



12745 N. Thornton Road  
Lodi, CA 95242

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## Agenda

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**Date:** December 9, 2015

**Subject:** December 14, 2015 Lodi Energy Center Project Participant Committee Meeting

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**Location:** 12745 N. Thornton Road, Lodi, CA or via teleconference

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**Time:** 10:00 A.M.

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\*\*\* In compliance with the Brown Act, you may participate in person at the meeting location or via teleconference at one of the locations listed below. In either case, please: (1) post this notice at a publicly accessible location at the participation location at least 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.

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NCPA 12745 N. Thornton Road Lodi, CA	NCPA 651 Commerce Drive Roseville, CA	CITY OF HEALDSBURG 401 Grove Street Healdsburg, CA
BAY AREA RAPID TRANSIT 300 Lakeside Drive, 16 <sup>th</sup> Floor Oakland, CA	CITY OF GRIDLEY 685 Kentucky Street Gridley, CA	CITY OF LOMPOC 100 Civic Center Plaza Lompoc, CA
CITY OF BIGGS 465 "C" Street Biggs, CA	PLUMAS-SIERRA RURAL ELECTRIC COOP 73233 Highway 70 Portola, CA	POWER & WATER RESOURCES POOLING AUTHORITY 915 L Street, Suite 1480 Sacramento, CA 95814
CALIFORNIA DEPARTMENT OF WATER RESOURCES 2135 Butano Drive, Suite 100 Room 125 Sacramento, CA 95825	Silicon Valley Power Santa Clara 1500 Warburton Avenue, Santa Clara, CA 95050	City of Ukiah 300 Seminary Avenue Ukiah, CA 95482

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

### **PUBLIC FORUM**

Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item considered by the Lodi Energy Center Project Participant 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 Lodi Energy Center Project Participant Committee on any item within the jurisdiction of the Lodi Energy Center Project Participant Committee and not listed on the Agenda may do so at this time.

- 2. Meeting Minutes** - Approval of November 9, 2015 regular meeting minutes and December 2, 2015 special meeting minutes

### **MONTHLY REPORTS**

- 3. Operational Report for November 2015** - (*Jeremy Lawson*)
- 4. Market Data Report for November 2015** – Verbal Report (*Bob Caracristi*)
- 5. Monthly Asset Report for October 2015** – (*Michael DeBortoli*)
- 6. Bidding Strategies Report** - Verbal Report and update regarding bidding strategies and regulation down revenues (*Ken Goeke*)

### **CONSENT CALENDAR**

All items on the Consent Calendar are considered routine and will be approved without discussion by a single roll call vote. Any Project Participant or member of the public may remove any item from the Consent Calendar. If an item is removed, it will be discussed separately following approval of the remainder of the Consent Calendar. Prior to the roll call vote to approve the Consent Calendar, the Participants will be polled to determine if any Participant wishes to abstain from one or more items on the Consent Calendar.

- 7. Treasurer's Report for November 2015** - Accept by all Participants
- 8. Financial Report for November 2015** - Approve by all Participants
- 9. GHG Reports (excerpted from monthly ARB)** - Accept by all Participants
- 10. Fairchild & Wells, Inc. dba Fairchild & Associates** – Staff seeking approval of a First Amendment to the existing five year Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates increasing the not to exceed amount from \$200,000 to \$500,000 and expanding the scope of work for use at all NCPA facilities for well related services.
- 11. Irani Engineering, Inc.** – Staff seeking approval of a First Amendment to the existing five year Multi-Task General Services Agreement with Irani Engineering, Inc. increasing the not to exceed amount from \$200,000 to \$1,500,000 and expanding the scope of work for use at all NCPA facilities for injection well cleaning services

- 12. MP Environmental Services, Inc.** - Staff seeking approval of a five year Multi-Task General Services Agreement with MP Environmental Services, Inc., for not to exceed \$3,000,000 for use at all NCPA facilities for removal and disposal of sulfur bins, hazardous material, phase separators, and vacuum truck services

Consent Items pulled for discussion: \_\_\_\_\_

### **BUSINESS ACTION ITEMS**

None

### **INFORMATIONAL/ DISCUSSION ITEMS**

- 13. FY 15 Annual Billing Settlements** – Staff to present a draft of the FY15 Annual Billing Settlement for the period July 1, 2014 through June 30, 2015 (*Donna Stevener*)
- 14. Standard Large Generator Interconnection Agreement Upgrade Project with CAISO** – Staff to provide update (*Michael DeBortoli*)
- 15. LEC PPC Meeting Management** – Staff to discuss distribution of meeting materials and preview of upcoming electronic meeting management program
- 16. Other New Business**

### **ADJOURNMENT**

Next Regular Meeting: January 11, 2016

***The Lodi Energy Center Project Participant Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an action item, a report, or an information item. If this Agenda is supplemented by staff reports, they are available to the public upon written 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, 651 Commerce Drive, Roseville, CA or [www.ncpa.com](http://www.ncpa.com)***

***Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participant in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.***

**Lodi Energy Center  
Project Participant Committee Meeting  
November 9, 2015 - MEETING MINUTES**

Location: Lodi Energy Center  
12745 N. Thornton Rd, Lodi CA 95242  
and by teleconference  
10:00 A.M.

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

The PPC meeting was called to order at 10:00 a.m. by Chairman George Morrow. He asked that roll be called of the Project Participants as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Morrow	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Werner	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Cadek	Present	9.5000%
Lompoc - Bean	Absent	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - McLaughlin	Absent	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
<b>Summary</b>		
Present	6	82.5179%
Absent	7	17.4821%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	November 9, 2015	

**Public Forum**

Chairman Morrow asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items. No members of the public were present.

**2. Meeting Minutes**

The draft minutes of the regular meeting held on October 12, 2015 were considered. The LEC PPC considered the following motion:



**Date:** 11/9/2015

**Motion:** The PPC approves the minutes of the October 12, 2015, regular meeting as presented.

**Moved by:** MID

**Seconded by:** Lodi

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion passed.	

## **MONTHLY REPORTS**

### **3. Operational Reports for October 2015**

Jeremy Lawson presented the Operational Report for October. His report was revised to update the information to include the unplanned outage on October 31 when the plant tripped due to a gas pilot valve control position which was mismatched with the actual position. The pilot valve servo valve was found in error and was replaced and calibrated. It was a 5.6 hour outage. In addition, Mike DeBortoli previewed an outage issue which will be discussed next month which occurred on November 5. The plant is still scheduled for the planned outage on May 1-29, 2016.

There were no OSHA recordable accidents, no permit violations and no NERC/WECC violations. The report reflected monthly production of 165,767 MWH, 654 service hours, and equivalent operating availability of 99.35%. The report set forth the Capacity Factor @ 280MW Pmax of 79.57% and @ 302MW Pmax of 73.77%. The plant's heat rate statistics are on track

with PMOA Schedule requirements and the starts are meeting the benchmarks. The plant had five hot starts, one warm start, and zero cold start. The question was asked if the plant operate above 280 MW. Jeremy said, yes as needed, but that circumstance is rare.

#### **4. Market Data Report for October 2015**

Bob Caracristi discussed the operating and financial settlement results for the month which dovetailed with the operational report.

#### **5. Monthly Asset Report**

Mike DeBortoli presented the monthly asset report/budget review for September. He said the actual revenue remains below the forecast primarily due to softening energy prices. Fixed prices are up a bit due to stocking up on parts and said the VOM numbers are following operations. He talked about a problem experienced with the injection well which required its cleaning and said that cost will affect the budget numbers next month. He noted the budget had anticipated injection well cleaning every two years but it appears it will be required every year. He explained about the injection well process and said the operators managed the cleaning well so it was not necessary to take the plant down.

#### **6. Bidding Strategies Report**

Ken Goeke presented his monthly report about the bidding strategies and regulation revenues and a costs comparison. He said again no special strategies were used in October. The use of the reduction in incremental bids during hours 23 and 24 continued to avoid cycling. He spoke about conditions and results for various days and summarized that the results remain positive.

#### **Consent Calendar (Items 7 – 10, Item 11 removed for discussion)**

The consent calendar was considered. Chairman Morrow requested that item 11 be removed from the Consent Calendar for separate discussion. He asked if any Participant wished to have any other item removed. Hearing none, Chairman Morrow asked if any Participant wished to abstain from one or more items on the Consent Calendar. There were no abstentions. The LEC PPC considered the following motion:

**Date:** 11/9/2015

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no. 7. Treasurer's Report for October 2015; 8. Financial Reports for October 2015; 9. GHG Reports for October 2015; and 10. Black & Veatch Corporation five year Multi-Task Consulting Services Agreement for not to exceed \$500,000 for services related to project support and plant operations at LEC.

**Moved by:** CDWR

**Seconded by:** MID

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%

BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion passed.	

## 11. Fuel Supply Procurement, Delivery and Management for LEC

Ken Goeke updated the Committee about the Assignment, Assumption and Consent agreement Among J.P. Morgan Ventures Energy Corporation, Mercuria Energy Gas Trading LLC, and NCPA for management services and fuel supply for LEC. As noted in the written staff report, in order to effectuate the transition between JP Morgan and Mercuria, the consent agreement requires approval as well as updating the NAESB to append a Credit Support Addendum for Mercuria. As a result of these changes, the LEC PMOA Schedule 2.00, Fuel Supply Procurement, Delivery and Management, needs to be amended to list Mercuria as the Project Gas Supplier and Manager effective January 1, 2016. In response to the question about term of the agreement, Ken said it is evergreen, but that either party may terminate with six months written notice. The LEC PPC considered the following motion:

**Date:** 11/9/2015

**Motion:** The PPC approves the Assignment, Assumption and Consent Agreement among JP Morgan Ventures Energy Corporation, Mercuria Energy Gas Trading LLC and NCPA for management services and fuel supply at LEC and underlying NAESB base contract as modified, and corresponding revision to PMOA Schedule 2.00 (Fuel Supply Procurement, Delivery and Management) effective January 1, 2016.

**Moved by:** Lodi

**Seconded by:** CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion passed.	

The following agenda item was taken out of order.

**14. City of Gridley seeking prospective offers from LEC Project Participants to purchase 1.071% (or approximately 3MW) of Gridley's LEC generation entitlement share (GES)**

Tony Zimmer presented this item and noted that Gridley would entertain offers for 1.071% of its entitlement share of some portion thereof. The due date for offers is November 15 but he thought offers submitted slightly beyond that date would be considered.

**BUSINESS ACTION ITEMS**

**12. Roth Energy Company Consulting Services Agreement**

Ken Goeke presented the written staff report seeking approval of a one year Consulting Services Agreement with Roth Energy for natural gas acquisition and asset advisory services for not to exceed \$90,000, with allocation of costs expended under the agreement to be borne 45% by LEC, 10% by CT1, and 45% by CT2 (STIG). He said the NCPA Facilities Committee expressed interest in these services. Discussion was had about two pipelines and the Canadian portions of those pipelines which are renewed year to year by NCPA for the STIG participants. George Morrow commented that it appears this item seeks to broaden that scope to include potential use to LEC. Randy Howard said that the goal here is to get away from siloed gas operations and look at optimizing value and utilization of natural gas related assets overall for

the long term on behalf of NCPA members and project participants. Martin Caballero said the study seems reasonable but that the cost allocation doesn't seem right. Discussion was had about the study and Ken Goeke said there was no magic formula for the apportionment of costs. Steve Hance asked questions about Roth's experience and commented that he doesn't see how the value in the pipeline transfers over to LEC. George Morrow concurred and suggested that NCPA conduct the study and then develop a proposal which would show specific benefits to LEC. He likes the simplicity the LEC project participants now have in managing their own consultants and hedging; this proposal is out of the norm for the PPC. Mike Werner said there may be some useful information to come out of such a study and Melissa Cadek said that there may be value in it since 'we don't know what we don't know'. Martin Caballero said for those of us who are not transmission participants, he does not see the value in it. Martin focused the discussion on the deliverables identified within the request for proposals. Steve Hance said he does not see any value to NCPA and feels it is not of interest to the PPC. The consensus of the committee was to take no action at this time and ask that the proposal for the study be flushed out more to identify the costs associated with specific tasks and provide the specific potential benefits to LEC. Mike Werner noted for consideration that the scope of the study might be expanded to include bio gas and the associated cost for that scope as pertains to interested individual participants.

#### **INFORMATIONAL ITEMS**

##### **14. Standard Large Generator Interconnection Agreement Upgrade Project with CAISO**

Mike DeBortoli advised that NCPA has given its comments in response to CAISO/PGE regarding the draft exhibits received for the First Amended and Restated Interconnection agreement. There will be a very short window for finalization of the document in order to meet the CAISO deadline for execution. One issue impacting finalization is that the counterparty from CAISO is out of the office until December 3. Mike reported on the financial aspects of this project with \$5,630,975 having been collected from the participants as of October 16. \$165,264 has been spent to date on engineering and studies and \$1,393,000 for financial security deposits which will be refunded. There remains immediately available \$4,072,711. Further billings to participants to defray the total cost of the project will be terminated since the phase II study finds that the transmission upgrade will not be done. Mike said we are sitting tight until we have the First Amended and Restated Interconnection Agreement fully executed to lock in the scope of the project as things have been known to change. In response to Martin Caballero's question, Mike said he hopes to have the agreement and monetary aspects of the project finalized by February next year.

##### **15. Other New Business**

None.

#### **Adjournment**

The next regular meeting of the PPC is scheduled for Monday, December 14, 2015. The meeting was adjourned at 11:50 a.m.

Submitted by: Linda Stone

**Lodi Energy Center**  
**Project Participant Committee SPECIAL Meeting**  
**December 2, 2015 - MEETING MINUTES**  
Location: Lodi Energy Center  
12745 N. Thornton Rd, Lodi CA 95242  
and by teleconference  
3:00 P.M.

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

The PPC special meeting was called to order at 3:03 p.m. by Vice Chair Martin Caballero. He asked that roll be called as listed below.

<b>Participant</b>	<b>Attendance</b>	<b>Particulars / GES</b>
Azusa - Lehr	Absent	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Werner	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Cadek	Absent	9.5000%
Lompoc - Stassi	Present	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - McLaughlin	Absent	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
<b>Summary</b>		
Present	5	72.2679%
Absent	8	27.7321%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	December 2, 2015	

Bruce McLaughlin was in attendance however he was not at a posted meeting location so was marked absent for purposes of participation as a voting member.

**Public Forum**

Vice Chair Caballero asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items. No members of the public were present.

**2. California Independent System Operation (CAISO) First Amended and Restated Large Generator Interconnection Agreement**

Mike DeBortoli presented a revised Staff Report for this item which proposes that the PPC approve the First Amended and Restated Large Generator Interconnection Agreement (LGIA) among NCPA, CAISO and PG&E to increase the LEC capacity by 24 MW and related changes, subject to legal approval as to form and with such changes as are consistent with the intent of the agreement and approved by the General Manager and General Counsel, and authorization for NCPA to enter into the agreement. The need for the special meeting is that the deadline for execution set by CAISO is December 11 in order to accomplish a COD date of March 31, 2016. With the assistance of legal counsel, Mike has been working with CAISO and PG&E to finalize the appendices to the agreement. Mike explained that only the exhibits to the original agreement are being revised with respect to the 24MW increase; the agreement itself is unchanged. Mike provided a copy of the original Interconnection Agreement dated December 17, 2009 for information.

Mike advised of one possible change from what he had previously reported about this project. The Phase II study results received in October indicated that due to all of the projects which had dropped out, the transmission line upgrade would not be done. He has just received information from CAISO indicating that CAISO/PG&E may, in fact, proceed with the transmission line upgrade. In that event, the switchyard upgrade would be needed. Martin Caballero asked if there would be a reconductoring of the line. Mike said the new information is not clear, but if that is done, it would not be LEC's responsibility to pay for it. If there is no reconductoring of the transmission line, the whole project cost would be \$294,000. Mike clarified that because this important point is not finalized at present, the cost information has been left out of today's action as the project has previously been approved at the \$6 million dollar amount. When the amended Interconnection Agreement is completed and signed, staff will provide a final accounting of the project and its costs. He noted that about \$5.6 million dollars have already been collected, no further collections are being done, and refunds will be made for the unexpended funds. The LEC PPC considered the following motion:

**Date:** 12/2/2015

**Motion:** The PPC approves the First Amended and Restated Large Generator Interconnection Agreement (LGIA) among the Northern California Power Agency, Pacific Gas and Electric Company, and California Independent System Operator Corporation to increase the Lodi Energy Center (LEC) capacity by 24 MW, subject to legal approval as to form and with such changes which are consistent with the intent of the agreement and approved by the General Manager and General Counsel, and authorization for NCPA to enter into the agreement.

**Moved by:** SVP

**Seconded by:** CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Absent	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%

Healdsburg	Absent	1.6428%
Lodi	Absent	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	5	72.2679%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	8	27.7321%
Result:	Motion passed.	

### **Adjournment.**

Vice Chair Caballero adjourned the special meeting at 3:25 p.m.

Submitted by: Linda Stone





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## **Lodi Energy Center Project Participant Committee Operational Report for November 2015**

**Item No.: 3**

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**Date:** 12/14/2015  
**To:** Lodi Energy Center Project Participant Committee

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### **Safety**

- OSHA Recordable: 0 Accidents

### **Notice of Violations**

- Permits: 0 Violations
- NERC/WECC: 0 Violations

### **Outage Summaries:**

- **Combustion Turbine Vibration Equipment Trouble** (11/15/15 – 21:26-23:59) – The Combustion Turbine Vibration monitoring equipment failed during operation. Now actual vibration issues occurred. The unit was shut down and the equipment was repaired and the plant was placed back into service.
- **HRSB Transition Duct Failure** (11/6/15 – 11/9/15) – The internal duct work of the HRSB failed and exposed hot combustion turbine exhaust gas to the exterior shell of the HRSB. The plant was shut down, allowed to cool, and weld repairs were conducted.
- **Fuel Gas Compressor (FGC) Trouble** (11/14/15 – 01:30-04:05) – FGC A tripped on high discharge pressure (the pressure regulating slide valve did not close to lower pressure). The Combustion Turbine unloaded to low compressor pressure tripping the plant offline.
- **HRSB Flow Shield Duct Repair** (11/28/15 – 11/29/15) – During the HRSB transition repair, staff observed circumferential cracking around the Combustion Turbine Flow Shield. The plant was scheduled / planned to repair this issue.
- **Steam Turbine (ST) Lube Oil Temperature** (11/30/15 – 15:00-16:11) – A plant start-up was delayed due to a failed ST lube oil temperature control valve. The control valve diaphragm developed a leak, failed to control, causing high oil temperatures. Staff repaired the control valve and returned the unit to service.

### **Planned Outage Summaries:**

- 2016, May 1<sup>st</sup> – May 29<sup>th</sup>: Hot Gas Path (HGP), Hot Reheat Valve (HRH), Misc

**Generating Unit Statistics:**

LEC

**Report****Date:**

Start Date 11/1/2015

End Date 12/1/2015

1. Monthly Production 75,199 MWH
2. Productivity Factor
  - a. Service Hours 304 Hours
  - b. Service Factor 42.19 %
  - c. Capacity Factor @ 280MW Pmax 37.25 %
  - d. Capacity Factor @ 302MW Pmax 34.54 %
3. Equivalent Operating Availability (EOA) 82.40 %
4. Forced Outage Rate (FOR)
  - a. Combustion Turbine Generator 20.59 %
  - b. Steam Turbine Generator 20.68 %
5. Heat Rate Deviation (HRD)
  - a. Fuel Cost (Not Current Market Price) 4.00 \$/mmBTU

MW Range		Average HR BTU/kW-Hr	PMOA HR BTU/kW-Hr	Deviation %	Production MWH	Cost \$
Seg. 1	296 - 302	6,850	6850	0.00%	0	\$0
Seg. 2	284 - 296	7,045	6870	2.55%	19,720	\$13,834
Seg. 3	275 - 284	7,050	6971	1.14%	13,569	\$4,300
Seg. 4	250 - 275	7,082	7081	0.02%	23,006	\$133
Seg. 5	225 - 250	7,154	7130	0.33%	7,210	\$686
Seg. 6	200 - 225	7,251	7315	-0.87%	4,344	-\$1,105
Seg. 7	175 - 225	7,415	7711	-3.84%	4,082	-\$4,834
Seg. 8	165 - 175	7,755	7856	-1.29%	1,394	-\$563
					<b>73,325</b>	<b>\$12,449</b>

## 6. AGC Control Deviation

MW Range		High Dev MWH	Low Dev MWH	Absolute Dev MWH	Cost \$
Seg. 1	296 - 302	0	0	0	\$0
Seg. 2	284 - 296	64	-23	87	\$2,463
Seg. 3	275 - 284	30	-52	82	\$2,316
Seg. 4	250 - 275	97	-38	135	\$3,816
Seg. 5	225 - 250	43	-22	64	\$1,838
Seg. 6	200 - 225	29	-19	48	\$1,385
Seg. 7	175 - 225	20	-15	35	\$1,039
Seg. 8	165 - 175	7	-3	10	\$297
		<b>290</b>	<b>-170</b>	<b>461</b>	<b>\$13,154</b>

## 7. Starting Reliability

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	6	1	2
Start Time Benchmark (Minutes)	85	160	235
Start Time Actual (Average Minute)	89.5	166.0	231.0
Start Time Deviation (%)	5.3%	3.8%	-1.7%
Start Fuel Benchmark PMOA (mmBTU)	1,967	5,200	5,430
Start Fuel Actual (Average mmBTU)	1,651	3,300	4,600
Fuel Deviation	-16.1%	-36.5%	-15.3%
Costs of Fuel Deviations (\$)	<b>-\$1,265</b>	<b>-\$7,598</b>	<b>-\$3,321</b>

**Definitions:**

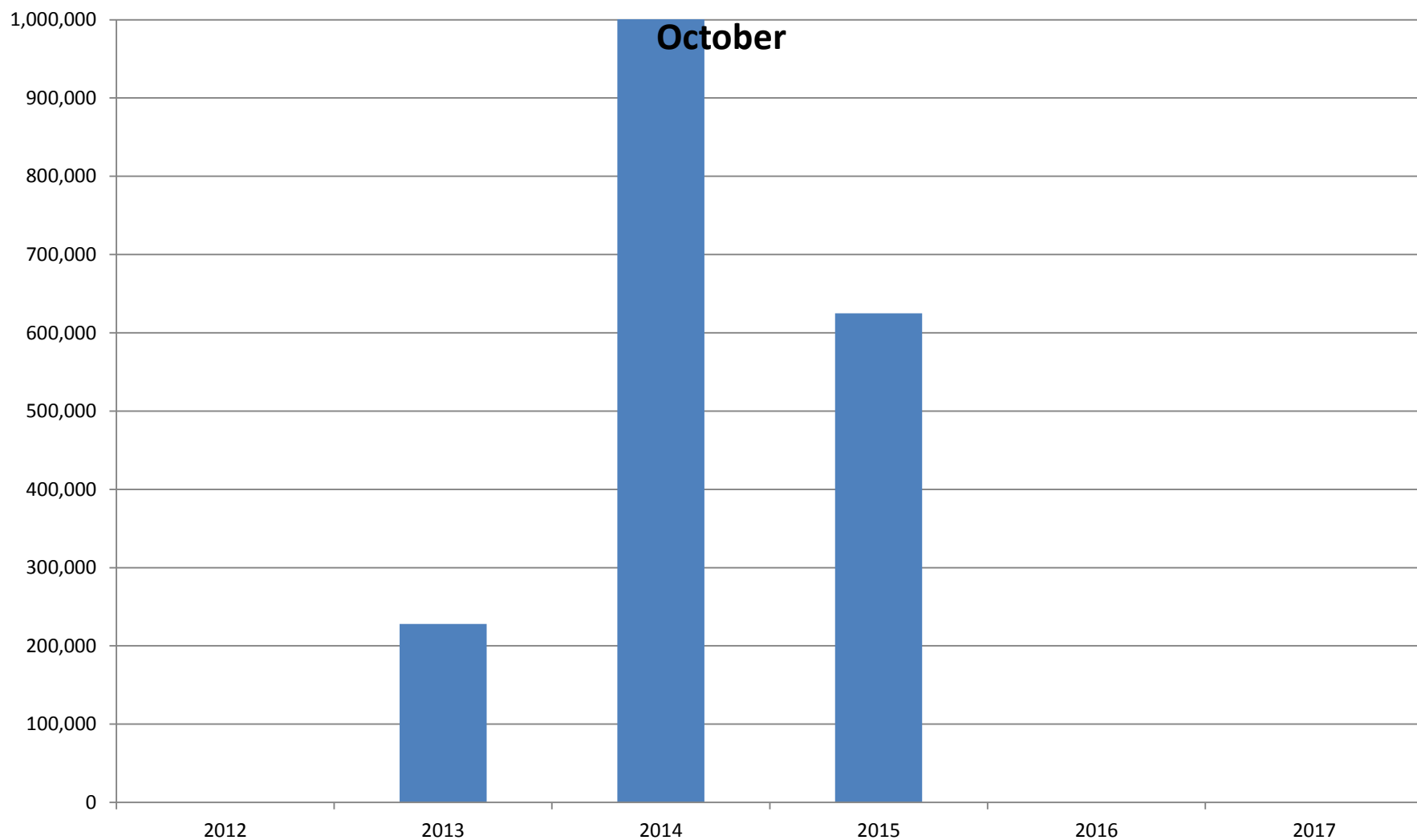
1. Monthly Production = Plant Net MWH's
2. Capacity Factor
  - a. Service Hours = In Production or in Service State
  - b. Service Factor =  $SH / PH \times 100\%$
  - c. Capacity Factor =  $Production / 302MW \times PH$
  - d. Capacity Factor =  $Production / 280MW \times PH$
3. Monthly Equivalent Availability Factor (EAF) =  $(AH - EPDH - EFDH) / PH \times 100\%$
4. Forced Outage Rate =  $(FOH / (FOH + SH)) \times 100\%$
5. Heat Rate Deviation (HRD)
  - a. Fuel Cost = Cost of Fuel in \$/mmBTU
  - b. Average Heat Rate = The Average Heat Rate for the given Range
  - c. Heat Rate Deviation =  $(Heat\ Rate\ Average - Heat\ Rate\ Expected) / Heat\ Rate\ Expected \times 100\%$
  - d. Production = The Sum of Production for the given Range
  - e. Costs of Heat Rate Deviations =  $(Average\ Heat\ Rate - Expected\ Heat\ Rate) \times Production \times Cost\ of\ Fuel$
6. AGC Deviation-
  - a. MWH's = AGC Set Point Generation - LEC Actual Generation
  - b. Cost of Deviations = Fuel Cost x Heat Rate x Generation
7. Starting Reliability
  - a. Number of Starts = Start Count for Hot, Warm, and Cold
  - b. Start Time = Average Time from 0 Fuel Flow to Pmin
  - c. Start Fuel = Average Fuel Consumption to Pmin
  - d. Cost of Fuel Deviation =  $(Actual\ Fuel\ Consumed - Expected\ Fuel) \times Cost\ of\ Fuel$



# October Asset Report

	Most Recent			Above / (below)	Percent Difference	
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	5,680,284	5,626,900	8,111,607	53,384	1%	
VOM	5,613,067	5,486,424	6,763,130	126,643	2%	
Fixed	825,894	976,687	839,800	(150,793)	-15%	
Projects	220,190	219,462	239,800	728	0%	
A&G	146,530	191,174	191,176	(44,644)	-23%	
Debt	2,203,974	2,203,414	2,203,444	560	0.03%	
Net Cost	(3,329,371)	(3,450,261)	(2,125,743)	120,890	-4%	
Net Annual Cost		(39,666,333)	(37,575,891)	(\$2,090,442)		
				Above budget by 5.56%		

# Historical Margins



Lodi Energy Center  
Monthly Budget Analysis  
Expenditures  
Report Date: 12/07/2015

	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY2016 Budget	Percent Used	Comments
VOM	3,176,314	4,311,594	4,043,608	5,613,067	3,497,942	3,418,246	4,136,319	3,120,852	3,463,384	3,328,481	1,844,840	2,181,478	42,136,125	62,570,196	67.3%	
Capacity Factor	49%	66%	65%	80%	55%	50%	49%	47%	49%	40%	26%	26%	50%	58%	86.5%	
Fuel Consumed (mmBTU, estimated)	747,890	978,039	935,044	1,181,040	789,679	738,349	718,607	647,536	718,607	576,465	390,891	379,046	8,801,194	10,997,634	80.0%	
Avg Fuel Cost (\$/mmBTU)	3.51	3.47	3.40	3.17	3.50	3.70	3.79	3.89	3.89	3.79	3.79	3.79	3.59	4.53	79.1%	
Power Produced (MWhr, estimated)	103,885	137,264	131,608	165,738	111,222	103,993	101,212	91,202	101,212	81,192	55,055	53,387	1,236,971	1,605,494	77.0%	
Avg Power Price (\$/MWhr)	37.27	34.97	35.72	34.27	37.00	36.00	36.00	35.00	33.00	32.00	32.00	32.00	34.89	40.64	85.9%	
Operations / Variable / LTSA	1,784	195,973	174,895	991,960	129,018	120,632	862,201	105,795	117,406	701,991	63,864	454,471	3,919,990	4,844,522	80.9%	
Fuel (estimated)	2,623,866	3,394,919	3,177,971	3,742,910	2,763,875	2,731,893	2,723,522	2,518,917	2,795,383	2,184,804	1,481,476	1,436,583	31,576,119	49,851,535	63.3%	
AB32 GHG Offset (estimated)	505,745	662,253	634,083	807,297	556,112	519,964	506,062	456,012	506,062	405,962	275,275	266,934	6,101,759	7,216,850	84.5%	
CA ISO Charges (estimated)	44,919	58,449	56,660	70,899	48,938	45,757	44,533	40,129	44,533	35,725	24,224	23,490	538,256	657,289	81.9%	
Routine O&M (Fixed)	622,385	812,271	831,659	825,894	1,672,595	766,691	766,687	766,685	766,690	766,686	877,594	766,687	10,242,523	10,217,618	100.2%	
Maintenance / Fixed	36,849	201,799	232,387	306,008	225,000	139,091	139,091	139,091	139,091	139,091	250,000	139,091	2,086,590	1,780,003	117.2%	
Administration	87,552	101,780	113,365	100,539	109,680	109,681	109,680	109,680	109,681	109,680	109,680	109,680	1,280,678	1,316,163	97.3%	
Mandatory Costs	26,519	69,918	5,785	906	13,856	13,856	13,856	13,856	13,856	13,856	13,856	13,856	213,978	235,000	91.1%	
Inventory Stock	0	0	53,287	10,320	33,333	33,334	33,333	33,333	33,334	33,333	33,333	33,334	330,274	400,000	82.6%	
Labor	365,086	316,135	321,097	299,585	365,085	365,088	365,086	365,085	365,088	365,086	365,085	365,086	4,222,592	4,381,034	96.4%	
Insurance	0	0	0	0	820,000	0	0	0	0	0	0	0	820,000	820,000	100.0%	
Power Management & Settlements	102,379	102,379	102,379	102,379	102,379	102,379	102,379	102,378	102,378	102,378	102,378	102,378	1,228,543	1,228,543	100.0%	
Other Costs	4,000	20,260	3,359	6,157	3,262	3,262	3,262	3,262	3,262	3,262	3,262	3,262	59,868	56,875	105.3%	
Projects	150,000	210,039	167,177	220,190	250,000	195,000	150,000	150,000	373,740	218,000	782,849	150,000	3,016,995	2,954,589	102.1%	
Maintenance Reserve	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,800,000	1,800,000	100.0%	
Operations & Maintenance Projects	0	51,810	9,402	45,728	100,000	10,000	0	0	120,740	68,000	0	0	405,680	343,450	118.1%	
Capital Projects	0	8,229	7,775	24,462	0	35,000	0	0	103,000	0	632,849	0	811,315	811,139	100.0%	
A&G	116,700	172,728	126,784	146,530	191,174	191,174	191,174	191,174	191,174	191,174	191,174	191,174	2,092,137	2,294,095	91.2%	
Administrative & General (Allocated)	102,664	156,924	111,298	125,547	158,792	158,792	158,792	158,792	158,792	158,792	158,792	158,792	1,766,769	1,905,505	92.7%	
Generation Services Shared	14,036	15,804	15,486	20,983	32,382	32,382	32,382	32,382	32,382	32,382	32,382	32,382	325,368	388,590	83.7%	
Total O&M Cost	4,065,399	5,506,632	5,169,228	6,805,681	5,611,712	4,571,111	5,244,180	4,228,711	4,794,989	4,504,341	3,696,457	3,289,339	57,487,780	78,036,498	73.7%	
Debt Service	2,203,974	2,203,974	2,203,974	2,203,974	2,203,413	2,203,413	2,203,414	2,203,414	2,203,414	2,203,414	2,203,414	2,203,414	26,443,206	26,441,024	100.0%	
Revenues	3,887,446	4,833,235	4,700,555	5,680,284	4,247,743	3,876,262	3,776,161	3,324,598	3,472,525	2,730,672	1,894,280	1,840,893	44,264,653	66,901,632	66.2%	
ISO Energy Sales (estimated)	3,871,286	4,799,627	4,700,385	5,680,284	4,115,226	3,743,744	3,643,644	3,192,081	3,340,007	2,598,154	1,761,762	1,708,375	43,154,574	65,240,921	66.1%	
Other Income	16,160	33,608	170	0	132,517	132,518	132,517	132,517	132,518	132,518	132,518	132,518	1,110,079	1,660,711		
Net	(\$2,381,927)	(\$2,877,371)	(\$2,672,647)	(\$3,329,371)	(\$3,567,381)	(\$2,898,263)	(\$3,671,433)	(\$3,107,527)	(\$3,525,878)	(\$3,977,083)	(\$4,005,591)	(\$3,651,860)	(\$39,666,333)	(\$37,575,891)	Above budget by 5.56%	



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# LEC Treasurer's Report

AGENDA ITEM NO.: 7

**Date:** December 14, 2015  
**To:** LEC Project Participant Committee  
**Subject:** Treasurer's Report for the Month Ended November 30, 2015

In compliance with NCPA policy and State of California Government Code Sections 53601 and 53646(b), the following monthly report is submitted for your information and acceptance.

Cash - At month end cash totaled \$1,393,359.

Investments - The carrying value of the LEC's investment portfolio totaled \$39,647,263 at month end. The current market value of the portfolio totaled \$39,576,611.

The overall portfolio had a combined weighted average interest rate of 0.768% with a bond equivalent yield (yield to maturity) of 0.730%. Investments with a maturity greater than one year totaled \$17,390,000. During the month \$5 million was invested.

Funds not required to meet annual cash flow are reinvested and separately reported as they occur.

Interest Rates - During the month, rates on 90 day T-Bills increased 16 basis points (from 0.01% to 0.17%) and rates on one year T-Bills increased 17 basis points (from 0.34% to 0.51%).

To the best of my knowledge and belief, all securities held by LEC as of November 30, 2015 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

## Environmental Analysis

The Treasurer's report will 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.

Respectfully submitted,

DONNA STEVENER  
Assistant General Manager/CFO  
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH  
Treasurer-Controller

Attachments

# **NORTHERN CALIFORNIA POWER AGENCY**

## **TREASURER'S REPORT**

**NOVEMBER 30, 2015**

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Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Cash & Investment Balance  
November 30, 2015

	CASH	INVESTMENTS	TOTAL	PERCENT	INVESTMENTS at MARKET
<b>MANDATORY FUNDS</b>					
Debt Service Account	-	16,452,919	16,452,919	40.09%	16,452,919
Debt Service Reserve	-	11,824,777	11,824,777	28.81%	11,819,395
O & M Reserve	-	11,298,500	11,298,500	27.53%	11,233,230
	-	39,576,196	39,576,196	96.43%	39,505,544
<b>ADDITIONAL PROJECT FUNDS</b>					
GHG Cash Account	-	71,066	71,066	0.17%	71,066
Transmission Upgrade Escrow <sup>1</sup>	1,393,359		1,393,359	3.40%	
Participant Deposit Account	-	1	1	0.00%	1
	<b>\$ 1,393,359</b>	<b>\$ 39,647,263</b>	<b>\$ 41,040,622</b>	<b>100.00%</b>	<b>\$ 39,576,611</b>

NOTE A -Investment amounts shown at book carrying value.

<sup>1</sup> Amount held in escrow

Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Cash Activity Summary  
November 30, 2015

	RECEIPTS			EXPENDITURES			CASH
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	INCREASE / (DECREASE)
<b>MANDATORY FUNDS</b>							
Debt Service Account	\$ -	\$ 1	\$ -	\$ -	\$ (5,320,841)	\$ 5,320,840	\$ -
Debt Service Reserve	-	57	-	-	(57)	-	-
O & M Reserve	-	-	-	-	-	-	-
	-	58	-	-	(5,320,898)	5,320,840	-
<b>ADDITIONAL PROJECT FUNDS</b>							
GHG Cash Account	-	-	-	-	-	-	-
Transmission Upgrade Escrow <sup>1</sup>	-	23	-	-	-	-	23
Participant Deposit Account	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 81</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,320,898)</b>	<b>\$ 5,320,840</b>	<b>\$ 23</b>

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

<sup>1</sup> Amount held in escrow

Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Investment Activity Summary  
November 30, 2015

	PURCHASED	SOLD OR MATURED	(NON-CASH) DISC/(PREM) AMORT	(NON-CASH) GAIN/(LOSS) ON SALE	INVESTMENTS TRANSFERS	INCREASE / (DECREASE)
<b>MANDATORY FUNDS</b>						
Debt Service Account	5,320,841	-	1,006	-	-	5,321,847
Debt Service Reserve	57	-	(50)	-	-	7
O & M Reserve	-	-	(1,562)	-	-	(1,562)
	<u>5,320,898</u>	<u>-</u>	<u>(606)</u>	<u>-</u>	<u>-</u>	<u>5,320,292</u>
<b>ADDITIONAL PROJECT FUNDS</b>						
GHG Cash Account		-	-	-	-	-
Participant Deposit Acct.		-	-	-	-	-
<b>TOTAL</b>	<u>\$ 5,320,898</u>	<u>\$ -</u>	<u>\$ (606)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,320,292</u>

Less Non- Cash Activity

Disc/(Prem) Amortization & Gain/(Loss) on Sale

Net Change in Investment --Before Non-Cash Activity

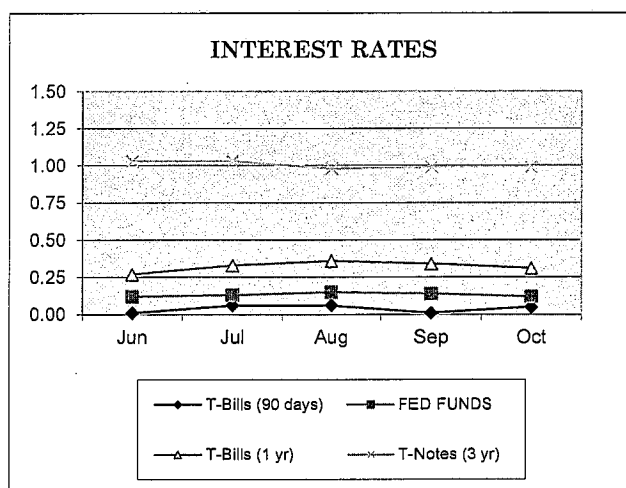
606
<u>\$ 5,320,898</u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency  
Lodi Energy Center  
Interest Rate/Yield Analysis  
November 30, 2015**

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<b>0.768%</b>	<b>0.730%</b>
Debt Service Account	0.106%	0.107%
Debt Service Reserve	1.008%	1.044%
O & M Reserve	1.486%	1.312%
GHG Cash Account	0.319%	0.319%

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Fds (Ovrnight)	0.12%	0.09%
T-Bills (90da.)	0.17%	0.02%
Agency Disc (90da.)	0.23%	0.07%
T-Bills (1yr.)	0.51%	0.11%
Agency Disc (1yr.)	0.52%	0.14%
T-Notes (3yr.)	1.24%	0.89%



**Northern California Power Agency  
Total Portfolio  
Investment Maturities Analysis  
November 30, 2015**

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-360 Days	1-5 Years	5-10 Years	Total	Percent
US Government Agencies	\$11,130	\$0	\$0	\$0	\$0	\$17,390	\$0	\$28,520	72.05%
US Bank Trust Money Market	8,690							8,690	21.95%
Commercial Paper								0	0.00%
Investment Trusts (LAIF)	2,376							2,376	6.00%
U.S.Treasury Market Acct.								0	0.00%
U.S.Treasury Bill								0	0.00%
Certificates of Deposit								0	0.00%
Total Dollars	\$22,196	\$0	\$0	\$0	\$0	\$17,390	\$0	\$39,586	100.00%
Total Percents	56.07%	0.00%	0.00%	0.00%	0.00%	43.93%	0.00%	100.00%	

Investments are shown at Face Value, in thousands.

# **NORTHERN CALIFORNIA POWER AGENCY**

## **Detail Report Of Investments**

### **APPENDIX**

**Note:**            This appendix has been prepared to comply with  
Government Code section 53646.



Northern California Power Agency  
Treasurer's Report  
11/30/2015

LEC Issue#1 2010A DS Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	693,658	0.100	07/01/2013	693,658		1	0.100	693,658	SYS79003	79003	693,658
Federal Home Loan Ba	USBT	2,082,000	0.155	08/28/2015	2,081,148	12/01/2015	0	0.157	2,082,000	313384PY9	26239	2,082,000
Federal Home Loan Ba	USBT	694,000	0.050	09/29/2015	693,939	12/01/2015	0	0.050	694,000	313384PY9	26255	694,000
Federal Home Loan Ba	USBT	694,000	0.025	10/23/2015	693,981	12/01/2015	0	0.025	694,000	313384PY9	26266	694,000
Fund Total and Average		\$ 4,163,658	0.107		\$ 4,162,726		0	0.108	\$ 4,163,658			\$ 4,163,658

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	2,833,089	0.100	07/01/2013	2,833,089		1	0.100	2,833,089	SYS79004	79004	2,833,089
Federal Home Loan Ba	USBT	2,255,000	0.155	08/28/2015	2,254,078	12/01/2015	0	0.157	2,255,000	313384PY9	26240	2,255,000
Federal Home Loan Ba	USBT	726,000	0.050	09/29/2015	725,936	12/01/2015	0	0.050	726,000	313384PY9	26256	726,000
Federal Home Loan Ba	USBT	726,000	0.024	10/23/2015	725,980	12/01/2015	0	0.025	726,000	313384PY9	26267	726,000
Fund Total and Average		\$ 6,540,089	0.105		\$ 6,539,083		0	0.106	\$ 6,540,089			\$ 6,540,089

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	434,506	0.100	07/01/2013	434,506		1	0.100	434,506	SYS79011	79011	434,506
Federal Home Loan Ba	USBT	1,303,000	0.154	08/28/2015	1,302,467	12/01/2015	0	0.157	1,303,000	313384PY9	26241	1,303,000
Federal Home Loan Ba	USBT	435,000	0.050	09/29/2015	434,962	12/01/2015	0	0.050	435,000	313384PY9	26257	435,000
Federal Home Loan Ba	USBT	434,000	0.024	10/23/2015	433,988	12/01/2015	0	0.025	434,000	313384PY9	26268	434,000
Fund Total and Average		\$ 2,606,506	0.107		\$ 2,605,923		0	0.108	\$ 2,606,506			\$ 2,606,506

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	1,361,666	0.100	07/01/2013	1,361,666		1	0.100	1,361,666	SYS79012	79012	1,361,666
Federal Home Loan Ba	USBT	1,083,000	0.155	08/28/2015	1,082,557	12/01/2015	0	0.157	1,083,000	313384PY9	26242	1,083,000
Federal Home Loan Ba	USBT	349,000	0.050	09/29/2015	348,969	12/01/2015	0	0.050	349,000	313384PY9	26258	349,000
Federal Home Loan Ba	USBT	349,000	0.024	10/23/2015	348,991	12/01/2015	0	0.025	349,000	313384PY9	26269	349,000
Fund Total and Average		\$ 3,142,666	0.105		\$ 3,142,183		0	0.106	\$ 3,142,666			\$ 3,142,666

GRAND TOTALS:	\$ 16,452,919	0.106		\$ 16,449,915		0	0.107	\$ 16,452,919.		\$ 16,452,919
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\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 11/30/2015



Northern California Power Agency

Treasurer's Report

11/30/2015

LEC Issue #1 2010 DSR Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	18,853	0.100	07/01/2013	18,853		1	0.100	18,853	SYS79005	79005	18,853
Federal National Mtg	USB	4,170,000	0.875	05/30/2014	4,171,960	08/28/2017	636	0.977	4,165,413	3135GOMZ3	26136	4,171,052
Federal Farm Credit	USBT	4,287,000	1.850	06/08/2015	4,287,000	06/08/2020	1,651	1.850	4,287,257	3133EEU65	26230	4,287,000
Fund Total and Average		\$ 8,475,853	1.366		\$ 8,477,813		1148	1.417	\$ 8,471,523			\$ 8,476,905

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	2,261,276	0.100	07/01/2013	2,261,276		1	0.100	2,261,276	SYS79006	79006	2,261,276
Fund Total and Average		\$ 2,261,276	0.100		\$ 2,261,276		1	0.100	\$ 2,261,276			\$ 2,261,276

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	1,086,596	0.100	07/01/2013	1,086,596		1	0.100	1,086,596	SYS79013	79013	1,086,596
Fund Total and Average		\$ 1,086,596	0.100		\$ 1,086,596		1	0.100	\$ 1,086,596			\$ 1,086,596
GRAND TOTALS:		\$ 11,823,725	1.008		\$ 11,825,685		823	1.044	\$ 11,819,395.			\$ 11,824,777

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 11/30/2015

Investment # 26230 – FFCB - Callable on 6/8/16, then any time.





Northern California Power Agency  
Treasurer's Report  
11/30/2015

LEC O & M Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		2,305,201	0.319	07/01/2013	2,305,201		1	0.319	2,305,201	SYS70047	70047	2,305,201
Union Bank of Califo	UBOC	0	0.002	07/18/2013	0		1	0.002	0	SYS70041	70041	0
Federal National Mtg	UBOC	2,933,000	1.875	08/28/2015	2,998,142	02/19/2019	1,176	1.220	2,979,869	3135G0ZA4	26248	2,993,299
Federal Farm Credit	UBOC	6,000,000	1.740	09/30/2015	6,000,000	09/30/2020	1,765	1.740	5,948,160	3133EFFZ5	26260	6,000,000
Fund Total and Average		\$ 11,238,201	1.486		\$ 11,303,343		1249	1.312	\$ 11,233,230			\$ 11,298,500
GRAND TOTALS:		\$ 11,238,201	1.486		\$ 11,303,343		1249	1.312	\$ 11,233,230			\$ 11,298,500

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 11/30/2015

Investment # 26260 – FFCB - Callable on 3/30/16, then any time.



Northern California Power Agency  
Treasurer's Report  
11/30/2015

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		71,066	0.319	07/01/2013	71,066		1	0.319	71,066	SYS70046	70046	71,066
Fund Total and Average		\$ 71,066	0.319		\$ 71,066		1	0.319	\$ 71,066			\$ 71,066
GRAND TOTALS:		\$ 71,066	0.319		\$ 71,066		1	0.319	\$ 71,066			\$ 71,066

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 11/30/2015



Northern California Power Agency  
Treasurer's Report  
11/30/2015

LEC Construction Revolving

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		1	0.254	07/01/2013	1		1	0.254	1	SYS70040	70040	1
Fund Total and Average		\$ 1	0.254		\$ 1		1	0.254	\$ 1			\$ 1
GRAND TOTALS:		\$ 1	0.254		\$ 1		1	0.254	\$ 1.			\$ 1

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types. Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 11/30/2015



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# LEC Financial Reports

AGENDA ITEM NO.: 8

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**Date:** December 14, 2015

**Subject:** November 30, 2015 Financial Reports (Unaudited)

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**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENTS OF NET POSITION  
UNAUDITED**

	November 30	
	2015	2014
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 71,066	\$ 70,868
Interest receivable	34,177	19,696
Inventory and supplies - at average cost	1,563,068	1,341,702
Prepaid insurance	-	13,885
Due from (to) Agency, net	19,520,304	18,353,606
<b>TOTAL CURRENT ASSETS</b>	<b>21,188,615</b>	<b>19,799,757</b>
<b>RESTRICTED ASSETS</b>		
Cash and cash equivalents	16,795,204	12,351,447
Investments	24,174,350	27,356,096
Interest receivable	49,479	17,645
<b>TOTAL RESTRICTED ASSETS</b>	<b>41,019,033</b>	<b>39,725,188</b>
<b>ELECTRIC PLANT</b>		
Electric plant in service	423,412,179	423,372,867
Less: accumulated depreciation	(43,817,114)	(29,217,291)
	379,595,065	394,155,576
Construction work-in-progress	91,177	2,168
<b>TOTAL ELECTRIC PLANT</b>	<b>379,686,242</b>	<b>394,157,744</b>
<b>OTHER ASSETS</b>		
Regulatory assets	17,313,086	14,635,578
<b>TOTAL OTHER ASSETS</b>	<b>17,313,086</b>	<b>14,635,578</b>
<b>TOTAL ASSETS</b>	<b>\$ 459,206,976</b>	<b>\$ 468,318,267</b>

**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENTS OF NET POSITION  
UNAUDITED**

	November 30	
	2015	2014
<b>LIABILITIES &amp; NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts and retentions payable	\$ 1,632,324	\$ 1,965,235
Operating reserves	14,495,055	12,174,923
Current portion of long-term debt	9,480,000	9,025,000
Accrued interest payable	11,585,709	11,792,055
<b>TOTAL CURRENT LIABILITIES</b>	<b>37,193,088</b>	<b>34,957,213</b>
<b>NON-CURRENT LIABILITIES</b>		
Operating reserves and other deposits	5,491,128	981,974
Long-term debt, net	362,143,723	372,440,456
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>367,634,851</b>	<b>373,422,430</b>
<b>TOTAL LIABILITIES</b>	<b>404,827,939</b>	<b>408,379,643</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Regulatory credits	43,952,983	46,040,188
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	(6,752,601)	(6,940,085)
Restricted	12,117,419	15,178,922
Unrestricted	5,061,236	5,659,599
<b>TOTAL NET POSITION</b>	<b>10,426,054</b>	<b>13,898,436</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 459,206,976</b>	<b>\$ 468,318,267</b>

**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENT OF REVENUES, EXPENSES  
& CHANGES IN NET POSITION  
UNAUDITED**

	Five Months Ended November 30	
	2015	2014
<b>SALES FOR RESALE</b>		
Participants	\$ 15,373,642	\$ 14,280,167
Other	23,750,511	31,041,839
<b>TOTAL SALES FOR RESALE</b>	<b>39,124,153</b>	<b>45,322,006</b>
<b>OPERATING EXPENSES</b>		
Operations	16,978,478	24,013,768
Depreciation	6,083,501	6,082,936
Purchased power	2,154,069	-
Maintenance	2,578,041	2,663,650
Administrative and general	1,588,476	1,472,221
Transmission	275,730	3,059,775
Intercompany (sales) purchases	91,309	102,093
<b>TOTAL OPERATING EXPENSES</b>	<b>29,749,604</b>	<b>37,394,443</b>
<b>NET OPERATING REVENUES</b>	<b>9,374,549</b>	<b>7,927,563</b>
<b>OTHER REVENUES (EXPENSES)</b>		
Interest expense	(6,765,393)	(6,862,020)
Interest income	140,731	86,959
Other	2,221,900	1,120,765
<b>TOTAL OTHER REVENUES (EXPENSES)</b>	<b>(4,402,762)</b>	<b>(5,654,296)</b>
<b>FUTURE RECOVERABLE AMOUNTS</b>	<b>922,369</b>	<b>2,017,430</b>
<b>REFUNDS TO PARTICIPANTS</b>	<b>(93)</b>	<b>(49)</b>
<b>INCREASE IN NET POSITION</b>	<b>5,894,063</b>	<b>4,290,648</b>
<b>NET POSITION</b>		
Beginning of year	4,531,991	9,607,788
End of period	\$ 10,426,054	\$ 13,898,436

**Lodi Energy Center  
FY 2016 Operating Costs  
As of November 30, 2015**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
<b>Routine O&amp;M Costs</b>					
Variable	\$ 4,844,523	\$ 1,481,236	\$ 3,363,287	69%	<b>B</b>
Fixed	1,780,003	875,329	904,674	51%	
Administration	1,316,163	498,135	818,028	62%	<b>C</b>
Mandatory Costs	235,000	116,088	118,912	51%	
Inventory Stock	400,000	88,628	311,372	78%	
Routine O&M Costs without Labor	8,575,689	3,059,416	5,516,273	64%	
Labor	4,381,034	1,752,806	2,628,228	60%	
<b>Total Routine O&amp;M Cost</b>	<b>12,956,723</b>	<b>4,812,222</b>	<b>8,144,501</b>	<b>63%</b>	
<b>Other Costs</b>					
Fuel	49,851,536	14,146,647	35,704,889	72%	<b>A</b>
CA ISO Charges	657,289	275,730	381,559	58%	
CA ISO Purchased Energy	-	2,154,069	(2,154,069)	N/A	<b>D</b>
Debt Service	26,440,994	11,019,869	15,421,125	58%	
Insurance	820,000	341,667	478,333	58%	
Other Costs	56,875	35,776	21,099	37%	
Generation Services Shared	388,592	91,309	297,283	77%	
Administrative & General (Allocated)	1,905,508	616,432	1,289,076	68%	
Power Management Allocated Costs	1,228,543	511,893	716,650	58%	
<b>Total O&amp;M Cost</b>	<b>94,306,060</b>	<b>34,005,614</b>	<b>60,300,446</b>	<b>64%</b>	
<b>Projects</b>					
Operations & Maintenance	371,740	108,561	263,179	71%	
Capital	782,849	47,865	734,984	94%	
Maintenance Reserve	1,800,000	750,000	1,050,000	58%	
<b>Total Projects</b>	<b>2,954,589</b>	<b>906,426</b>	<b>2,048,163</b>	<b>69%</b>	
<b>Annual Cost</b>	<b>97,260,649</b>	<b>34,912,040</b>	<b>62,348,609</b>	<b>64%</b>	
<b>Less: Third Party Revenue</b>					
Interest Income	44,489	88,224	(43,735)	-98%	
ISO Energy Sales	67,279,734	23,112,272	44,167,462	66%	
Ancillary Services Sales	1,616,222	638,239	977,983	61%	
Other Income	-	1,080	(1,080)	N/A	
	68,940,445	23,839,815	45,100,630	65%	
<b>Net Annual Cost to Participants</b>	<b>\$ 28,320,204</b>	<b>\$ 11,072,225</b>	<b>\$ 17,247,979</b>	<b>61%</b>	
<b>Total Variable Costs</b>	<b>55,353,348</b>	<b>15,903,613</b>	<b>39,449,735</b>		
<b>Total Fixed Costs</b>	<b>41,907,301</b>	<b>19,008,427</b>	<b>22,898,874</b>		
	<b>\$ 97,260,649</b>	<b>\$ 34,912,040</b>	<b>\$ 62,348,609</b>		
<b>Net Cumulative Generation (MWh)</b>	<b>1,605,494</b>	<b>613,723</b>			
<b>Total O&amp;M Cost Per MWh</b>	<b>\$ 58.74</b>	<b>\$ 55.41</b>			
<b>Net Annual Cost Per MWh</b>	<b>\$ 17.64</b>	<b>\$ 18.04</b>			

**Footnotes:**

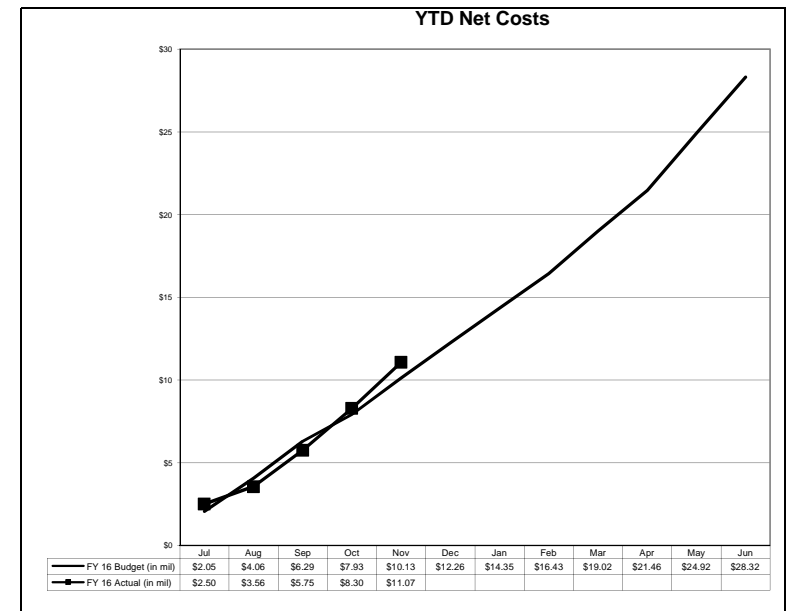
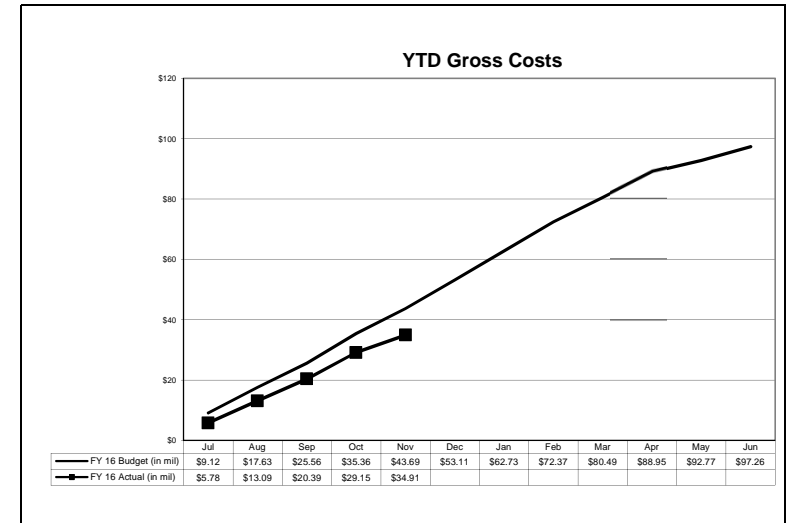
**General** - November payroll, A&G allocation and generation services allocation are estimated.

**A** - Non-budgeted costs due to load balancing requirements at CA ISO.

**B** - Higher costs due to maintenance and clean out of water treatment system. Variance expected to level out during the year.

**C** - Higher costs due to annual permit fee paid in prior months. Variance expected to level out during the year.

**D** - Higher costs due to annual trustee fee paid during month. Variance expected to level out during the year.

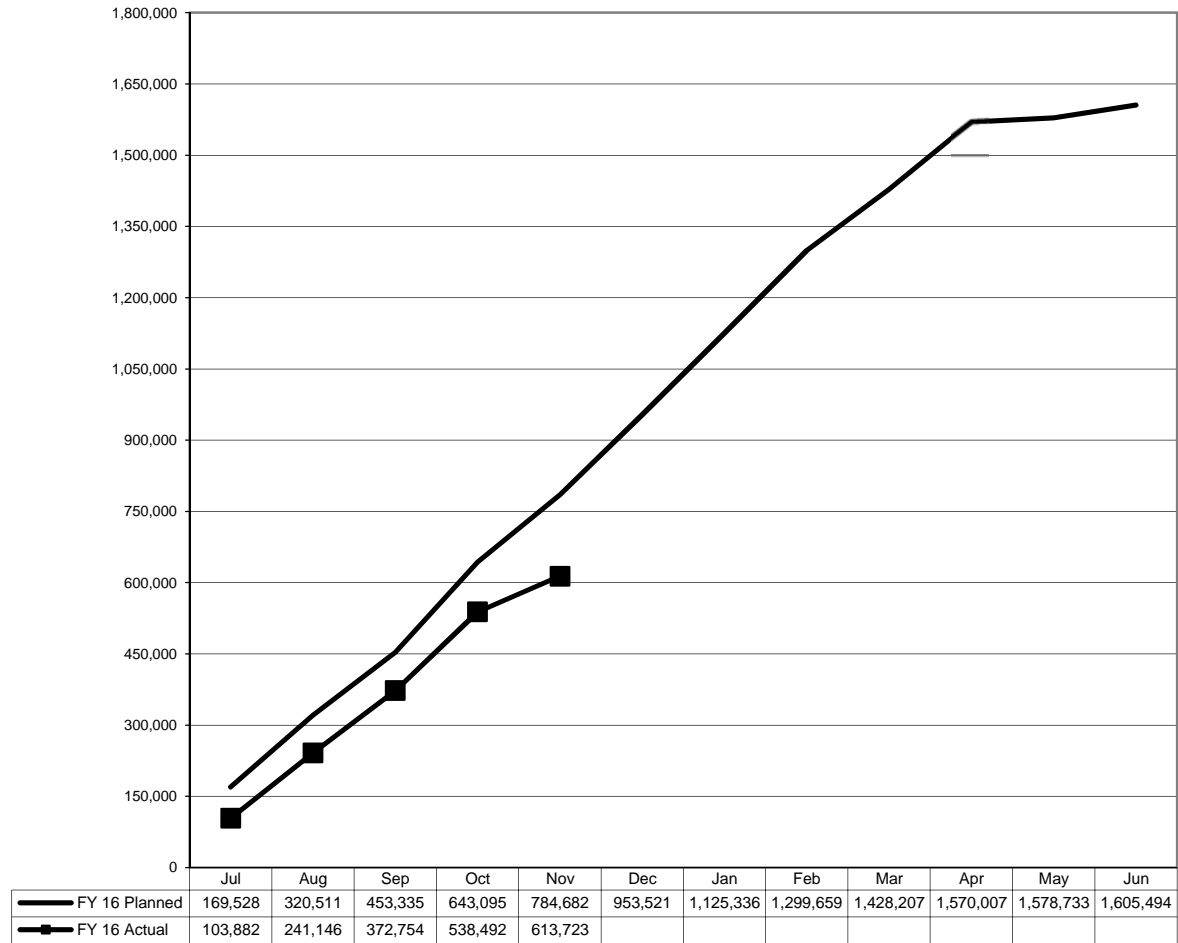




# Annual Budget LEC Generation Analysis Planned vs. Actual FY 2016

In MWh

## Lodi Energy Center





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# LEC GHG Reports

AGENDA ITEM NO.: 9

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**Date:** December 14, 2015

**Subject:** GHG Reports (excerpted from monthly ARB)

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2013 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report  
for the Lodi Energy Center

IDENTIFIER	Actual													Compliance Year 2013 Total
	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
Energy (MWh)	0	82,787	101,925	128,167	134,284	32,545	80,153	122,492	94,615	92,091	98,739	105,078	138,068	1,210,944
Gas Schedule (MMBtu)	0	593,484	723,038	894,657	952,529	229,724	579,650	870,331	673,965	650,250	692,396	738,008	965,292	8,563,324
Emissions Factor (MT/MMBtu)	0	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054
HVAC/Water Heater (MT)													86.000	
Monthly MT Emissions (MT)	0	32,027	39,019	48,280	51,403	12,397	31,281	46,967	36,371	35,091	37,365	39,827	52,178	462,206
Cumulative MT Obligation (MT)	0	32,027	71,046	119,326	170,730	183,127	214,407	261,375	297,745	332,836	370,201	410,028	462,206	462,206
Compliance Instrument Participant Transfers (to LEC)														
Auction Allowances	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
NCPA Compliance Instrument Purchases (for LEC)														
Auction Purchases	47,000	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	47,000	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Surrendered to CARR (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Monthly Activity (MT)	139,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	507,633
Cumulative MT Account Balance [MTA] (MT)	139,695	145,045	145,045	158,689	263,689	314,321	344,949	346,549	448,749	461,343	461,343	461,343	507,633	507,633
MTA Shortfall (MT)	(139,695)	(113,018)	(73,999)	(39,363)	(92,959)	(131,194)	(130,542)	(85,174)	(151,004)	(128,507)	(91,142)	(51,315)	(45,427)	(45,427)

2013 NCPA Air Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center	2014 NCPA Air Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												
	Actual												Compliance Year 2014
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	136,604	156,089	120,489	55,378	71,210	51,037	118,473	69,006	178,831	197,715	51,636	106,338	1,312,806
Gas Schedule (MMBtu)	951,700	1,092,730	858,805	391,272	512,068	371,695	836,762	496,327	1,251,547	1,371,546	372,826	759,691	9,266,969
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054
HVAC/Water Heater (MT)												173,000	
Monthly MT Emissions (MT)	51,358	58,969	46,345	21,115	27,634	20,059	45,156	26,784	67,540	74,015	20,120	41,170	500,265
Cumulative MT Obligation (MT)	513,564	572,533	618,879	639,994	667,628	687,686	732,842	759,626	827,166	901,181	283,465	324,635	324,635
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARR (MT)	0	0	0	0	0	0	0	0	0	0	637,836	0	637,836
Total Monthly Activity (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Cumulative MT Account Balance [MTA] (MT)	609,980	659,980	708,046	733,046	734,336	872,784	872,784	872,784	886,370	936,890	399,404	399,754	399,754
MTA Shortfall (MT)	(96,416)	(87,447)	(89,167)	(93,052)	(66,708)	(185,098)	(139,942)	(113,158)	(59,204)	(35,709)	(115,939)	(75,119)	(75,119)

2015 NCPA Air Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center	2015 NCPA Air Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												
	Actual										Estimated		Compliance Year 2015
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	196,019	151,600	184,507	181,244	91,067	142,275	103,883	137,266	131,608	165,737	111,222	103,992	1,700,420
Gas Schedule (MMBtu)	1,368,474	1,073,330	1,299,294	1,269,481	646,027	1,009,450	740,553	971,283	927,730	1,171,129	778,552	727,946	11,983,249
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	
HVAC/Water Heater (MT)													
Monthly MT Emissions (MT)	73,850	57,922	70,116	68,508	34,863	54,475	39,964	52,415	50,065	63,200	42,015	39,284	646,676
Cumulative MT Obligation (MT)	398,484	456,407	526,523	595,031	629,894	684,368	724,332	776,748	826,813	890,013	421,056	460,340	460,340
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	494	0	662,714
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	494	0	662,714
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARR (MT)	0	0	0	0	0	0	0	0	0	0	510,971	0	510,971
Total Monthly Activity (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	494	0	662,714
Cumulative MT Account Balance [MTA] (MT)	441,096	441,346	691,446	706,446	792,446	899,773	1,003,773	1,003,773	1,003,773	1,061,974	551,497	551,497	551,497
MTA Shortfall (MT)	(42,612)	15,061	(164,923)	(111,415)	(162,552)	(215,405)	(279,441)	(227,025)	(176,960)	(171,961)	(130,441)	(91,157)	(91,157)

2013 NCPA Air Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center	2016 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center									
	Estimated						Compliance Year 2016	Cumulative Totals		
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	Total	Total	Charge Code	Source
Energy (MWh)	101,212	100,100	108,108	81,192	51,718	50,050	492,379	4,716,549		Forecast/Meter
Gas Schedule (MMBtu)	708,482	700,697	756,753	568,343	362,027	350,348	3,446,650	33,260,192		Forecast/Meter
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054				MARS
HVAC/Water Heater (MT)										
Monthly MT Emissions (MT)	38,233	37,813	40,838	30,671	19,537	18,907	185,998	1,609,147		derived
Cumulative MT Obligation (MT)	498,573	536,386	577,224	607,895	627,432	646,338	646,338	646,338		derived
Compliance Instrument Participant Transfers (to LEC)										
Auction Allowances	0	0	0	0	0	0	0	1,653,304		CITSS
Secondary Market Allowances	0	0	0	0	0	0	0	0		CITSS
Reserve Sale Allowances	0	0	0	0	0	0	0	0		CITSS
Offsets	0	0	0	0	0	0	0	0		CITSS
Total Compliance Instrument Participant Transfers (MT)	0	0	0	0	0	0	0	1,653,304		
NCPA Compliance Instrument Purchases (for LEC)										
Auction Purchases	0	0	0	0	0	0	0	47,000		CITSS
Secondary Market Purchases	0	0	0	0	0	0	0	0		CITSS
Reserve Sale Purchases	0	0	0	0	0	0	0	0		CITSS
Offset Purchases	0	0	0	0	0	0	0	0		CITSS
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	47,000		
Compliance Instruments Surrendered to CARR (MT)	0	0	0	0	0	0	0	1,148,807		CITSS
Total Monthly Activity (MT)	0	0	0	0	0	0	0	1,700,304		derived
Cumulative MT Account Balance [MTA] (MT)	551,497	551,497	551,497	551,497	551,497	551,497	551,497	551,497		derived
MTA Shortfall (MT)	(52,924)	(15,111)	25,727	56,398	75,935	94,841	94,841	94,841	MTA SHORTFALL	derived

Forecast has been updated through June 2016

NCPA All Resources Bill LEC GHG Obligation Detail Report (Cumulative) December 2015																
IDENTIFIER	AZUSA	BART	BIGGS	CDWR	GRI	HEA	LOD	LOM	MID	PLU	PWRPA	SNCL	UKI	TOTAL	Charge Code	Source
Allocation Percentages																
Generation Entitlement Share %	2.7857%	6.6000%	0.2679%	33.5000%	1.9643%	1.6428%	9.5000%	2.0357%	10.7143%	0.7857%	2.6679%	25.7500%	1.7857%	100%		MARS
Obligation Accounts																
Current MT Compliance Obligation (MTO) Balance (MT)	27,051	64,089	2,601	325,302	19,074	15,952	92,250	19,768	104,041	7,630	25,907	250,046	17,340	971,052		derived
Current MT Compliance Instrument Account (MTA) Balance (MT)	27,051	78,180	3,212	342,325	22,570	18,416	98,523	29,936	109,660	7,634	29,270	257,808	18,206	1,042,790		derived
MTA Shortfall (MT)	(0)	(14,090)	(611)	(17,023)	(3,496)	(2,463)	(6,273)	(10,168)	(5,619)	(4)	(3,363)	(7,762)	(866)	(71,739)	MTA SHORTFALL	Derived
Monthly GHG Price \$/MT	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	MTA SHORTFALL	ICE Index
GHG Minimum Cash Compliance Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MTA SHORTFALL	Derived
Current Month CCA Balance (\$)*	60,991	0	143	0	1,103	4,780	755	0	0	0	0	0	2,652	70,424	CCA BALANCE	Accounting
Net GHG Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NET GHG OBLIG	Derived

\* The Current Month CCA Balance (\$) consists of the current cash balance plus any outstanding balance of Net GHG Obligation (\$) billed but not yet received.



## Lodi Energy Center Project Participant Committee

### Staff Report

AGENDA ITEM NO.: 10

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**Date:** December 14, 2015  
**To:** Lodi Energy Center Project Participant Committee  
**Subject:** Fairchild & Wells, Inc., dba Fairchild & Associates – First Amendment to Five Year Multi-Task General Services Agreement; **Applicable to the following projects: All NCPA locations**

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#### Proposal

Approve a First Amendment to the existing five year Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates increasing the not to exceed amount from \$200,000 to \$500,000 and expanding the scope of work for use at all NCPA facilities.

#### Background

Various well-related services are required at the NCPA locations from time to time. Fairchild & Wells, Inc., dba Fairchild & Associates is a provider of these services. NCPA entered into a five year Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates effective February 24, 2015 for an amount not-to-exceed \$200,000 for use at CT2 and LEC. Due to an emergency situation with the Lodi Energy Center injection well, NCPA brought in Fairchild for an acid cleaning which utilized most of the agreement funds. This amendment will add additional funds to the agreement for future use and Exhibit A will expand the scope of work to allow for use at any facility owned and/or operated by the Agency. Exhibit B will be modified to include language on pricing for additional services as needed.

#### Selection Process

This five year contract does not commit NCPA to any expenditure of funds. When well-related services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. This is the first enabling agreement for these types of services. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

#### Fiscal Impact

The total cost of the agreement will be not-to-exceed \$500,000 over the five year term. Allocation of funds will be based on the Commission approved annual budgets. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

#### 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.

Recommendation

NCPA staff recommends that the PPC pass a motion approving the First Amendment to the five year Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$200,000 to \$500,000 over the contract term and revising the exhibits to allow for use at any NCPA facility.

Prepared by:

KEN SPEER  
Assistant General Manager  
Generation Services

Attachments: (2)

- First Amendment to Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates
- Multi-Task General Services Agreement with Fairchild & Wells, Inc., dba Fairchild & Associates



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
FAIRCHILD & WELLS, INC., dba FAIRCHILD & ASSOCIATES**

This First Amendment ("Amendment") to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Fairchild & Wells, Inc., dba Fairchild & Associates ("Contractor") (collectively referred to as "the Parties") as of \_\_\_\_\_, 2015.

WHEREAS, the Parties entered into a five year Multi-Task General Services Agreement dated effective February 24, 2015, (the "Agreement") for Contractor to provide well-related services at Lodi Energy Center and CT2 facilities; 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 \$200,000.00 to a 'NOT TO EXCEED amount of \$500,000.00; and

WHEREAS, the Agency now desires to amend the Scope of Work set forth in Exhibit A to the Agreement; and

WHEREAS, the Agency now desires to amend the Compensation Schedule and Hourly Fees set forth in Exhibit B to the Agreement; 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 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.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF WORK** is amended and restated to read in full as set forth in the attached Exhibit A.

3. **Exhibit B – COMPENSATION SCHEDULE AND HOURLY FEES** is amended and restated to read in full as set forth in the Attached Exhibit B.
4. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

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

NORTHERN CALIFORNIA POWER AGENCY  
ASSOCIATES

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

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

FAIRCHILD & WELLS, INC., dba FAIRCHILD &

\_\_\_\_\_  
Authorized signatory

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

Fairchild & Wells, Inc., dba Fairchild & Associates ("Contractor") shall provide well-related services as requested by the Northern California Power Agency ("Agency") at any of its locations.

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

- Well Inspections
- Well Testing
- Other Well Services

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

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

LEC/CT2 MIT Testing Fees:

	YEAR 2015		YEAR 2016		YEAR 2017		YEAR 2018		YEAR 2019	
	STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1	
	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$
<b>Man-Time</b>										
Preparation of Job procedure for EPA review, Job coordination	12	2,700	12	2,808	12	2,920	12	3,037	12	3,159
Road Trip Travel from Houston, Texas to Lodi, California (2 days)	16	3,600	16	3,744	16	3,894	16	4,050	16	4,211
Observe and Provide consulting services for testing (3.5 days)	28	6,300	28	6,552	28	6,814	28	7,087	28	7,370
Test Analysis and Report Preparation	32	7,200	32	7,488	32	7,788	32	8,099	32	8,423
<b>Total Man-Time</b>	<b>88</b>	<b>19,800.00</b>	<b>88</b>	<b>20,562</b>	<b>88</b>	<b>21,416</b>	<b>88</b>	<b>22,272</b>	<b>88</b>	<b>23,163</b>
<b>Travel Expenses (estimate)</b>										
Air Travel		1,100		1,100		1,200		1,200		1,400
Rental Car		700		700		700		700		700
Meals @ \$75/day	5 days	375	5 days	375	5 days	375	5 days	375	5 days	375
Lodging @ \$200/night	4 nights	800	4 nights	800	4 nights	800	4 nights	800	4 nights	800
<b>Total Travel Expenses</b>		<b>2,975</b>		<b>2,975</b>		<b>3,075</b>		<b>3,075</b>		<b>3,275</b>
<b>Total Travel and Maritime Expenses</b>		<b>22,775</b>		<b>23,567</b>		<b>24,491</b>		<b>25,347</b>		<b>26,438</b>
Contingencies (at 10%)		2,278		2,357		2,449		2,535		2,644
<b>Total Time and Materials Cost Estimate</b>		<b>25,053</b>		<b>25,924</b>		<b>26,940</b>		<b>27,882</b>		<b>29,082</b>
<b>ESTIMATE</b>		<b>25,053</b>		<b>25,924</b>		<b>26,948</b>		<b>27,882</b>		<b>29,082</b>

\*\* Base Man Time Rate and Costs were Escalated 4% after year 2015

Costs for additional services will be quoted when needed.



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
FAIRCHILD & WELLS, INC., dba FAIRCHILD & ASSOCIATES**

This agreement for general services ("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 Fairchild & Wells, Inc., dba Fairchild & Associates, a corporation, with its office located at 14711 Barryknoll Lane, #37, Houston, Texas 77079 ("Contractor") (together sometimes referred to as the "Parties") as of 2/24/, 2015 ("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 **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.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED TWO HUNDRED THOUSAND** dollars (\$200,000.00) 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;
- 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

**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 \$1,000,000 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 \$1,000,000 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/Pollution Liability Insurance.** Contractor shall maintain professional/pollution liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) 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.



#### **4.4 All Policies Requirements.**

**4.4.1 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, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.4.2 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.

**4.4.3 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 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. 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, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Contractor in its performance of Work under this Agreement. Contractor shall bear all 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 ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency.

## **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.

- 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.

**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**     **Work Requiring Payment of Prevailing Wages.** If applicable, 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 these services are to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code shall be paid to all workers engaged in performing the services under this Agreement.

**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 all 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 to 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 the 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, 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.** Conclusion of Agreement. Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof) upon termination of this Agreement, 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, Contractors, 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 Agency's operations and the operations of 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. Agency will not 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. Agency may assume that anything left on the Project site an unreasonable length of time after the Work is completed has been abandoned. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall have no 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 Agency owned equipment and property provided by Agency 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 Agency site programs.

- 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 to include diesel fuel used for trucks owned or leased by the Contractor.

### **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 Ken Speer, 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:

Fairchild & Associates  
Attention: James W. Fairchild  
14711 Barryknoll Lane, #37  
Houston, TX 77079

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:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 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 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, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits 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.

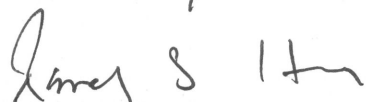
The Parties have executed this Agreement as of the date signed by the Agency.

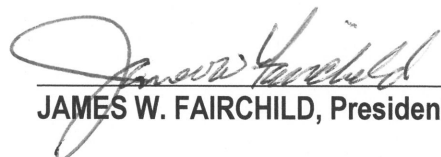
NORTHERN CALIFORNIA POWER AGENCY

FAIRCHILD & WELLS, INC., dba  
FAIRCHILD & ASSOCIATES


Date 2/24/15

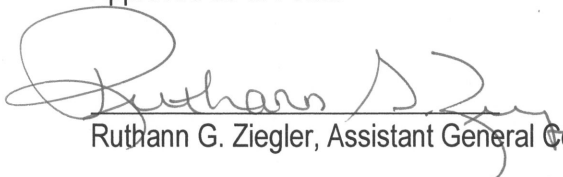
Date 2-13-2015

  
RANDY S. HOWARD, General Manager

  
JAMES W. FAIRCHILD, President

Attest:

  
Assistant Secretary of the Commission  
Approved as to Form:

  
Ruthann G. Ziegler, Assistant General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Fairchild & Wells, Inc., dba Fairchild & Associates ("Contractor") shall provide well-related services as requested by the Northern California Power Agency ("Agency") at its Lodi Energy Center and CT2 facilities.

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

- Well Inspections
- Well Testing

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

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

	YEAR 2015		YEAR 2016		YEAR 2017		YEAR 2018		YEAR 2019	
	STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1		STIG-1/LEC-1	
Man-Time	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$	hours	Cost, \$
Preparation of job procedure for EPA review, job coordination	12	2,700	12	2,808	12	2,920	12	3,037	12	3,159
Round Trip Travel from Houston, Texas to Lodi, California (2 days)	16	3,600	16	3,744	16	3,894	16	4,050	16	4,211
Observe and Provide consulting services for testing (3.5 days)	28	6,300	28	6,552	28	6,814	28	7,087	28	7,370
Test Analysis and Report Preparation	32	7,200	32	7,488	32	7,768	32	8,099	32	8,423
Total Man-Time	88	19,800.00	88	20,592	88	21,416	88	22,272	88	23,163
Travel Expenses (estimate)										
Air Travel		1,100		1,100		1,200		1,200		1,400
Rental Car		700		700		700		700		700
Meals @ \$75/day	5 days	375	5 days	375	5 days	375	5 days	375	5 days	375
Lodging @ \$200/night	4 nights	800	4 nights	800	4 nights	800	4 nights	800	4 nights	800
Total Travel Expenses		2,975		2,975		3,075		3,075		3,275
Total Travel and ManTime Expenses		22,775		23,567		24,491		25,347		26,438
Contingencies (at 10%)		2,278		2,357		2,449		2,535		2,644
Total Time and Materials Cost Estimate		25,053		25,924		26,940		27,882		29,082
ESTIMATE		25,053		25,924		26,940		27,882		29,082

\*\* Base Man Time Rate and Costs were: Exclated 4% after year 2015

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, JAMES W. FAIRCHILD, PRESIDENT

(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

FAIRCHILD & WELLS, INC., dba FAIRCHILD & ASSOCIATES

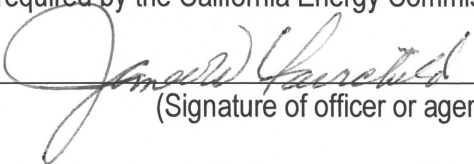
(Company name)

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 13 day of February, 20 15.

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.



## Lodi Energy Center Project Participant Committee

### Staff Report

AGENDA ITEM NO.: 11

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**Date:** December 14, 2015  
**To:** Lodi Energy Center Project Participant Committee  
**Subject:** Irani Engineering, Inc. – First Amendment to Five Year Multi-Task General Services Agreement; **Applicable to the following projects: All NCPA locations**

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#### Proposal

Approve a First Amendment to the five year Multi-Task General Services Agreement with Irani Engineering, Inc. increasing the not to exceed amount from \$200,000 to \$1,500,000 and expanding the scope of work for use at all NCPA facilities for injection well cleaning services.

#### Background

Various injection well cleaning services are required at the NCPA locations from time to time to maintain plant operations. Irani Engineering, Inc. is a provider of these services. NCPA entered into a five year Multi-Task General Services Agreement with Irani Engineering, Inc. effective April 8, 2014 for an amount not-to-exceed \$200,000 for use at the Lodi Energy Center (LEC). As a result of an emergency situation with the LEC injection well, NCPA has determined that acid cleaning services may be necessary at LEC on an annual basis. This amendment will add additional funds to allow for utilization of this vendor for the annual service should it be the successful bidder as well as funds for any other potential services that may be needed at any of the NCPA facilities. Exhibit A will expand the scope of work to allow for use at any facility owned and/or operated by the Agency.

#### Selection Process

This five year contract does not commit NCPA to any expenditure of funds. When services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. This is the first enabling agreement for these types of services. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

#### Fiscal Impact

The total cost of the agreement will be not-to-exceed \$1,500,000 over the five year term. Allocation of funds will be based on the Commission approved annual budgets. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

#### 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.

Recommendation

NCPA staff recommends that the PPC pass a motion approving the First Amendment to the five year Multi-Task General Services Agreement with Irani Engineering, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$200,000 to \$1,500,000 over the contract term and expanding the scope of work for use at any NCPA facility.

Prepared by:

KEN SPEER  
Assistant General Manager  
Generation Services

Attachments: (2)

- First Amendment to Multi-Task General Services Agreement with Irani Engineering, Inc.
- Multi-Task General Services Agreement with Irani Engineering, Inc.





**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND IRANI ENGINEERING, INC.**

This First Amendment ("Amendment") to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Irani Engineering, Inc. ("Contractor") (collectively referred to as "the Parties") as of \_\_\_\_\_, 2015.

WHEREAS, the Parties entered into a five year Multi-Task General Services Agreement dated effective April 8, 2014, (the "Agreement") for Contractor to provide injection well cleaning services at the Lodi Energy Center; 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 \$200,000.00 to a 'NOT TO EXCEED' amount of \$1,500,000.00; and

WHEREAS, the Agency now desires to amend the Scope of Work set forth in Exhibit A to the Agreement to expand the use of the agreement to any NCPA facilities; 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 ONE MILLION FIVE HUNDRED THOUSAND** dollars (\$1,500,000.00) 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.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.

///

3. 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: \_\_\_\_\_

IRANI ENGINEERING, INC.

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

\_\_\_\_\_  
ARDESHIR IRANI, President

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

## EXHIBIT A

### SCOPE OF WORK

Irani Engineering, Inc. ("Contractor") shall provide injection well cleaning services as requested by the Northern California Power Agency ("Agency") at any one of its facilities.

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

- Engineering Supervision
- Acidizing
- Surveys



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
IRANI ENGINEERING, INC.**

This agreement for general services ("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 Irani Engineering, Inc, a California corporation, with its office located at 2625 Fair Oaks Blvd. Suite 10, Sacramento, CA 95864 ("Contractor") (together sometimes referred to as the "Parties") as of 4/8/, 2014 ("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 **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.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED TWO HUNDRED THOUSAND** dollars (\$200,000) 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;
- 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

**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 \$1,000,000 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 \$1,000,000 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 (\$1,000,000.00) 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.

**4.4 All Policies Requirements.**

**4.4.1 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, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.4.2 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.

**4.4.3 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 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. 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, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Contractor in its performance of Work under this Agreement. Contractor shall bear all 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 ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the sole negligence, active negligence, or willful misconduct of the Agency.

## **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.

- 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.

**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     Work Requiring Payment of Prevailing Wages.** If applicable, 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 these services are to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code shall be paid to all workers engaged in performing the services under this Agreement.

**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 all 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 to 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 the 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, 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.** Conclusion of Agreement. Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof) upon termination of this Agreement, 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, Contractors, 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 Agency's operations and the operations of 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. Agency will not 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. Agency may assume that anything left on the Project site an unreasonable length of time after the Work is completed has been abandoned. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall have no 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 Agency owned equipment and property provided by Agency 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 Agency site programs.

- 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 to include diesel fuel used for trucks owned or leased by the Contractor.

### **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 Ken Speer, 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:

Irani Engineering  
Attn: Saeed Irani  
2625 Fair Oaks Blvd., Suite 10  
Sacramento, CA 95864

Any written notice to Agency shall be sent to:

James H. Pope  
General Manager  
Northern California Power Agency  
651 Commerce Drive  
Roseville, CA 95678

With a copy to:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

- 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 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, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits 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.

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

NORTHERN CALIFORNIA POWER AGENCY

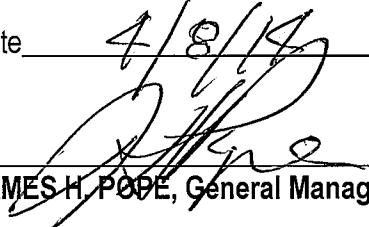
IRANI ENGINEERING, INC.

Date

4/8/12

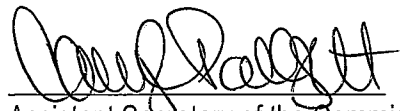
Date

see counterpart

  
JAMES H. POPE, General Manager

  
ARDESHIR IRANI, President

Attest:

  
Assistant Secretary of the Commission  
Approved as to Form:

  
General Counsel

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.*

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

NORTHERN CALIFORNIA POWER AGENCY

IRANI ENGINEERING, INC.

Date \_\_\_\_\_

Date

4/4/14

\_\_\_\_\_  
JAMES H. POPE, General Manager

  
ARDESHIR IRANI, President

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission  
Approved as to Form:

\_\_\_\_\_  
General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Irani Engineering ("Contractor") shall provide injection well cleaning services as requested by the Northern California Power Agency ("Agency") at the Lodi Energy Center.

Injection Well Cleaning Services to include, but not be limited to the following:

- Engineering Supervision
- Acidizing
- Surveys

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

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

Service	Cost
Engineering Supervision	\$10,000.00
Acidizing	\$ 94,000.00
Wireline Surveys	\$ 1,500.00
Transportation & Freight	\$3,000.00
Contingencies	\$11,000.00
Approximate handling fee at 12%	\$13,140.00

#### WELLSITE SUPERVISION:

Drilling: Location Supervisor 24hrs/day \$1,600.00 per day  
Workover: Location Supervisor \$1,500.00 per day

ENGINEERING & CONSULTING- HOURLY RATES: \$185.00 per hour

PERMITTING-HOURLY RATES \$135.00 per hour

#### WELLSITE COMMUNICATIONS:

Dedicated Cellular Phone at Wellsite \$30.00 per day  
Dedicated computer for report and e-mail \$30.00 per day

#### TRAVEL EXPENSES:

Meals per diem (day rate minimum) \$50.00 per day  
Mileage \$0.56 per mile  
Lodging \$ at Cost, if required  
Well site Office Trailer through Irani Eng. (if available) \$70.00 per day  
Other Travel (airfare, rental cars, taxis, incidentals) \$ at Cost

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, Saeed Irani

(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

Irani Engineering

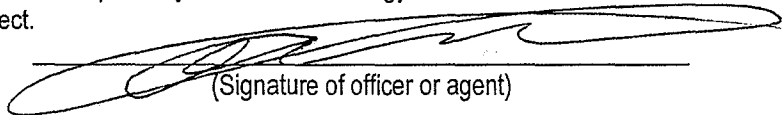
(Company name)

for contract work at

NCPA LEC No. 1

(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 14<sup>th</sup> day of April, 2014.

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.



## Lodi Energy Center Project Participant Committee

### Staff Report

AGENDA ITEM NO.: 12

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**Date:** December 14, 2015  
**To:** Lodi Energy Center Project Participant Committee  
**Subject:** MP Environmental Services, Inc. – Five Year Multi-Task General Services Agreement; **Applicable to the following projects: All NCPA locations**

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#### Proposal

Approve a five year Multi-Task General Services Agreement with MP Environmental Services, Inc., for not to exceed \$3,000,000 for use at all NCPA facilities for removal and disposal of sulfur bins, hazardous material, phase separators, and vacuum truck services.

#### Background

NCPA presently has in place with MP Environmental a three year enabling agreement for \$1,000,000 which will expire December 21, 2015 for use at Geo only. Staff desires to enter into this enabling agreement for use at all facilities since MP Environmental has been the winning bidder to remove the sulfur from the GEO facility for the last three years. In addition it provides such services including Cooling Tower Basin cleaning, Mercury filter carbon bed flips, Sedimentation Bed cleaning, Condenser Tube shooting, stretford cleanings, vacuum services and water delivery.

#### Selection Process

This five year enabling agreement does not commit NCPA to any expenditure of funds. When work is required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has entered into enabling agreements with KM Industrial, Gifford's Backhoe, Hugs Painting and Northern Industrial Construction. In addition, NCPA will seek bids from as many qualified contractors as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time work is required.

#### Fiscal Impact

Total cost of the agreement will not exceed \$3,000,000 over the five year term to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

#### 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.

Recommendation

Staff recommends that the PPC pass a motion approving the five year Multi-Task General Services Agreement with MP Environmental Services, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, for not to exceed \$3,000,000 for use at all NCPA facilities.

Prepared by:

KEN SPEER  
Assistant General Manager  
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with MP Environmental Services, Inc.



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
M P ENVIRONMENTAL SERVICES, INC.**

This agreement for general services ("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 M P Environmental Services, Inc., a California corporation] with its office located at 3400 Manor Street, Bakersfield, CA 93308 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2015 ("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 two weeks 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

Multi-Task General Services Agreement between  
Northern California Power Agency and M P Environmental Services, Inc..

Contract No. GS-VEN-2015-091



Requested Work or does not respond within the two week 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 THREE MILLION AND XX/100** dollars (\$3,000,000.00) 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, 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;
- 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

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 \$1,000,000 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 \$1,000,000 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 **All Policies Requirements.**

4.4.1 **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, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 **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.

4.4.3 **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 **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. 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.

## **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.

Consultant 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, Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant 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, Consultant 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 Consultant.

- 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 **Certifications as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C and Exhibit D.
- 6.5 **Maintenance Labor Agreement.** If the Work is subject to the terms of the Maintenance Labor Agreement for the Lodi Energy Center Project, which is applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall executed Exhibit E.

## **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 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 the Work; 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 be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

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 \$50.00 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 all 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.** Conclusion of Agreement. Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof) upon termination of this Agreement, 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, Contractors, 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 to include diesel fuel used for trucks owned or leased by the Contractor.

### **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 Ken Speer, Assistant General Manager Generation Services, or his 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:

M P Environmental Services, Inc.  
P.O. Box 370  
Yolo, CA 95697

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:

Michael F. Dean  
General Counsel  
Northern California Power Agency  
Meyers Nave  
555 Capitol Mall, Suite 1200  
Sacramento, CA 95814

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, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits 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.

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

NORTHERN CALIFORNIA POWER AGENCY

M P ENVIRONMENTAL SERVICES, INC.

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
Gina Blankenship, Facility Manager

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Assistant General Counsel

2555091.2

## EXHIBIT A

### SCOPE OF WORK

M P Environmental Service, Inc. ("Contractor") shall provide the following in connection with the removal and replacement of sulfur bins, phase separators, vacuum truck services and removal and disposal of hazardous material.

- All labor, tools, materials and vehicles to perform services
- As requested, and on an occasional basis, provide labor for outages such as cleaning cooling tower basins and mercury tank rollover of media.



## 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 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

[Insert breakdown here]

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 AGREEMENT TO BE BOUND

#### MAINTENANCE LABOR AGREEMENT 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") 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 Sections 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 conditions 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 document, 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)

2252-012a



## **Lodi Energy Center Project Participant Committee**

### **Staff Report**

AGENDA ITEM NO.: 13

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**Date:** December 14, 2015  
**To:** Lodi Energy Center Project Participant Committee  
**Subject:** Information Item - FY15 Annual Billing Settlement and Budget Variance Analysis

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#### Proposal

A draft of the FY15 Annual Billing Settlement Summary for the period July 1, 2014 through June 30, 2015 is presented for information only. The final Settlement will be presented to the Committee at its January 2016 meeting for approval and recommendation to the Agency Commission for its approval.

#### Background

The Annual Cost to Participants was approximately \$106.4 million; the costs were \$15.5 million or 17.1% over budget due primarily to increased fuel, California Independent System Operator (CAISO) energy purchase costs, and routine operating and maintenance costs. Third Party Revenues were approximately \$72.4 million and were comprised primarily of project energy sales to the CAISO. When combined, the Net Annual Cost to Participants was approximately \$34.0 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 reflected in the Agency's All Resources Bill monthly process when the costs are invoiced to NCPA.

This year's Collections from participants totaled approximately \$27.0 million; participants' Transfer Gas Credits totaled approximately \$5.8 million for Total Adjusted Collections of approximately \$32.8 million. The net unfunded cost due from LEC participants at fiscal year-end was \$1,247,536 or 3.8% of collections.

#### Fiscal Impact

Upon approval by this Committee and the Agency Commission, the amount of \$1,247,536 will be billed to the LEC project participants. NCPA will issue a 2015 annual settlement ARB late January 2016 that will reflect participants' Net Unfunded Costs.

#### 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.

Recommendation

NCPA Staff recommends the Committee review the draft Billing Settlement Summary for fiscal year ended June 30, 2015 and related Budget Variance Analysis. The final Billing Settlement Summary for fiscal year ended June 30, 2015 will be presented to the Committee at its January 2016 meeting for approval and recommendation to the Agency Commission for its approval.

Respectfully submitted,



DONNA STEVENER  
Assistant General Manager/CFO  
Administrative Services/Finance

Prepared by:



SONDRA AINSWORTH  
Treasurer-Controller

Attachments: (3)

- Billing Settlement Summary FY 2015
- Allocation of Project Costs – Actual FY 2015
- Budget Variance Analysis For the Year Ended June 30, 2015

LODI ENERGY CENTER  
Billing Settlement Summary  
FY 2015

	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
Collections per All Resources Bill (ARB)	\$ 26,935,384	\$ 970,182	\$ 2,252,061	\$ 25,738	\$ 10,847,118	\$ 348,580	\$ 78,610	\$ 709,911	\$ 35,150	\$ 384,861	\$ 163,225	\$ 2,126,928	\$ 8,918,340	\$ 74,680
Transfer Gas Credit in ARB	\$ 5,818,288	\$ -	\$ -	\$ 67,534	\$ -	\$ 335,513	\$ 493,381	\$ 2,599,227	\$ 674,280	\$ -	\$ 110,347	\$ 990,905	\$ -	\$ 547,101
Total Adjusted ARB Collections	\$ 32,753,672	\$ 970,182	\$ 2,252,061	\$ 93,272	\$ 10,847,118	\$ 684,093	\$ 571,991	\$ 3,309,138	\$ 709,430	\$ 384,861	\$ 273,572	\$ 3,117,833	\$ 8,918,340	\$ 621,781
Net Project Costs	\$ 34,001,208	\$ 1,004,092	\$ 2,332,407	\$ 96,534	\$ 11,278,759	\$ 708,005	\$ 591,991	\$ 3,424,785	\$ 734,212	\$ 521,650	\$ 283,136	\$ 3,150,311	\$ 9,231,809	\$ 643,517
Net Unfunded Costs	\$ (1,247,536)	\$ (33,910)	\$ (80,346)	\$ (3,262)	\$ (431,641)	\$ (23,912)	\$ (20,000)	\$ (115,647)	\$ (24,782)	\$ (136,789)	\$ (9,564)	\$ (32,478)	\$ (313,469)	\$ (21,736)

**LODI ENERGY CENTER**  
Allocation of Project Actual  
FY 2015

	Allocated by	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
ALLOCATION PERCENTAGES:															
Generation Entitlement Share <sup>(2)</sup>	GES	100.0000%	2.7857%	6.6000%	0.2679%	33.5000%	1.9643%	1.6428%	9.5000%	2.0357%	10.7143%	0.7857%	2.6679%	25.7500%	1.7857%
Indenture Cost Share A	ICS A	100.0000%	4.9936%	11.8310%	0.4802%	0.0000%	3.5212%	2.9448%	17.0295%	3.6491%	0.0000%	1.4084%	4.7824%	46.1588%	3.2010%
Indenture Cost Share B	ICS B	100.0000%	0.000%	0.000%	0.000%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
PROJECTED MWH		1,668,710	46,485	110,134	4,471	559,018	32,778	27,414	158,527	33,970	178,791	13,111	44,520	429,693	29,798
PROJECT COSTS:															
Fuel Cost	GES	\$ 47,290,233	\$ 1,317,364	\$ 3,121,155	\$ 126,891	\$ 15,842,228	\$ 928,922	\$ 776,884	\$ 4,492,572	\$ 962,687	\$ 5,066,817	\$ 371,559	\$ 1,261,656	\$ 12,177,235	\$ 844,462
Labor	GES	\$ 4,165,619	\$ 116,042	\$ 274,931	\$ 11,160	\$ 1,395,482	\$ 81,825	\$ 68,433	\$ 395,734	\$ 84,800	\$ 446,317	\$ 32,729	\$ 111,135	\$ 1,072,647	\$ 74,385
Variable O&M	GES	\$ 5,634,830	\$ 156,969	\$ 371,899	\$ 15,096	\$ 1,887,668	\$ 110,685	\$ 92,569	\$ 535,309	\$ 114,708	\$ 603,733	\$ 44,273	\$ 150,332	\$ 1,450,969	\$ 100,621
Fixed O&M	GES	\$ 2,351,301	\$ 65,500	\$ 155,186	\$ 6,299	\$ 787,686	\$ 46,187	\$ 38,627	\$ 223,374	\$ 47,865	\$ 251,925	\$ 18,474	\$ 62,730	\$ 605,460	\$ 41,987
O&M Administration	GES	\$ 1,190,608	\$ 33,167	\$ 78,580	\$ 3,190	\$ 398,854	\$ 23,387	\$ 19,559	\$ 113,108	\$ 24,237	\$ 127,565	\$ 9,355	\$ 31,764	\$ 306,582	\$ 21,261
Mandatory Costs	GES	\$ 131,393	\$ 3,660	\$ 8,672	\$ 352	\$ 44,017	\$ 2,581	\$ 2,159	\$ 12,482	\$ 2,675	\$ 14,078	\$ 1,032	\$ 3,505	\$ 33,834	\$ 2,346
Inventory Stock	GES	\$ 303,083	\$ 8,443	\$ 20,003	\$ 812	\$ 101,533	\$ 5,953	\$ 4,979	\$ 28,793	\$ 6,170	\$ 32,473	\$ 2,381	\$ 8,086	\$ 78,044	\$ 5,412
O&M and Capital Projects Costs	GES	\$ 6,400,082	\$ 178,287	\$ 422,405	\$ 17,146	\$ 2,144,027	\$ 125,717	\$ 105,141	\$ 608,008	\$ 130,286	\$ 685,724	\$ 50,285	\$ 170,748	\$ 1,648,021	\$ 114,286
AB32 GHG Offsets	GES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Costs	GES	\$ 973,954	\$ 27,130	\$ 64,282	\$ 2,611	\$ 326,273	\$ 19,130	\$ 15,998	\$ 92,526	\$ 19,828	\$ 104,353	\$ 7,652	\$ 25,983	\$ 250,795	\$ 17,393
Transmission (CAISO)		\$ 1,327,398	\$ 42,018	\$ 50,209	\$ 4,039	\$ 505,289	\$ 29,620	\$ 24,772	\$ 143,252	\$ 30,697	\$ 81,505	\$ 11,848	\$ 47,909	\$ 329,313	\$ 26,927
Energy Purchases (CAISO)		\$ 7,275,217	\$ 141,905	\$ 336,210	\$ 13,647	\$ 1,706,514	\$ 100,063	\$ 83,686	\$ 483,939	\$ 103,701	\$ 545,796	\$ 40,024	\$ 2,317,042 <sup>(1)</sup>	\$ 1,311,725	\$ 90,965
Debt Service Cost:															
Indenture Group A Cost	ICS A	\$ 21,233,948	\$ 1,060,338	\$ 2,512,188	\$ 101,965	\$ -	\$ 747,690	\$ 625,297	\$ 3,616,035	\$ 774,848	\$ -	\$ 299,059	\$ 1,015,492	\$ 9,801,336	\$ 679,699
BAB's Subsidy (Group A)	ICS A	\$ (4,189,640)	\$ (209,214)	\$ (495,676)	\$ (20,119)	\$ -	\$ (147,526)	\$ (123,377)	\$ (713,475)	\$ (152,884)	\$ -	\$ (59,007)	\$ (200,365)	\$ (1,933,888)	\$ (134,110)
Debt and Trustee Fees (Group A)	ICS A	\$ 22,767	\$ 1,137	\$ 2,694	\$ 109	\$ -	\$ 802	\$ 670	\$ 3,877	\$ 831	\$ -	\$ 321	\$ 1,089	\$ 10,509	\$ 729
Indenture Group B Cost	ICS B	\$ 11,413,492	\$ -	\$ -	\$ -	\$ 11,413,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BAB's Subsidy (Group B)	ICS B	\$ (2,013,220)	\$ -	\$ -	\$ -	\$ (2,013,220)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt and Trustee Fees (Group B)	ICS B	\$ 16,400	\$ -	\$ -	\$ -	\$ 16,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admin & General	GES	\$ 1,858,402	\$ 51,770	\$ 122,655	\$ 4,979	\$ 622,565	\$ 36,505	\$ 30,530	\$ 176,548	\$ 37,831	\$ 199,115	\$ 14,601	\$ 49,580	\$ 478,539	\$ 33,185
Power Management Allocated Costs	GES	\$ 1,020,536	\$ 28,429	\$ 67,355	\$ 2,734	\$ 341,880	\$ 20,046	\$ 16,765	\$ 96,951	\$ 20,775	\$ 109,343	\$ 8,018	\$ 27,227	\$ 262,788	\$ 18,224
Total Project Costs		\$ 106,406,403	\$ 3,022,946	\$ 7,112,748	\$ 290,710	\$ 35,520,687	\$ 2,131,587	\$ 1,782,693	\$ 10,309,032	\$ 2,209,056	\$ 8,268,745	\$ 852,606	\$ 5,083,913	\$ 27,883,908	\$ 1,937,772
Estimated price per MWh		\$ 63.77	\$ 65.03	\$ 64.58	\$ 65.02	\$ 63.54	\$ 65.03	\$ 65.03	\$ 65.03	\$ 65.03	\$ 46.25	\$ 65.03	\$ 114.19	\$ 64.89	\$ 65.03
Third Party Revenue															
ISO Energy Sales	GES	\$ 70,080,039	\$ 1,952,738	\$ 4,623,697	\$ 187,817	\$ 23,482,980	\$ 1,376,956	\$ 1,151,707	\$ 6,658,747	\$ 1,426,522	\$ 7,504,953	\$ 550,820	\$ 1,870,283	\$ 18,040,951	\$ 1,251,868
Ancillary Services Sales		\$ 2,236,809	\$ 62,310	\$ 147,626	\$ 5,993	\$ 749,314	\$ 43,942	\$ 36,750	\$ 212,520	\$ 45,540	\$ 239,652	\$ 17,577	\$ 59,674	\$ 575,964	\$ 39,947
Interest & Other Income	GES	\$ 23,244	\$ 648	\$ 1,534	\$ 62	\$ 7,787	\$ 457	\$ 382	\$ 2,208	\$ 473	\$ 2,490	\$ 183	\$ 620	\$ 5,985	\$ 415
Interest Income - O&M Reserve		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income (Group A)	ICS A	\$ 63,256	\$ 3,159	\$ 7,484	\$ 304	\$ -	\$ 2,227	\$ 1,863	\$ 10,772	\$ 2,308	\$ -	\$ 891	\$ 3,025	\$ 29,198	\$ 2,025
Interest Income (Group B)	ICS B	\$ 1,847	\$ -	\$ -	\$ -	\$ 1,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 72,405,195	\$ 2,018,854	\$ 4,780,341	\$ 194,176	\$ 24,241,928	\$ 1,423,582	\$ 1,190,702	\$ 6,884,247	\$ 1,474,843	\$ 7,747,095	\$ 569,471	\$ 1,933,602	\$ 18,652,099	\$ 1,294,255
Annual Project Costs, net		\$ 34,001,208	\$ 1,004,092	\$ 2,332,407	\$ 96,534	\$ 11,278,759	\$ 708,005	\$ 591,991	\$ 3,424,785	\$ 734,212	\$ 521,650	\$ 283,136	\$ 3,150,311	\$ 9,231,809	\$ 643,517
Estimated price per Mwh, net		\$ 20.38	\$ 21.60	\$ 21.18	\$ 21.59	\$ 20.18	\$ 21.60	\$ 21.59	\$ 21.60	\$ 21.61	\$ 2.92	\$ 21.60	\$ 70.76	\$ 21.48	\$ 21.60
JPA Assessment (per PMOA)		\$ 90,219	\$ 5,060	\$ -	\$ -	\$ 60,851	\$ -	\$ -	\$ -	\$ -	\$ 19,462	\$ -	\$ 4,846	\$ -	\$ -
Unfunded/(Excess)		\$ 1,247,536	\$ 33,910	\$ 80,346	\$ 3,262	\$ 431,641	\$ 23,912	\$ 20,000	\$ 115,647	\$ 24,782	\$ 138,789	\$ 9,564	\$ 32,478	\$ 313,469	\$ 21,736

Y PWRPA takes their share of energy from LEC via Inter-SC trades settled through LEC. At the same time, PWRPA's SC receives a corresponding credit on their ISO invoice.  
Z Generation Entitlement Share (GES) is synonymous with commonly used terms of Project Entitlement Share, Project Percentage, Project Share, Third Phase share.



NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Under/(Over) Budget
<b>COST ANALYSIS:</b>			
Variable O&M	\$ 3,651,332	\$ 5,634,830	\$ (1,983,498)
Fixed O&M	1,765,358	2,351,301	(585,943)
Administration	1,250,914	1,190,608	60,306
Mandated Costs	220,000	131,393	88,607
Inventory Stock	400,000	303,083	96,917
Subtotal Routine O & M Costs without Labor	7,287,604	9,611,215	(2,323,611)
Labor	4,299,182	4,165,619	133,563
Total Routine O & M Costs	11,586,786	13,776,834	(2,190,048)
<b>Other Costs</b>			
Fuel	41,167,130	47,290,233	(6,123,103)
CA ISO Charges	489,050	1,327,398	(838,348)
CA ISO Energy Purchases	-	7,275,217	(7,275,217)
Debt Service	26,437,890	26,444,580	(6,690)
Insurance	1,000,425	712,215	288,210
Other Costs	51,781	14,138	37,643
Administrative & General	1,728,654	1,858,402	(129,748)
Generation Services Shared	437,453	286,768	150,685
Power Management Allocated Costs	1,187,916	1,020,536	167,380
Total Other Costs	72,500,299	86,229,487	(13,729,188)
Total O & M Costs	84,087,085	100,006,321	(15,919,236)
<b>Projects</b>			
Operations & Maintenance	332,500	49,562	282,938
Capital Projects	4,658,760	4,550,520	108,240
Maintenance Reserve	1,800,000	1,800,000	-
Total Projects	6,791,260	6,400,082	391,178
<b>Annual Cost</b>	<b>90,878,345</b>	<b>106,406,403</b>	<b>(15,528,058)</b>
<b>THIRD PARTY REVENUE ANALYSIS:</b>			
ISO Energy Sales	54,517,593	70,080,039	(15,562,446)
Ancillary Services Sales	1,420,431	2,236,809	(816,378)
Interest Income - Operations	5,950	22,436	(16,486)
Interest Income (NCPA)	32,667	63,256	(30,589)
Interest Income (CDWR)	5,872	1,847	4,025
Other Income	-	808	(808)
Total Third Party Revenue	55,982,513	72,405,195	(16,422,682)
<b>Net Annual Cost</b>	<b>\$ 34,895,832</b>	<b>\$ 34,001,208</b>	<b>\$ 894,624</b>
<b>Net Generation Mwh</b>	<b>1,207,543</b>	<b>1,668,710</b>	
<b>Net Annual Cost per Mwh</b>	<b>\$ 28.90</b>	<b>\$ 20.38</b>	

Explanations and Comments

**General:** Lodi Energy Center provides base and peak load and ancillary power services designed to meet electric generation demand and reliability requirements for participating members. The plant began operations late November 2012.

**Routine O&M:** Routine O&M costs w/o Labor is over budget by \$2.3 million primarily due to increase of \$1.6 million for Siemens' service contract resulting from higher generation, increase of \$0.3 million for maintenance of water treatment system and increase of \$0.4 million for operations and maintenance of boilers and turbines.

**Other Costs:** Fuel costs exceeded budget due to increased generation driven by CA ISO economic dispatch. CA ISO energy purchases are not budgeted; however, actual costs were incurred in response to CA ISO calls for regulation down resulting in market purchases. Additionally, costs were incurred for inter SC trades for participants. Fuel, CA ISO costs and CA ISO energy purchases are billed when incurred.

Administrative and General (A&G) costs are allocated to generation plants based on person years and costs. While A&G costs were below budget overall, LEC's proportions of both determinants were higher than budget resulting in increased A&G allocation to the plant.

**Third Party Revenues:** Third party revenue exceeded budget by \$16.4 million primarily due to increased ISO Energy sales of \$15.6 million resulting from a volumetric increase of 48.6% over budgeted energy sales. Revenues from ISO Energy Sales and Ancillary Services are credited to participants in the ARB when received.

NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Labor</b>			
Generation	\$3,305,474	\$3,312,021	\$6,547
Maintenance	993,708	840,496	(153,212)
Power Management	0	13,102	13,102
	<u>\$4,299,182</u>	<u>\$4,165,619</u>	<u>(\$133,563)</u>
 <b>Variable O&amp;M Costs</b>			
Outside Services -			
Siemens LTSA	<u>\$2,409,386</u>	<u>\$4,019,590</u>	<u>\$1,610,204</u>
	2,409,386	4,019,590	1,610,204
Other -			
Ammonia (SCR)	101,985	169,476	67,491
Emissions Chemicals/Gases	19,122	14,292	(4,830)
Water Treatment Waste Disposal	305,954	603,119	297,165
Raw Water Treatment System	0	2,170	2,170
Demin and Evap Cooler Water Systems	0	13,090	13,090
Cooling Tower Treatment	0	85	85
Dry Chemicals	216,717	253,804	37,087
Bulk Chemicals	280,458	286,979	6,521
Specialty Chemicals	127,481	131,041	3,560
Laboratory and Testing	140,229	38,322	(101,907)
GT Inlet Air Filters	50,000	81,850	31,850
Resin Bottle & Regeneration	0	21,012	21,012
	<u>1,241,946</u>	<u>1,615,240</u>	<u>373,294</u>
	<u><u>\$3,651,332</u></u>	<u><u>\$5,634,830</u></u>	<u><u>\$1,983,498</u></u>

NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Fixed O&amp;M Costs</b>			
Outside Services -			
Legal	\$40,000	\$104,097	\$64,097
Engineering	50,000	11,155	(38,845)
Insulation Maintenance	30,000	0	(30,000)
Temporary Labor	15,000	36,430	21,430
Buildings and Grounds	20,000	22,251	2,251
Consultants	50,000	(5,859)	(55,859)
Corrosion Control	5,000	10,183	5,183
CEMS Support Contact	10,000	9,784	(216)
Fire Protection	30,000	38,528	8,528
Plant Information Services	30,000	564	(29,436)
Siemens LTSA	110,000	111,332	1,332
DCS Support	115,000	80,000	(35,000)
Predictive Maintenance	50,000	72,209	22,209
Nalco	0	20,627	20,627
	555,000	511,301	(43,699)
<b>Other Maintenance Costs -</b>			
Telecommunications	0	644	644
Telephone & Dedicated Comm.	0	1,343	1,343
Telephone-Data CMU Link	0	472	472
Equipment Rental	25,000	80,297	55,297
Safety Equipment	15,000	10,565	(4,435)
Lubricants	15,000	5,689	(9,311)
Consumables	50,000	38,405	(11,595)
HRSG/Boilers	77,250	188,102	110,852
Gas Turbine	70,000	208,094	138,094
Steam Turbine	51,500	240,285	188,785
Generator	61,800	20,931	(40,869)
Misc Maintenance Mat. & Sup.	200,000	238,325	38,325
Water Treatment	100,000	238,450	138,450
Liquidated Gas Turbines Shared Facilities - O&M	174,808	246,331	71,523
Auxiliary Power Usage	370,000	322,067	(47,933)
	1,210,358	1,840,000	629,642
	<u>\$1,765,358</u>	<u>\$2,351,301</u>	<u>\$585,943</u>

NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Administration Expense</b>			
Other-			
Travel & Staff Development	\$30,750	\$29,413	(\$1,337)
General Office Supplies	0	70	70
Ground Lease	1,000,000	1,000,000	0
Awards/Employee Function	0	5,717	5,717
Liquidated Gas Turbines Shared Facilities - Administration	220,164	155,408	(64,756)
	<u>1,250,914</u>	<u>1,190,608</u>	<u>(60,306)</u>
	<u>\$1,250,914</u>	<u>\$1,190,608</u>	<u>(\$60,306)</u>
<b>Mandatory Costs</b>			
Air Permit Fee	\$45,000	\$9,453	(\$35,547)
Hazardous Waste Disposal	25,000	11,811	(13,189)
Regulatory Permit Services	50,000	84,545	34,545
Title V Permit Fee	100,000	25,584	(74,416)
	<u>\$220,000</u>	<u>\$131,393</u>	<u>(\$88,607)</u>
<b>CA ISO Costs</b>			
Purchased Energy	\$0	\$7,275,217	\$7,275,217
Grid Management Charge	489,050	718,045	228,995
Ancillary Services	0	46,704	46,704
Other Charges	0	562,649	562,649
	<u>\$489,050</u>	<u>\$8,602,615</u>	<u>\$8,113,565</u>

NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Debt Service</b>			
Issue #1 (NCPA) -			
Principal	4,885,417	4,885,417	0
Interest	16,348,533	16,348,531	(2)
BABS Interest Subsidy	(4,194,160)	(4,189,640)	4,520
	<u>17,039,790</u>	<u>17,044,308</u>	<u>4,518</u>
Issue #2 (CDWR) -			
Principal	4,177,500	4,177,500	0
Interest	7,235,992	7,235,992	0
BABS Interest Subsidy	(2,015,392)	(2,013,220)	2,172
	<u>9,398,100</u>	<u>9,400,272</u>	<u>2,172</u>
	<u>\$26,437,890</u>	<u>\$26,444,580</u>	<u>\$6,690</u>
<b>Other Costs</b>			
Debt Fees	37,448	28,167	(9,281)
Trustee Fees	11,000	25,950	14,950
NERC Compliance	3,333	(39,979)	(43,312)
	<u>\$51,781</u>	<u>\$14,138</u>	<u>(\$37,643)</u>

NORTHERN CALIFORNIA POWER AGENCY  
 LODI ENERGY CENTER  
 BUDGET VARIANCE ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Administrative &amp; General (Allocated)</b>			
Administrative Support	1,239,763	1,379,609	139,846
General Support	488,891	478,793	(10,098)
	<u>\$1,728,654</u>	<u>\$1,858,402</u>	<u>\$129,748</u>
 <b>Generation Services Shared</b>			
Salaries & Benefits	314,600	231,236	(83,364)
Other Costs	122,853	55,532	(67,321)
	<u>\$437,453</u>	<u>\$286,768</u>	<u>(\$150,685)</u>
 <b>Inventory Stock</b>			
Critical Gas Turbine Spares	\$100,000	\$0	(\$100,000)
Critical Spare Parts	300,000	303,083	3,083
	<u>\$400,000</u>	<u>\$303,083</u>	<u>(\$96,917)</u>
 <b>O&amp;M Projects</b>			
Plant Betterment	\$125,000	\$12,602	(\$112,398)
PI Performance Modules	80,000	36,960	(43,040)
Electrical Circuits Relocation	75,000	0	(75,000)
Inventory Parts Storage	52,500	0	(52,500)
	<u>\$332,500</u>	<u>\$49,562</u>	<u>(\$282,938)</u>
 <b>Capital Items</b>			
Title 22 Water Storage Evaluation	\$0	\$7,073	\$7,073
Platforms (20)	150,000	34,687	(115,313)
Transmission Upgrade	4,508,760	4,508,760	0
	<u>\$4,658,760</u>	<u>\$4,550,520</u>	<u>(\$108,240)</u>

NORTHERN CALIFORNIA POWER AGENCY  
SHARED FACILITIES - GAS PLANTS  
BUDGET VARIANCE ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Under/(Over) Budget	Explanations and Comments
<b>Routine O &amp; M Costs</b>				
Operations	\$76,040	\$78,767	(\$2,727)	<b>General Comment:</b> In accordance with LEC's Project Management and Operations Agreement, certain incurred expenses benefit all Gas Plants. In accordance with Schedule 4.00, those expenses are liquidated on fixed percentages to LEC, CT1 and CT2.
Maintenance	186,335	286,087	(99,752)	
Administration	320,170	222,021	98,149	
<b>Routine O &amp; M Costs</b>	<b>582,545</b>	<b>586,875</b>	<b>(4,330)</b>	
<b>Summary of Costs by Subprograms</b>				
Anhydrous Ammonia System (subprog 001)	15,000	18,375	(3,375)	
Administration/Warehouse Building (subprog 002)	510,795	517,230	(6,435)	
230 Kv Switchyard Common Equip (subprog 004)	24,000	26,944	(2,944)	
Tooling and Special Equipment (subprog 005)	4,120	0	4,120	
Vehicle Usage (subprog 007)	28,630	24,326	4,304	
	<b>582,545</b>	<b>586,875</b>	<b>(4,330)</b>	
<b>Liquidation to Plants per PMOA Schedule 4.00</b>				
<b>CT 1</b>				
Operations	9,125	9,822	(697)	
Maintenance	35,032	47,488	(12,456)	
Administration	43,400	26,650	16,750	
	<b>87,557</b>	<b>83,960</b>	<b>3,597</b>	
<b>CT 2</b>				
Operations	13,687	14,116	(429)	
Maintenance	29,724	47,096	(17,372)	
Administration	56,606	39,962	16,644	
	<b>100,017</b>	<b>101,174</b>	<b>(1,157)</b>	
<b>LEC</b>				
Operations	53,228	54,828	(1,600)	
Maintenance	121,580	191,503	(69,923)	
Administration	220,163	155,410	64,753	
	<b>394,971</b>	<b>401,741</b>	<b>(6,770)</b>	
<b>Liquidated Costs</b>	<b>582,545</b>	<b>586,875</b>	<b>(4,330)</b>	
<b>Net Annual Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

NORTHERN CALIFORNIA POWER AGENCY  
 SHARED FACILITIES - GAS PLANTS  
 BUDGET VARIANCE ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Operations Expense</b>			
Plant -			
Safety Supplies & Equipment (subprog 002)	\$10,815	\$13,952	\$3,137
Communication Services - Intranet (subprog 002)	45,000	52,841	7,841
	55,815	66,793	10,978
Other -			
Telephone & Dedicated Comm. (subprog 002)	20,225	11,499	(8,726)
Vehicle & Misc Rental (subprog 007)	0	475	475
	20,225	11,974	(8,251)
	<u>\$76,040</u>	<u>\$78,767</u>	<u>\$2,727</u>
<b>Maintenance Expense</b>			
Plant -			
Ammonia System Maintenance (subprog 001)	15,000	18,375	3,375
Hdwr/Sfwr Upgrades & Maint. (subprog 002)	0	146	146
Misc. Maint Materials & Supplies (subprog 002)	40,000	68,221	28,221
Tools/Shop/Warehouse Equipment (subprog 002)	25,000	72,594	47,594
Switchyard (subprog 004)	20,000	26,944	6,944
Vehicle Fuel/Maintenance (subprog 007)	21,630	23,841	2,211
	121,630	210,121	88,491
Other Costs -			
HVAC Services (subprog 002)	15,000	4,670	(10,330)
Plant Information Services (subprog 002)	44,705	61,617	16,912
Equipment Rentals (subprog 002)	5,000	9,679	4,679
	64,705	75,966	11,261
	<u>\$186,335</u>	<u>\$286,087</u>	<u>\$99,752</u>



NORTHERN CALIFORNIA POWER AGENCY  
 SHARED FACILITIES - GAS PLANTS  
 BUDGET VARIANCE ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Revised Budget	Actual	Variance Unfunded/(Excess)
<b>Administration Expense</b>			
Outside Services -			
Legal Services (subprog 002)	10,000	23,845	13,845
Janitorial Services Services (subprog 002)	15,000	8,730	(6,270)
	25,000	32,575	7,575
 Other Costs-			
Travel (subprog 002)	53,000	3,828	(49,172)
Staff Development (subprog 002)	50,750	31,056	(19,694)
Safety Equipment/Program (subprog 002)	25,000	23,871	(1,129)
Communications Hardware (subprog 005)	4,120	0	(4,120)
Community Relations (subprog 002)	1,000	0	(1,000)
Hdwr/Sfwr Upgrades & Maint (subprog 004)	4,000	0	(4,000)
Janitorial Supplies & Misc Expenses (subprog 002)	47,500	33,880	(13,620)
Office Equipment Maintenance (subprog 002)	25,300	15,890	(9,410)
Safety Incentive Program (subprog 002)	2,500	50	(2,450)
General Office Supplies (subprog 002)	45,000	25,309	(19,691)
Computer (software,hardware,network,...) (subprog 002)	15,000	52,676	37,676
Vehicle Expense (subprog 007)	7,000	10	(6,990)
Awards/Employee Functions (subprog 002)	5,000	2,315	(2,685)
Publications (subprog 002)	10,000	561	(9,439)
	295,170	189,446	(105,724)
	<u>\$320,170</u>	<u>\$222,021</u>	<u>(\$98,149)</u>

**Northern California Power Agency  
Trend Analysis - Program Costs  
FY 2011 - FY 2015**

Lodi Energy Center	Actual FY 2011	Actual FY 2012	Actual <sup>(A)</sup> FY 2013	Actual FY 2014	Revised Budget FY 2015	Actual FY 2015	Under/(Over) Budget
<b>Routine O&amp;M Costs</b>							
Variable			\$ 652,634	\$ 3,842,714	\$ 3,651,332	\$ 5,634,830	\$ (1,983,498)
Fixed			4,545,252	2,568,105	1,765,358	2,351,301	(585,943)
Administration			700,495	1,220,237	1,250,914	1,190,608	60,306
Mandatory Costs			334,528	519,687	220,000	131,393	88,607
Inventory			230,459	180,577	400,000	303,083	96,917
<b>Subtotal Routine O&amp;M w/o Labor</b>	-	-	6,463,368	8,331,320	7,287,604	9,611,215	(2,323,611)
Labor			3,270,844	4,630,807	4,299,182	4,165,619	133,563
<b>Total Routine O&amp;M Costs</b>	-	-	9,734,212	12,962,127	11,586,786	13,776,834	(2,190,048)
<b>Other Costs</b>							
Fuel and Transport Charges			20,907,265	46,150,510	41,167,130	47,290,233	(6,123,103)
AB32 GHG Offset			62,984	7,460	-	-	-
CA ISO Charges (variable)			407,219	1,141,140	489,050	1,327,398	(838,348)
CA ISO Energy Purchases (variable)			-	-	-	7,275,217	(7,275,217)
Debt Service			21,236,597	26,437,806	26,437,890	26,444,580	(6,690)
Insurance			775,368	796,274	1,000,425	712,215	288,210
Other Costs			117,915	40,703	51,781	14,138	37,643
Generation Services Shared			287,245	451,379	437,453	286,768	150,685
Administrative & General (Allocated)			1,181,401	1,722,989	1,728,654	1,858,402	(129,748)
Power Management Allocated Costs			1,031,427	1,134,629	1,187,916	1,020,536	167,380
<b>Total Annual O&amp;M Costs</b>	-	-	55,741,633	90,845,017	84,087,085	100,006,321	(15,919,236)
<b>Projects</b>							
Operations & Maintenance			26,761	306,579	332,500	49,562	282,938
General & Plant			-	923,889	-	-	-
Capital			-	-	4,658,760	4,550,520	108,240
Maintenance Reserve			378,334	397,250	1,800,000	1,800,000	-
<b>Total Project Costs</b>	-	-	405,095	1,627,718	6,791,260	6,400,082	391,178
<b>Total Plant Costs</b>	\$ -	\$ -	\$ 56,146,728	\$ 92,472,735	\$ 90,878,345	\$ 106,406,403	\$ (15,528,058)
				<b>Percentage of Budget</b>	<b>100.00%</b>	<b>117.09%</b>	<b>-17.09%</b>

(A) Lodi Energy Center began operations on November 27, 2012.