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Minutes

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

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by the Committee Vice Chair Alan Harbottle (Alameda) at 9:03 am. Attending via teleconference and on-line presentation were Dennis Schmidt (Biggs), Cliff Wagner (Gridley), CJ Berry (Lompoc), Micah Babbit (Palo Alto), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), and Basil Wong and Bill Her (Santa Clara). Peter Lorenz (non-voting Representative with TID) also attended via teleconference and online presentation. Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Lodi, Plumas-Sierra, Shasta Lake, 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** – Approve minutes from the November 2, 2022 Facilities Committee meeting, the November 15, 2022 Special Joint Facilities and Legal Committee meeting, and November 28, 2022 Special Facilities Committee meeting.

Motion: A motion was made by Cliff Wagner and seconded by Brian Schinstock recommending approval of the November 2, 2022 Facilities Committee meeting, the November 15, 2022 Special Joint Facilities and Legal Committee meeting, and November 28, 2022 Special Facilities Committee meeting. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 3. Appointment of Facilities Committee Chair and Vice Chair** – Approve the appointment of the 2022 Vice Chair, Alan Harbottle, as the 2023 Chair and the nomination of Shiva Swaminathan as the new Vice Chair.

Motion: A motion was made by Basil Wong and seconded by Cliff Wagner recommending approval of the appointment of the 2022 Vice Chair, Alan Harbottle, as the 2023 Chair, and nominates Shiva Swaminathan as the new Vice Chair. A vote was taken by roll call: YES =

Alameda, Biggs, Gridley, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 4. All NCPA Facilities, Members, SPCPA – Mead & Hunt, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Mead & Hunt, Inc. for engineering services, with a not to exceed amount of \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SPCPA, and SPCPA Members.

Mead & Hunt, Inc. is a new vendor for 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. Additionally, adding this vendor will increase the pool of qualified vendors for these types of 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. NCPA has agreements in place for similar services with AECOM Technical Services, Black & Veatch, Condor Earth Technologies, GEI Consultants, Provost & Pritchard Consulting Group, and HDR Engineering. 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 Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Mead & Hunt, Inc. for engineering, environmental and regulatory services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,500,000.00 over five years, for use at any facilities owned and/or operated by NCPA, NCPA Members, by SPCPA, and SPCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 5. All NCPA Facilities, Members, SPCPA – Trinity Consultants, Inc. MTPSA –** Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Trinity Consultants, Inc. for air quality compliance support 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.

This is an existing vendor with NCPA. The current agreement 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. 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 has an agreement in place for similar services with Montrose Air Quality Services LLC and Yorke Engineering LLC. 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 CJ Berry and seconded by Khaly Nguyen recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Trinity Consultants, Inc. for air quality compliance support 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 SPCPA and SPCPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 6. All NCPA Facilities, Members, SCPPA – Nor-Cal Battery Company MTGSA –** Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Nor-Cal Battery Company for battery related 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 vendor with NCPA. The current agreement 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. 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 has an agreement in place for similar services with American Power Systems and Exponential Power, Inc. (pending). 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 Basil Wong and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Nor-Cal Battery Company for battery related 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, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 7. All NCPA Facilities, Members, SCPPA – Sabah International MTGSA –** Staff provided background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Sabah International for fire system 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 vendor with NCPA. The current agreement 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. 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 has agreements in place for similar services with Bay Cities Fire Protection, Bay Cities Pyrotector and ORR Protection Systems, Inc. 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 CJ Berry and seconded by Micah Babbit recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Sabah International Incorporated for fire system 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, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 8. Resolution 23-01, Authorize NCPA General Manager to Execute Confirmation Number 0280 for EvapTech, Inc. services to the City of Roseville and Issue a Purchase Order under the Support Services Program Agreement –** Approval of Resolution 23-01 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0280 with a not-to-exceed

amount of \$282,320.00, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to EvapTech, Inc. for cooling tower maintenance, rehabilitation, and parts supply services for the Roseville Generation Park generation facilities. 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 October 2022 the City of Roseville/Roseville Electric Utility (Roseville) submitted a Member Task Request under the SSPA for EvapTech, Inc. to provide cooling tower maintenance, rehabilitation, and parts supply for the Roseville Energy Park facilities during its Spring 2023 outage. Pursuant to the EvapTech, Inc. proposal, the cost for the services is \$260,645.00. In addition, Roseville staff has requested the addition of a \$20,000.00 contingency to allow for additional services as may be requested.

If approved, Confirmation Number 0280 states that NCPA agrees to provide the requested services through its contract with EvapTech, Inc. in the amount of not-to-exceed \$280,645.00. There is no guarantee that the full amount of possible services will be paid to EvapTech, Inc. but is merely a limit of potential expenditures for services under Confirmation Number 0280. 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 \$282,320.00.

Motion: A motion was made by Brian Schinstock and seconded by Micah Babbit recommending Commission approval, 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 23-01 authorizing the NCPA General Manager or his designee to execute Confirmation Number 0280 with a not-to-exceed amount of \$282,320.00, with any non-substantive changes as approved by the NCPA General Counsel, and issue a Purchase Order to EvapTech, Inc. for cooling tower maintenance, rehabilitation, and parts supply for the Roseville Energy Park facilities. A vote was taken by roll call: YES = Alameda, Biggs, Gridley, Lompoc, Palo Alto, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 9. Reserve and Security Deposit Policies Study** – Staff presented background information and was seeking a recommendation for Commission approval to revise deposit calculation methodologies for the Schedule Coordination Program Agreement, Market Purchase Program, Gas Purchase Program, NCPA Green Power Project, and Third Phase Agreements and approval for authorizing the General Manager or his designee to temporarily implement revised deposit requirements until respective program agreement terms are amended.

Goals of the Reserve and Security Deposit Policies Study included:

- Minimize risks to Members and NCPA
- Right size reserves
- Review methodologies for appropriateness
- Independent review and input
- Best practices

NCPA believes current plant reserve methodologies provide sufficient liquidity and recommends retaining current plant structures. Staff reviewed the recommendation of the Power Management Services Programs revised methodologies. The revised Schedule Coordination Program Agreements deposit calculation will be based on the highest two months of estimated CAISO costs. The revised deposit calculation for the Third Phase Agreements, Market Purchase Program, Gas Purchase Program, NCPA Green Power Program, and Single Member Services Agreements will be based on the highest single-month contract cost(s) plus the two highest months of negative Mark-to-Market.

Members are supportive of the revised deposit calculation methodologies. However, Members expressed that they would like more discussion regarding the language in the agreements, and whether or not a resolution or a standing policy document is needed for approval of the revised deposit calculations.

No action was taken on this item. Staff will bring this item back to the Facilities Committee for final review and a recommendation for Commission approval.

INFORMATIONAL ITEMS

10. New Business Opportunities – No update was provided at the time of this meeting.

11. Review of Power Supply Assumptions – Staff provided an overview of the Power Supply Assumptions for the FY 2024 Annual Budget Schedule. SAS OR software is used to optimize generation output as a function of hourly prices, plant operations constraints, outages, and hydro conditions. The key input variables were reviewed by staff, and such input variables were used in the forward curves from EOX's November 30, 2022 model run that forms the basis for the forecasted generation output used in the budget. Staff reviewed the specific data that was used for NCPA Projects including Geo, Hydro, and LEC. The models for the CTs and SFWPA are still be adjusted by staff, and will be provided to Members once they are completed. Summaries of the model outputs were presented to, and reviewed by the Committee. Optimization models were run in December and will be distributed to Plant Managers for review.

The preliminary load-resource balances that will be used in the FY 2024 budget process will be ready for Members review and consideration by January 6, 2023. The final budget inputs are due to the Accounting Division by January 13, 2023, with the final FY 2024 power supply models distributed to Members thereafter. Please contact Ken Goeke with any questions you may have at ken.goeke@ncpa.com.

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

CTs – CT1 had 1 actual real time start of 1 forecasted. FYTD total is 84 starts, including three starts for Alameda overspeed testing. CT2 had 0 actual starts, of 8 forecasted. FYTD total is 18 starts.

- **Forced Outages**
 - CT1 Lodi on 11/1 @ 16:14 - 18:19; Fuel gas compressor no oil flow indication caused by faulty switch.
 - Alameda U1 on 11/8 @ 11:55 - 15:09; Diesel DC starting motor failure caused failed start during overspeed trip testing.
 - Alameda U1 on 11/22 @ 13:58 - 15:20; Lube oil temp transmitter lost indication. Cycled power and restored communication.
 - Alameda U2 on 11/23 @ 22:49 - 11/24 @ 01:00; Lube oil temp transmitter lost indication. Cycled power and restored communication.
 - CT2 on 10/31 @ 00:00 - 11/2 @ 18:00; HRSG tube leak repairs.
- **Planned Outages**
 - CT1 Lodi- 2/1/23 thru 2/28/23
 - CT1 Alameda- U1/U2- 3/1/23 thru 3/31/23
 - CT2 STIG- 4/1/23 thru 4/30/23

CT1 Lodi corrected run hours is 172.9 (86%) of 200 allowed based on a calendar year. CT1 Alameda Diesel Unit 1 has used 7.31 hours of 20, and Unit 2, 7.86 hours of 20, based on a rolling year. Staff reviewed the CAISO Commitment Runs for October 2022.

Geo – There were no safety incidents to report for the month of November. Safety training is 81% complete. The average net generation level for the month was 73.2 MW. Total net generation was 52.7 GWh. The actual year 2022 net generation was 708.4 GWh YTD, 4% over forecasted. The year 2022 net generation forecast was 681.3 GWh YTD. The H-Line Pipeline repairs have been completed, and the Unit 4 Overhaul is progressing. The general scope of work for the Unit 4 overhaul includes:

- Unit 4 Turbine Generator Repairs
 - Turbine Rotor Replacement
 - Diaphragm Repairs
 - Generator Rotor Replacement
 - Casing Repairs
- Inspection & Testing of 13.8 KV and 480 V Bus Work and Breakers
- Repair Main Steam Stop Valves
- Clean Unit #4 Main Condenser Tubes
- Clean Gas Removal System Condensers
- Clean Unit #4 Cooling Tower Basin
- Repairs to Plant #2 Stretford System

Hydro – Collierville (CV) Power House and New Spicer Meadows (NMS) Power House were at 100% availability during the month of November. NMS storage decreased by 4,690 acre feet at 6% month over month from 80,290 acre feet to 75,600 acre feet. At this time last year New Spicer Meadows Reservoir storage was 61,190 acre feet. The CV cooling water pump installation was completed November 4, 2022. Current maintenance activities include inspection and sampling of NSM water tank, and Utica Dam outlet operator installation during December and January. Regulatory events for the month included:

- OES approval of EAPs for Spicer, McKays, Utica, Alpine
- Preparation of the water temperature report
- Preparation of FERC Recreation annual report
- Preparing the FERC Security annual report
- Preparing the FERC and DSOD annual DSSMR
- Preparing the USGS water year report

13. Planning and Operations Update –

Current Resource Integration Activities

- Resource Integrations In Progress
 - Antelope Solar (NCPA) – Achieved COD November 30, 2022
 - Palo Alto Rosamond – January 1, 2023
 - Sandborne Storage – Q1 2023
 - Dagget Solar / Storage – Q2 2023
 - Scarlet Solar / Storage – Q3 2023
 - Pending Lodi Thermal Project – June 2023
 - Proxima Solar / Storage – Q1 2024
 - Deer Creek – On Hold

CAISO EDAM

- Background
 - Extension of Energy Imbalance Market (EIM) into the Day-Ahead Market timeline
 - Effective extension of DAM through Western states
- Key Considerations
 - Transmission availability and usage

- Resource Sufficiency Evaluation (RSE) Test
- DAM Market Process
- Transfer Revenue and Congestion Revenue Allocation
- Price Formation and Threshold for Participation
- Distribution of Benefits

Consulting Services RFP

- The City of Palo Alto has expressed interest in NCPA issuing a RFP to expand access to certain consulting services including:
 - Electric supply related activities (e.g., IRP)
 - Electric transmission related services (e.g., grid planning)
 - Demand side services (e.g., demand response)
 - General economic analysis support
 - Sustainability and related analysis
 - Natural gas regulatory services

Members are asked to please contact staff with feedback and interest in this RFP.

Geysers Power Company, LLC PPA and Third Phase Agreement

The PPA and Third Phase Agreements were approved at the December 1, 2022 Commission meeting. Staff is very close to finalizing the PPA with the RPS and RA transactions. Once the agreement has been finalized, execution of the Third Phase agreement with Santa Clara will take place and then the PPA will be executed by NCPA and the Geysers Power Company, LLC. Assignors in the Third Phase Agreement will need to go through their specific counsel approval process by the deadline date per the PPA.

14. Next Meeting – The next Facilities Committee meeting is scheduled for January 4, 2023.

ADJOURNMENT

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

**Northern California Power Agency
December 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	
LOMPOC	
PALO ALTO	
PLUMAS-SIERRA REC	
PORT OF OAKLAND	
REDDING	
ROSEVILLE	<i>[Handwritten Signature]</i>
SANTA CLARA	
SHASTA LAKE	
TID	
UKIAH	