functions. The total project participation percentages is 100% to the City of Santa Clara.

Motion: A motion was made by Bill Her and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager of Northern California Power Agency (NCPA) to enter into (i) the Power Purchase Agreement between South Sutter Water District (SSWD) and Northern California Power Agency (PPA), and (ii) the Third Phase Agreement for Power Purchase Agreement with South Sutter Water District (Third Phase Agreement), including any non-substantial modifications to the Third Phase Agreement or PPA recommended and approved by the NCPA General Counsel. A vote was taken by roll call: YES = Biggs, Gridley, Lodi, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. ABSTAIN = Alameda. The motion passed.

10. SFWPA Operations Procedure – Staff reviewed a new Facilities Schedule 15. Upon Commission approval, this schedule will be added to the Amended and Restated Facilities Agreement, which documents the SFWPA Operating procedures.

Staff discussed with the Committee, the four sections of the Facilities Schedule 15, which include: 1) Definitions; 2) General Operating Criteria; 3) Forecasting Project Storage and Use; and 4) Scheduling. Specific procedures will be developed for pre-scheduling that are necessary for models, reservoir flow charts, and processes. These are high level procedures. NCPA is to act as the project manager. Staff is proposing to operate this project similar to LEC rather than Collierville. Models are still currently being built. Staff is asking for Project Participant review and feedback of the Facilities Schedule 15, prior to the next Committee meeting. This item will be brought back to the December 1, 2021 Facilities Committee meeting for final review and recommendation for Commission approval.

INFORMATIONAL ITEMS

11. New Business Opportunities – Staff provided an update regarding new business opportunities.

Glover Solar, LLC – PPA negotiations were nearly complete, when the developer came back to NCPA with a very high price, nearly double the previous price, per MWh. This price is too high for the Participants interested in the project. There is no longer interest in this project.

Stagecoach Solar – Member interest for this project includes, Redding, Santa Clara, Lodi, and Lompoc. Staff will seek to enter into a Letter of Intent with Avangrid to engage in active PPA negotiations, for 100 MW out of a total 200 MW. The term would be 10 to 20 years. The product includes energy, capacity, and environmental attributes through the Calpine Geothermal Resource at approximately \$68.00 per MWh (to be negotiated with counterparty).

EBCE RFP – NCPA submitted a RFP to EBCE for Power Management Services. On October 30, 2021 NCPA was notified that NCPA was selected to continue services. This agreement renewed automatically on November 1, 2021.

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

Hydro – Collierville Powerhouse was in a dual unit outage from October 1 – 3, 2021. After the dual unit outage, each unit was in an outage separately for two weeks. All maintenance and work was completed, with Collierville Powerhouse was back online Saturday, October 30, 2021. The Bomb Cyclone event on Sunday, October 24, 2021 brought lots of water to the hydro project, increasing the New Spicer Meadow (NSM) Reservoir water level by almost five and a half acre feet bringing the storage level total up by 5,500 acre feet. McKays spilled on Monday, October 25, 2021. The project also received several inches of fresh snow.

Geo – There was one safety recordable incident to report for the month of October. One employee suffered a knee injury, and is on limited duty, but not a LTA. Safety training is 83.5% complete. Vegetation management continued during October. CalFire does receive help for the vegetation management from the Department of Corrections. The average net generation for the month was 92.65 MW. Total net generation was 68.9 GWh. CY 2021 net generation is 650.7 GWh YTD, at 7.7% over forecast. Steam field activities include injection into P-7, and preparing to flow test E-8. Projects completed include repairs to the Stretford gas processing system, the five year fire pump test at Plant 2, and steam piping repairs at Plant 2. The Plant 1 Fire Protection Project is currently progressing in the second phase. Geo also received 13 inches of rain during the bomb cyclone.

CTs – October was a quiet month for the CTs. CT1 had 3 actual starts, bringing the FYTD total to 115. CT2 had 0 starts this month, with the FYTD total remaining at 43 starts. There were two planned outages during the month. CT1 Alameda Units 1 and 2 were out for a full month for planned maintenance. CT1 Lodi has used 155 hours already out of 200 allowed. CT1 Alameda Diesel Unit 1 has used 12.4 hours of 20, and Unit 2, 10.9 hours of 20. The Electric Start Project for the diesel engines in Alameda is currently on hold. The Utility Director's declined to proceed with the project. Staff from Alameda Municipal Power toured the CT1 Project in Alameda. Emissions testing results have been returned to NCPA. Staff will apply to increase the limit hours to 35, instead of 20. Based on past operation, this would have affected one of the units for one month. Staff have updated the Resource Data Template to limit the units to two starts per day.

13. Planning and Operations Update –

Resource Integration

- SFWPA (Members) – December 19, 2021
- Sky River Wind (BART) – September 1, 2021
- Slate 1 Solar (BART) – October 31, 2021

- Ukiah Mendocino Hydro (Ukiah) - Ongoing
- Antelope Solar (NCPA) – December 1, 2021
- Camp Far West (SVP) – Q4, 2021
- Henrietta D Energy Storage – October 2021 – Stand Alone Battery January 1, 2022
- Golden Fields Solar III – March 31, 2022
- Rosamond Solar – 2022
- CT Project No. 1 – AGC Controls

14. Schedule next meeting date – The next regular Facilities Committee meeting is scheduled for December 1, 2021.

ADJOURNMENT

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

**Northern California Power Agency
November 3, 2021 Facilities Committee Meeting
Attendance List**

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

<u>MEMBER</u>	<u>NAME</u>
ALAMEDA	✓
BART	
BIGGS	✓
GRIDLEY	✓
HEALDSBURG	
LODI	✓
LOMPOC	
PALO ALTO	✓
PLUMAS-SIERRA REC	✓
PORT OF OAKLAND	✓
REDDING	✓
ROSEVILLE	✓
SANTA CLARA	✓
TID	✓ (non-voting)
UKIAH	

**Northern California Power Agency
November 3, 2021 Facilities Committee Meeting
Attendance List**

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

<u>NAME</u>	<u>AFFILIATION</u>
Carrie Pollo	NCPA
Jane Hueckhardt	"
Tary Zimmer	"
Marty Hanks	"
Randy Bowersox	"
Catalina Sanchez	Gridley
Bill Her	Santa Clara