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Agenda

Date: Wednesday, December 2, 2020
Subject: Facilities Committee Meeting
Location: NCPA Headquarters, 651 Commerce Drive, Roseville, CA
Time: 9:00 am

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Act, Governor Gavin Newsom's Emergency Declaration related to COVID-19, and Governor Newsom's Executive Order N-29-20 issued March 17, 2020 that allows attendance by NCPA Facilities Committee Members, staff, and the public to participate and conduct the meeting by teleconference.

Dial: 1-312-757-3121
Meeting ID: 600-474-613#
Hosted through GoToMeeting
Or Join by Computer: <https://global.gotomeeting.com/join/600474613>

The Facilities (Committee) may take action on any of the items listed on this Agenda regardless of whether the matter is described as an Action Item, or an Informational Item. This agenda is often supplemented by various documents which are available to the public upon request. Pursuant to Government Code Section 54957.5, the following is the location at which the public can view agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

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

REVIEW SAFETY PROCEDURES

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

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

OPEN SESSION

DISCUSSION / ACTION ITEMS

2. **Approval of Minutes** – Approve the November 4, 2020 Regular and Special Facilities Committee meeting minutes.
3. **All NCPA Facilities, Members, SCPPA – Utility System Efficiencies, Inc. MTPSA** – Staff is seeking a recommendation for Commission approval of a Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc., for consulting services related to WECC and NERC reliability criteria, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: CTs*)
4. **Authorize the NCPA General Manager To Execute an Amended Confirmation No. 0117 for Burns & McDonnell Services to City of Lodi/Lodi Electric Utility and Issue a Corresponding Purchase Order under the NCPA Support Services Program** – Staff is seeking authorization for the General Manager or his designee to execute an amended confirmation for Burns & McDonnell Services to the City of Lodi/Lodi Electric Utility and issue a corresponding purchase order under the NCPA Support Services Program Agreement. The amended confirmation exceeds the General Manager's signing authority which requires Commission approval. If recommended for approval, this item will be placed on the December 3, 2020 Commission agenda. (*Commission Category: Consent; Sponsor: Administrative Services*)
5. **Update to the 2021 Major Insurance Renewal Proposal** – Staff will provide an update regarding recent feedback from the markets and seek a new recommendation for Commission approval increasing to the not-to-exceed amount of the NCPA Major Insurance renewals for 2021. If recommended for approval, this item will be placed on the December 3, 2020 Commission agenda. (*Commission Category: Discussion/Action; Sponsor: Administrative Services*)
6. **Appointment of Facilities Committee Chair and Vice Chair** – The 2020 Vice Chair will be Appointed as the 2021 Chair and the Committee will be asked to nominate and elect a new Vice Chair.

INFORMATIONAL ITEMS

7. **Review of Power Supply Assumptions** – Staff will provide an overview of the Power Supply Assumptions for FY 2022 Annual Budget Schedule. (*Sponsor: Power Management*)
8. **New Business Opportunities** – Staff will provide an update regarding new business opportunities. (*Sponsor: Power Management*)
9. **NCPA Generation Services Plant Updates** – Plant Staff will provide the Committee with an informational update on current plant activities and conditions. (*Sponsor: Generation Services*)
10. **Planning and Operations Update** – Staff will provide an update on issues related to planning and operations. (*Sponsor: Power Management*)
11. **Next Meeting** – The next Facilities Committee meeting is scheduled for January 6, 2021.

ADJOURNMENT

BS/cp



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Minutes – Draft

Date: November 16, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: November 4, 2020 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock (Roseville) at 9:04 am. Attending via teleconference and on-line presentation were Alan Harbottle, and Vidhi Chawla (Alameda), Mark Sorensen (Biggs), Jiayo Chiang (Lodi), Tikan Singh (Lompoc), Poorvi Rao (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Basil Wong, and Monica Nguyen (Santa Clara), and Willie Manuel (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Gridley, Healdsburg, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DISCUSSION / ACTION ITEMS

- 2. Approval of minutes from the October 7, 2020 Facilities Committee meeting.**

Motion: A motion was made by Basil Wong and seconded by Tikan Singh recommending approval of the October 7, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 3. All NCPA Facilities, Members, SPPA – ORR Protection Systems, Inc. First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with ORR Protection Systems, Inc., increasing the not to exceed amount from \$1,500,000 to \$3,000,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SPPA, and SPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five-year Multi-Task General Services Agreement with ORR Protection Systems, Inc., effective April 17, 2020, for an amount not to exceed \$1,500,000. In July 2020, a

Request for Proposal was released for the NCPA Geothermal Plant 1 Fire System Modernization Project, with bids due on July 16, 2020. NCPA received only one bid, which was much higher than the project engineering estimate. To ensure competitiveness, Geo staff updated the project scope and released an updated Request for Proposal, with bids due on August 4, 2020. NCPA received bids from ORR Protections Systems, Inc. and Sabah International, Inc., with a third vendor, Johnson Controls, Inc., declining to bid. ORR Protection Systems, Inc. was the apparent winner, with a bid total of \$1,298,751. This First Amendment will increase the not to exceed amount from \$1,500,000 to \$3,000,000. This will ensure there are sufficient funds available for both the Geothermal Plant 1 Fire System Modernization Project, as well as for the remaining term of the enabling agreement. This agreement is still available for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA currently has agreements in place for similar services with Sabah International, Inc., Fire Safety Supply Company, Bay Cities Pyrotector, Inc. and Bay Cities Fire Protection, Inc.

Motion: A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with ORR Protection Systems, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$1,500,000 to \$3,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

4. **NCPA Facilities, Members, SCPPA – Tesco Controls, Inc. MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Tesco Controls, Inc. for integrated electrical and process control systems services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. It is an enabling agreement with no commitment of funds. NCPA's Geothermal staff was contacted by Tesco Controls, Inc., who expressed a desire to be added to NCPA's vendor list for services, because they routinely work in the Geysers area. After having met with this vendor, staff recommends entering into an enabling agreement with Tesco Controls, Inc., so established terms and conditions are in place should this vendor be the successful bidder on future projects. Also, increasing the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility results in more competitive bidding when services are needed. Agreements in place for similar services include Nor-Cal Controls ES, Inc., Wunderlich-Malec, Systems, Inc., and dHeurle Systems, Inc. (pending).

Motion: A motion was made by Mike Brozo and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Tesco Controls, Inc. to provide integrating electrical and process control systems services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

5. **NCPA Geothermal Facility – Fifth Amendment to the Amended and Restated Steam Suppliers Joint Operating Agreement Southeast Geysers Effluent Pipeline Project** – Staff was seeking a recommendation for Commission approval of the Fifth Amendment to the Amended and Restated Steam Suppliers Joint Operating Agreement Southeast Geysers Effluent

Pipeline Project, updating the Cost Responsibility calculation used and extending the agreement expiration date for an additional two years. ***This item was not ready. It was pulled from the agenda, and will be brought back to a future meeting.***

- 6. All NCPA Facilities, Members, SCPPA - Process Innovations, Inc. First Amendment to MTCSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to transfer assignment of Five-Year Multi-Task Consulting Services Agreement for OSISoft PI support services to Brandenburg Holdings, LLC dba Process Innovations/Process Plugins, and approval of related Standard Software License Agreement, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

On January 23, 2020, NCPA entered into a five-year Multi-Task Consulting Services Agreement for OSISoft PI support services with Process Innovations, Inc. On August 31, 2020, Process Innovations, Inc. was acquired by Brandenburg Holdings, LLC dba Process Innovations/Process Plugins, and wishes to accept assignment of the contract via this First Amendment to the Multi-Task Consulting Services Agreement. In 2015, when the initial Consulting Services Agreement was executed, NCPA entered into a Software License Agreement related to the services. Due to the acquisition by Brandenburg Holdings, LLC dba Process Innovations/Process Plugins, an updated license agreement is needed.

Motion: A motion was made by Tikan Singh and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Consulting Services Agreement with Process Innovations, Inc. to transfer assignment of the agreement to Brandenburg Holdings, LLC dba Process Innovations/Process Plugins for OSISoft PI support services, and further approval of the related Standard Software License Agreement, both with any non-substantial changes recommended and approved by the NCPA General Counsel, which Consulting Services Agreement shall not exceed \$500,000 over five years, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 7. Settlements Summary Results for FY20** – Staff reviewed results of the settlements summary for FY 2020, and was seeking a recommendation for Commission approval of the FY 2020 Annual Billing Settlement for the period of July 1, 2019 through June 30, 2020.

This year's Net Refund of Excess Collections due to participants at fiscal year-end was \$5.58 million or 1.2% of Collections (net of credits) to date. The sources of these refunds were as follows: (1) Net Generation & Transmission operating costs of \$2.9 million; (2) Management Services costs of \$1.4 million; and (3) Pass-Through Costs and Interest and Other Income of \$1.3 million. Fuel, CAISO charges, and energy and ancillary services sales do not play a material role in the annual settlements process as those items are adjusted monthly in the Agency's All Resources Bill when the actual costs for these categories are invoiced by NCPA. The final settlement summary for FY 2020 will be presented to the LEC PPC, Utility Directors, and then on to the Commission for approval on December 3, 2020. Member refunds will be deposited into respective GOR accounts, unless otherwise requested per Member. Non-Members will receive a miscellaneous credit billing on the next ARB.

Motion: A motion was made by Brian Schinstock and seconded by Jiayo Chiang recommending Commission approval of the FY 2020 Annual Billing Settlements as presented 11/04/2020 for the period of July 1, 2019 through June 30, 2020, totaling approximately \$5.58 million. A vote was

taken by roll call: YES = Alameda, Biggs, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, Santa Clara, and TID. The motion passed.

- 8. Professional Services Agreement between NCPA and BAMx Members** – Staff provided background information for the Bay Area Municipal Transmission (BAMx) Agreement, and was seeking a recommendation for Commission approval of a five-year Professional Services Agreement between NCPA and the Cities of Palo Alto and Santa Clara, (BAMx Members), with a not to exceed amount of \$3,250,000.

The cities of Palo Alto and Santa Clara have joined together to form a working group known as the BAMx Members. Under this arrangement the BAMx Members work together to improve the reliability and cost-effectiveness of transmission service they receive through the CAISO. The BAMx Members previously requested Northern California Power Agency (NCPA) to enter into a consulting services arrangement on their behalf with Flynn Resource Consultants Inc., (Flynn RCI), under which Flynn RCI would act as project manager and shall coordinate the efforts of BAMx. In response to this request, NCPA has worked with the BAMx Members to develop a professional services agreement, and consulting services agreement under which the services requested may be provided.

The Professional Services Agreement between NCPA and the Cities of Palo Alto and Santa Clara (the Professional Services Agreement) describes NCPA's obligation to act as the billing agent on behalf of the BAMx Members with respect to the services provided under the Consulting Services Agreement between NCPA and Flynn RCI (the Consulting Services Agreement). Charges incurred under the Consulting Services Agreement will be allocated and billed to the BAMx Members in accordance with the Professional Services Agreement.

Motion: A motion was made by Basil Wong and seconded by Tikan Singh recommending Commission approval authorizing the General Manager or his designee to enter into a five-year Professional Services Agreement between NCPA and the cities of Palo Alto and Santa Clara, (BAMx Members), with a not to exceed amount of \$3,250,000 with any non-substantial changes recommended and approved by NCPA General Counsel. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

- 9. Consulting Services Agreement between NCPA and Flynn Resource Consultants, Inc.** – Staff provided background information and was seeking a recommendation for Commission approval of a five-year Consulting Services Agreement between NCPA and Flynn Resource Consultants Inc. (Flynn RCI), under which Flynn RCI is to act as project manager and shall coordinate the efforts of BAMx Members with a not to exceed amount of \$3,250,000.

Pursuant to the Professional Services Agreement, NCPA will enter into the Consulting Services Agreement on behalf of the BAMx Members. Under the Consulting Services Agreement, Flynn RCI will provide various services to the BAMx Members, including monitoring, meeting participation, coordinating with affected or other participating parties, and as necessary, preparing and submitting formal position submittals for the following subject matters: grid planning activities, CPUC and CEC transmission matters, and California market design activities.

Motion: A motion was made by Basil Wong and seconded by Tikan Singh recommending Commission approval authorizing the General Manager or his designee to enter into a five-year Consulting Services Agreement between NCPA and Flynn Resource Consultants Inc. (Flynn RCI), under which Flynn RCI is to act as project manager and shall coordinate the efforts of BAMx Members with a not to exceed amount of \$3,250,000 with any non-substantial changes recommended and approved by NCPA General Counsel. A vote was taken by roll call: YES =

Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

10. 2021 Major Insurance Renewal Proposal – Staff presented background information and was seeking a recommendation for Commission approval of NCPA Major insurance renewals for 2021.

Since there is only one more Commission Meeting before expiration of the insurance policies, staff will estimate premiums based on trends, data, and etc. Based on the current information, staff request General Manager Authority to negotiate and bind contracts based on not-to-exceed limits of \$3,122,000 for the property premium, and \$1,483,200 for excess liability, with a total not-to-exceed premium amount of \$4,605,300. Insurance premiums increased approximately 25-30% nationwide in 2019 and 30-50% in 2020. Recent devastating California wildfires put CA accounts under increased scrutiny and rate hikes. The excess liability/casualty market is extremely disrupted & stressed with a loss of \$400,000,000 in the past two years. Staff will report back to the Facilities Committee with final premiums after the final quotes are received.

Motion: A motion was made by Brian Schinstock and seconded by Jiayo Chiang recommending Commission approval delegating authority to the General Manager to negotiate and bind property damage and liability coverage amounts as presented (or better) with a not-to-exceed amount of the proposed premiums of approximately \$4,605,300. A vote was taken by roll call: YES = Alameda, Lodi, Lompoc, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

INFORMATIONAL ITEMS

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

South Sutter Water District is seeking scheduling coordinator and dispatch services with a possible long term PPA for project output. Camp Far West Hydroelectric Project is a 6.8MW reservoir outlet hydroelectric project. This is a run-of-river project with its primary focus on irrigation for rice farming. It is RPS and RA eligible, and will be available in 2021. Indicative offers are due November 20, 2020.

El Dorado Irrigation District is seeking indicative offers for scheduling services of their P184 Powerhouse, which is two 10MW hydroelectric units for a total 20.9MW output. This is a run-of-river project with the diversion canal source flow controlled. It is RPS and RA eligible, and will be available in 2021.

Haypress Powerhouse is also seeking indicative offers for scheduling services of two 5MW hydroelectric power units totaling 10MW. This is certified RPS and RA eligible for Sierra Local. It is a run-of-river type project as well, with an average 16,100MWh annually.

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

Geo – There was one safety incident when a contractor damaged a light pole. There was also one near miss when a steam valve was left open prior to a wireline operation. The safety training for staff is 85% completed. The net generation for October 2020 was 78.2 MW with the YTD net generation at 603.9 GWh, 0.3% above the forecast. An October 25-27, 2020 PG&E PSPS event took both the Fulton and Lakeville Transmission lines out of service. Steam Field activities included conducting wireline surveys, and repairing the Bear Canyon, and P-Site roads. Fifty-one

new industrial doors were installed at the plants. Locks and signage still need to be installed for these. Development of an engineering package for eye wash stations began with laser surveys of the plant areas. The current balance for the Maintenance Reserve is \$928,555. The balance for FY 2021 after projects should be \$822,372, with the FY 2022 balance at \$558,555 after the Plant #2 overhaul.

CTs – October operations included 22 actual starts for CT1, of 21 forecasted, plus an additional 25 ghost starts, bringing the FYTD total to 139. CT2 had 23 actual starts of 0 forecasted, bringing the FYTD total to 72. Two forced outages occurred during the month. CT1's outage was due to bleed valve replacement. CT2 also experienced a forced outage due to a long PG&E gas line outage. Other repairs at CT2 included gear box temperature, nozzle steam valve, ignition transformer, gas compressor, and the HP drum level during that outage. There were no planned outages.

Hydro – Collierville was in a dual unit outage the weekend of October 10-11, 2020 for debris removal. Collierville Unit 1 was in an outage from October 12 – 23, 2020 for annual maintenance. Ebbetts Pass Fire Department performed high angle rope rescue training during the month. New Spicer Meadows (NSM) storage is currently at 81,732 acre-feet, with a goal of no less than 80,000 acre-feet by the end of December 2020. The long-term meteorology forecast is for a La Nina year. November priorities include Collierville Unit 2 outage for annual maintenance November 9 – 20, 2020. Cloud seeding started November 1, 2020 for the coming winter. Weather Modification is the vendor performing the cloud seeding. Reserve maintenance funds will be approximately \$22 million by the end of FY 2021.

13. Planning and Operations Update –

- NCPA Renewables RFP – Staff is seeking member feedback regarding interest in these projects. The current projects in which Members have expressed interest include: 1) Glover Solar, 2) Avangrid Stagecoach, 3) Calpine Geysers, 4) ORMAT Geo, and 5) OCID. Review of additional proposals is currently underway.
- The 2021 Annual RA Filings have been submitted to the CAISO.
- The Sonoma Clean Power Services Agreement has been executed. Integration is underway.
- Strategic Planning Effort – Member meetings continue.
- LEC MSG discussions have started with internal staff meetings.
- EBCE – The automatic extension was triggered November 2, 2020 for this services agreement.
- COVID-19 Update – Operations continue in a dual mode of the NCPA dispatch and scheduling functions.

14. Next Meeting – The next regular Facilities Committee meeting is scheduled for December 2, 2020.












ADJOURNMENT

The meeting was adjourned at 11:18 am.

Teleconference call only due to Covid19

Northern California Power Agency November 4, 2020 Facilities Committee Meeting Attendance List

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

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

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

[illegible]



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Minutes – Draft

Date: November 17, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: November 4, 2020 Special Facilities Committee Meeting Minutes

- 1. Call meeting to order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock (Roseville). A sign-in sheet was passed around. Attending via teleconference and on-line presentation were Alan Harbottle (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Terry Crowley (Healdsburg), Jiayo Chiang and Melissa Price (Lodi), Tikan Singh (Lompoc), Shiva Swaminathan and Jim Stack (Palo Alto), Mike Brozo (Plumas-Sierra), Khaly Nguyen (Port of Oakland), Nick Rossow (Redding), Steve Hance, Basil Wong, Paulo Apolinario, Eric Shum, and Monica Nguyen (Santa Clara), and Willie Manuel and Owen Goldstrom (TID). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

INFORMATIONAL ITEMS

- 2. Battery Storage Overview Presentation** – Ken Barrentine, with Utilicast, LLC, presented information regarding battery storage, including market operations, opportunities, benefits, and costs.

This presentation used contemporary information from market sources including the CAISO, the CPUC, and industry experience, to describe the current battery storage market operations, opportunities, benefits, and costs. The topics covered included: 1) Operations and Efficiency; 2) Resource Adequacy; 3) Legislation and Regulation (FERC, NERC, CEC, CPUC, and CAISO); 4) Market Operations and Valuation; 5) Locations – Centralized and Distributed; 6) Interconnection Requirements and Timelines; 7) Levelized Cost of Energy and Project Costs; 8) Operations and Optimization; 9) Building Projects; and 10) PPAs. This information was focused on education, and did not provide recommendations. The presentation provided up-to-

date valuable information to make the best decision possible when considering entering into a PPA, building a project, or a combination of both.

ADJOURNMENT

The meeting was adjourned at 3:06 pm.

Teleconference call only due to Covid19

Northern California Power Agency November 4, 2020 Special Facilities Committee Meeting Attendance List

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

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

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

[illegible]



Commission Staff Report – *DRAFT*

Date: November 25, 2020

COMMISSION MEETING DATE: January 28, 2021

SUBJECT: Utility System Efficiencies, Inc. – Five Year Multi-Task Professional Services Agreement for WECC and NERC Reliability Related Consulting Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

AGENDA CATEGORY: Consent

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

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

RECOMMENDATION:

Approve Resolution XX-XX authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc. for WECC and NERC reliability related consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

It is recommended that this item be placed on the Commission Consent calendar.

BACKGROUND:

WECC and NERC reliability related consulting services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. NCPA had a previous agreement in place with Utility System Efficiencies, Inc., which is running low on funds. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA does not have any other agreements for similar services with additional vendors at this time.

FISCAL IMPACT:

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

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

Pending Committee Approvals.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc.

RESOLUTION 20-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH UTILITY SYSTEM EFFICIENCIES, INC.

(reference Staff Report #XXX:20)

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

WHEREAS, Utility System Efficiencies, Inc. is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task Professional Services Agreement with Utility System Efficiencies, Inc. to provide such services as needed at all NCPA facilities, NCPA Members, SCPPA, and SCPPA Member facilities in an amount not to exceed \$500,000 over five years; and

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

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

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021 by the following vote on roll call:

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

TERESA O'NEILL
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND UTILITY SYSTEM EFFICIENCIES, INC.

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Utility System Efficiencies, Inc., a corporation with its office located at 2814 Freeport Blvd., Sacramento, CA 95818 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 20__ ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. 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, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services 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 Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services or does not respond within the seven day period

specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. **COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED FIVE HUNDRED THOUSAND** dollars (\$500,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant'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 Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 **Invoices.** Consultant 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;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 **Monthly Payment.** Agency shall make monthly payments, based on invoices received, for services 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 Consultant.

2.3 **Payment of Taxes.** Consultant 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 Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

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

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, 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 Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant 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.** Consultant 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 Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant 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 Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

mobile equipment to the extent coverage may be excluded from general liability insurance.

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

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

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Consultant 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. Consultant 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 Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific

Agency member, SCPPA or Agency member for which the Services are to be performed.

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

4.5 Consultant's Obligation. Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services 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. Consultant shall also ensure that all workers involved in the provision of Services 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 CONSULTANT'S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant 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, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 Scope. Consultant 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 to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they 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 negligence, active negligence, or willful misconduct of the Agency.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel

pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant 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.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

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, due to 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 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant 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 Consultant and is based upon a determination of Consultant'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 Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant 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, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services 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, Consultant 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.** Consultant 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.** Consultant represents and warrants to Agency that Consultant 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.

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 Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant 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 Consultant shall survive the termination of this Agreement.

8.4 Options upon Breach by Consultant. If Consultant 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 Consultant pursuant to this Agreement;
- 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
- 8.4.4** Charge Consultant the difference between the costs to complete the Services that are unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant'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 Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services 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 Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant 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 confident; 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, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the

Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 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.
- 10.2 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.
- 10.3 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.
- 10.4 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.
- 10.5 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.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant 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.*

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

10.8 Notices. Any written notice to Consultant shall be sent to:

Utility System Efficiencies, Inc.
Attention: Daniel M. Wood, CFO
2814 Freeport Blvd.
Sacramento, CA 95818

Any written notice to Agency shall be sent to:

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

With a copy to:

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

10.9 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.

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

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

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

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

- 10.11.3** 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.
- 10.11.4** 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.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** 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.*

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

10.13 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.

10.14 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.

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

///

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

NORTHERN CALIFORNIA POWER AGENCY

UTILITY SYSTEM EFFICIENCIES, INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

DANIEL M. WOOD,
Chief Financial Officer

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Utility System Efficiencies, Inc. ("Consultant") shall provide assistance related to WECC and NERC reliability criteria as requested by the Northern California Power Agency ("Agency") at any Facilities owned and/or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members.

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

- Conduct necessary transmission and other studies for impact and Critical Assets;
- Conduct preparatory Compliance Audits;
- Review and comment on NCPA procedures and processes for compliance;
- Provide compliance related documentation as necessary; and
- Represent NCPA, NCPA Members, SCPPA or SCPPA Members before WECC, NERC, etc. regulatory bodies.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed 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:

Billing rates may be based on the tasks performed and not necessarily on the individual performing the work. Notwithstanding, our general professional engineering and other services will be provided at the following rates:

Executive Power Systems Engineering	EPSE	\$ 280.00
Principal Power Systems Engineering	PPSE	\$ 250.00
Senior Power Systems Engineering	SPSE	\$ 230.00
Environmental and Geographic Info. Specialist	EGIS	\$ 185.00
Geographic Information System Specialist	GISS	\$ 125.00

Rates for testimony in a regulatory proceeding will be negotiated on a case-by-case basis.

Other professional staff and/or sub-consultant rates may be added to the project with the concurrence of the Client.

All general and administrative costs and benefits are included in the direct labor rate.

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

NOTE: As a public agency, NCPA shall not reimburse Consultant 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

Utility System Efficiencies, Inc.

(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.



Commission Staff Report

Date: November 18, 2020

COMMISSION MEETING DATE: December 3, 2020

SUBJECT: Authorize NCPA General Manager to Execute Amended Confirmation No. 0117 for Burns & McDonnell Services to the City of Lodi/Lodi Electric Utility and Issue a Corresponding Purchase Order Under the Support Services Program

AGENDA CATEGORY: Consent

FROM:	Monty Hanks Chief Financial Officer/ Asst. General Manager Administrative Services	METHOD OF SELECTION: <i>Other: Lodi Acknowledged Satisfaction of City's Purchasing Policies</i>
Division:	Administrative Services	

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

RECOMMENDATION:

Subject to approval by the Lodi City Council and under the terms of the NCPA Support Services Program Agreement, approval of Resolution 20-100 authorizing the NCPA General Manager or his designee to execute Amended Confirmation No. 0117, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Burns & McDonnell for additional engineering, design, and environmental analysis services for the Pacific Gas & Electric No. San Joaquin 230kV Transmission PEA Development Project.

BACKGROUND:

The City of Lodi became a signatory to the Northern California Power Agency (NCPA) Support Services Program Agreement (SSPA) on September 7, 2016, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors.

In June 2019 the City of Lodi/Lodi Electric Utility (Lodi) submitted a Member Task Request under the SSPA for preliminary engineering, design, and environmental analysis services from Burns & McDonnell for the PG&E No. San Joaquin 230kV Transmission PEA Development Project. Confirmation No. 0117 was executed between NCPA and Lodi and a Purchase Order was issued in August 2019 for the services. The initial Confirmation and Purchase Order were within the procurement authority of NCPA's General Manager.

Burns & McDonnell has informed Lodi that changes to the California Public Utilities Commission (CPUC) process and deliverables have affected the approach and schedule for the project. Most notably, Burns & McDonnell advised that the CPUC has increased the data and information required to submit a PEA and added additional steps that have increased the schedule and duration of activities. As a result, the cost for the Burns & McDonnell services has increased by \$39,071, which results in a total of \$268,361. Lodi has requested that NCPA amend the original Confirmation and increase the Purchase Order amount accordingly.

If approved, Amended Confirmation No. 0117 provides that NCPA agrees to provide the requested support services through its contract with Burns & McDonnell in the amount not-to-exceed \$268,361. With the addition of NCPA's administrative fees, the total amount expended under the Amended Confirmation will not exceed \$275,811. The services are expected to be completed before October 25, 2021.

This item will be considered by the Lodi City Council at its meeting on December 16, 2020, and is subject to that approval.

FISCAL IMPACT:

There is no fiscal impact to NCPA. The services provided by Burns & McDonnell to the City of Lodi/Lodi Electric Utility will be billed to and paid by Lodi pursuant to the terms of the Support Services Program Agreement. NCPA's administrative costs will be reimbursed by Lodi.

SELECTION PROCESS:

Lodi will utilize Burns & McDonnell services through NCPA's Support Services Program and has confirmed through submission of its Task Request that it is responsible for satisfying the City of Lodi's Purchasing Policies.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation will be reviewed by the NCPA Facilities Committee at its meeting on December 2, 2020, and if approved, request is made for Commission approval on the Consent Calendar.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments: (3)

- Resolution 20-100
- Proposed Amended Confirmation No. 0117
- Executed Confirmation No. 0117

RESOLUTION 20-100

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY AUTHORIZING THE GENERAL MANAGER TO EXECUTE AMENDED CONFIRMATION NO. 0117 FOR BURNS & MCDONNELL SERVICES TO THE CITY OF LODI/LODI ELECTRIC UTILITY AND ISSUE A CORRESPONDING PURCHASE ORDER UNDER THE SUPPORT SERVICES PROGRAM

(reference Staff Report #238:20)

WHEREAS, the City of Lodi became a signatory to the Northern California Power Agency (NCPA) Support Services Program Agreement (SSPA) on September 7, 2016, which agreement authorizes among other things, the purchase or acquisition of goods and services by NCPA Members through use of NCPA's agreements with its vendors; and

WHEREAS, in June 2019 City of Lodi/Lodi Electric requested services from Burns & McDonnell related to the PG&E No. San Joaquin 230kV Transmission PEA Development Project through the SSPA; and

WHEREAS, Confirmation No. 0117 was executed between NCPA and the City of Lodi and a Purchase Order was issued in August 2019 for the services, both of which were within the procurement authority of NCPA's General Manager; and

WHEREAS, as a result of changes to the California Public Utilities Commission process and deliverables, the cost for the Burns & McDonnell services has increased by \$39,071, which results in a total of \$268,361; and

WHEREAS, City of Lodi/Lodi Electric Utility has requested that NCPA amend the original Confirmation and increase the Purchase Order amount. Amended Confirmation No. 0117 provides that NCPA agrees to provide the requested support services through its contract with Burns & McDonnell in the amount not-to-exceed \$268,361. With the addition of NCPA's administrative fees, the total amount expended under the Amended Confirmation will not exceed \$275,811. The services are expected to be completed before October 25, 2021; and

WHEREAS, this item will be considered by the Lodi City Council at its meeting on December 16, 2020, and is subject to that approval; and

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

NOW, THEREFORE BE IT RESOLVED, subject to approval by the Lodi City Council and under the terms of the NCPA Support Services Program Agreement, the Commission of the Northern California Power Agency authorizes the NCPA General Manager or his designee to execute Amended Confirmation No. 0117, with any non-substantive changes as approved by the NCPA General Counsel, and issue a corresponding Purchase Order to Burns & McDonnell for additional engineering, design, and environmental analysis services for the Pacific Gas & Electric No. San Joaquin 230kV Transmission PEA Development Project.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2020, by the following vote on roll call:

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

TERESA O'NEILL
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY

**AMENDED CONFIRMATION UNDER THE NCPA SUPPORT SERVICES
PROGRAM AGREEMENT**

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

2. The Participating Member for this Amended Confirmation is the CITY OF LODI in the total amount of not-to-exceed \$268,361.00 for the Burns & McDonnell services described in paragraph 3. The services amount includes the original proposal amount of \$229,290.00 plus the increased amount of \$39,071.00 required as a result of changes to the CPUC process and deliverables, as fully described in its updated proposal dated November 4, 2020.

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

Burns and McDonnell to provide engineering services, design, and environmental analysis for the Pacific Gas & Electric Northern San Joaquin 230kV Transmission Project to be incorporated into PG&E's PEA, per the updated proposal submitted to Lodi Electric Utility, dated November 4, 2020, copy attached. The services began in August 2019, and are estimated for completion by September 2021.

4. The CITY OF LODI agrees to pay for the Support Services in the amount set forth in paragraph 2 above; plus the administrative fees in the amount not-to-exceed \$7,450.00 (\$685 for development of the Confirmation and first month's processing, plus \$165 per month for each additional month administrative costs are actually incurred) in accordance with the provisions of the Support Services Program Agreement. Billing to the CITY OF LODI for said services will be through a Special Invoice. The total amount expended under this Amended Confirmation will not exceed \$275,811.00.

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

Date: _____

Date: _____

Participating Member:

CITY OF LODI

NORTHERN CALIFORNIA POWER AGENCY

By its Designated Representatives:

By: _____
Randy S. Howard, General Manager

Stephen Schwabauer, City Manager

And

Attest:

Janice D. Magdich, City Attorney

Assistant Secretary to Commission

Attest:

Approved as to form:

By: _____
Jennifer Cusmir, City Clerk

By: _____
Jane E. Luckhardt, NCPA General Counsel



November 4, 2020

Hasan Shahriar
Lodi Electric Utility
1331 S. Ham Lane
Lodi, CA 95242

Re: Contract Amendment for the Lodi Electric Utility PEA Development

Dear Mr. Shahriar,

Since August 2019, Burns McDonnell has provided preliminary engineering design services and environmental consultation to support Lodi Electric Utility in the development of PEA documentation for the Northern San Joaquin 230kV Transmission project. During execution of this project, changes to the CPUC process and deliverables have affected the approach and schedule for this project. Most notably, the CPUC has increased the data and information required to submit a PEA and added additional steps that have increased schedule and duration of activities.

The purpose of this proposal is to amend the contract to capture cost and schedule changes to the project due to changes in the CPUC process, including anticipated support tasks to complete PEA development and submittal in 2021.

Please feel free to contact me at (913) 522-3431 if you have any questions about our proposal. We appreciate your consideration and look forward to continuing supporting you on this important project.

Sincerely,

A handwritten signature in blue ink that reads "Mike Washburn". The signature is fluid and includes a long, sweeping underline that extends to the right.

Mike Washburn, PE
Project Manager
Transmission & Distribution Services

Contract Amendment

Since August 2019, Burns & McDonnell has been actively working and supporting the Northern San Joaquin 230kV Transmission PEA Development for Lodi Electric Utility. During execution of this project, changes to the CPUC process and deliverables have affected the approach and schedule for this project. Most notably, the CPUC has increased the data and information required to submit a PEA and added additional steps that have increased schedule and duration of activities. This contract amendment captures additional costs and schedule to the project due to changes in the CPUC process, including anticipated support tasks to complete PEA development and submittal in 2021.

Project Approach

Overview

The City of Lodi Electric Utility (Lodi Electric Utility) is a local municipal utility that supplies electricity to its customers. Lodi Electric Utility is a member of the Northern California Power Agency (NCPA). Lodi Electric Utility is responsible for design and construction of a new, City-owned 230/60kV substation as a component of the Pacific Gas & Electric (PG&E) Northern San Joaquin 230kV Transmission Project. The preferred site was selected after a thorough siting and routing assessment and is located at the intersection of E. Thurman Rd. and S. Guild Ave in Lodi, California. The “site” is approximately 17 acres and is comprised of two parcels (APNs 4931009 and 4931008). Surrounding uses include industrial operations such as agricultural processing facilities.

The new 230/60kV substation would be constructed adjacent to Lodi Electric Utility’s existing 60/12kV Industrial Substation and the yet-to-be constructed PG&E switching station located on the same parcel of land. Along with the new City of Lodi Substation, the Project also consists of modifications to the existing Industrial Substation owned by Lodi Electric Utility. The Project will help address the area’s reliability needs by adding 230kV transmission lines from PG&E’s existing Lockeford Substation to a new 230kV switching station.

PG&E will be applying for a CPCN from CPUC, which has jurisdiction over the siting and routing of electric transmission infrastructure in California. A component of the CPCN application is the PEA which is being prepared by PG&E for the Project. Lodi Electric Utility will incorporate their portion of the scope of the Project into PG&E’s CPCN application. Therefore, Burns & McDonnell has been requested by the utility to provide design and environmental analysis for their Project to be incorporated into PG&E’s PEA.

Engineering & Environmental Support

Incorporation of revised CPUC guidelines and checklist items in Support of PEA Filing

Burns & McDonnell shall review the revised CPUC guidance and provide or modify additional information/data in support of the PEA documentation and filing. Project deliverables shall be planned, developed, and executed in a coordinated approach. All Burns & McDonnell's deliverables shall be subject to review and approval by the Lodi Electric Utility's designated representative as appropriate.

RFI Support and LEU/PG&E Coordination

Burns & McDonnell shall provide response and coordination to PG&E requests for information (RFI's) to finalize PEA deliverables and documentation. It is anticipated that Lodi Electric Utility or designated representative(s) will also be required to provide data, information, and guidance as needed to fully reply to RFI requests. RFI's and coordination may include:

Coordination, Meetings, and Project Management

- ▶ Ongoing Project Coordination, Meetings, and Project Management
 - Prepare for, participate in, and follow-up on regularly scheduled project meetings
 - Request and coordinate input and follow up from Lodi Electric Utility stakeholders
 - Provide regular progress reports to Lodi Electric Utility

Technical Studies, Drawings, and Calculations

- ▶ Technical Studies and Analyses
 - Support technical analysis review and updates
- ▶ Drawings and Calculations
 - Revise drawings and calculations previously prepared for the PEA documentation and filing.

PEA Development

- ▶ PEA Sections
 - Revise written sections of PEA in accordance with CPUC content requirements for a PEA

Final Preparation of PEA

Final Revised PEA

After receipt of one consolidated set of comments from Lodi Electric Utility, PG&E, and resolution of RFI's, the documentation will be revised, and a Final Revised PEA will be prepared. The Final Revised PEA will include the main volume and a second volume that includes the technical reports and other referenced appendices to the PEA. This scope of work anticipates a minor level of revisions. Substantive revisions and/or new or substantially expanded technical analyses are not anticipated.

Burns & McDonnell will cooperate with PG&E to incorporate our sections of the PEA into the ultimate submittal.

Assumptions & Clarifications

Engineering Approach & Assumptions

- ▶ Original assumptions & clarifications shall remain as stated in the original proposal/contract.
- ▶ This contract amendment assumes four (4) RFI's totaling no more than 40-hrs each to respond and coordinate.

Revised Pricing

Project Cost & Milestones

The work will be executed per contract terms and conditions, on a Lump Sum Fee basis and invoiced per the Milestone Payment Schedule below.

Revised Budget Table

(*Indicates revised or additional budget item)

Tasks & Deliverables	Budget
*Engineering Support	\$135,135
Substation Tasks & Deliverables	\$72,883
Coordination, Meetings, and Project Management	\$37,954
Technical Studies, Drawings, and Calculations	\$12,826
*PEA Development	\$19,174
Civil Tasks & Deliverables	\$65,181
Coordination, Meetings, and Project Management	\$18,910
Technical Studies, Drawings, and Calculations	\$43,199
PEA Development	\$3,072
Environmental Support	\$84,736
Task 1: Project Initiation	\$12,072
Task 1.a: Project Kick-off/Initiation	\$898
Task 1.b: Preliminary Due Diligence	\$1,914
Task 1.c: Project Description Development	\$9,260
Task 2: Technical Studies	\$34,422
Task 2.a: Air Quality and Greenhouse Gas Calculations	\$8,214
Task 2.b: Noise Assessment	\$17,845
Task 2.c: Construction Traffic Analysis	\$8,363
Task 3: Preparation of PEA	\$38,242
Task 3.a: First Draft PEA	\$23,228
Task 3.b: Second Draft PEA	\$9,498
Task 3.c: Final Revised PEA	\$5,516
Subcontracted Services	\$6,490
Geotechnical Subcontractor: Service Option	
1: Data Study and Preliminary Geotechnical Report	\$6,490
*Incorporate Revised CPUC Items	\$10,000
*RFI Support	\$32,000
RFI #1	\$8,000

RFI #2	\$8,000
RFI #3	\$8,000
RFI #4	\$8,000

Original Total - With Studies and Geotechnical Services	\$229,290
Additional Costs	\$39,071
Amended Total	\$268,361

Revised Milestone Table

(*indicates new/revised milestone item)

Milestone Payment Schedule

Project Kick-off and Walkdown	\$68,787.00
Submit First Draft	\$103,180.50
Submit Revised (Second) Draft	\$34,393.50
*Incorporate Revised CPUC Items	\$10,0000
*Reply to RFI #1	\$8,000
*Reply to RFI #2	\$8,000
*Reply to RFI #3	\$8,000
*Reply to RFI #4	\$8,000
*Submit Final Revised	\$20,000.00

Total	\$268,361
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Notes

- Invoices are due upon receipt. A late payment charge of 1.5% per month will be added to all amounts not paid within 30 days of the invoice date.

**CONFIRMATION UNDER THE NCPA SUPPORT SERVICES PROGRAM
AGREEMENT**

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

2. The Participating Member for this Confirmation is the CITY OF LODI in the total amount of not-to-exceed \$229,290.00 for the Burns & McDonnell services described in paragraph 3.

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

Burns and McDonnell to provide engineering services, design, and environmental analysis for the Pacific Gas & Electric Northern San Joaquin 230kV Transmission Project to be incorporated into PG&E's PEA, per the proposal submitted to Lodi Electric Utility, Revision 2, copy attached. The services are estimated to begin on July 1, 2019, and continue through December 31, 2022.

4. The CITY OF LODI agrees to pay for the Support Services in the amount set forth in paragraph 2 above; plus the administrative fees in the amount not-to-exceed \$7,450.00 (\$685 for development of the Confirmation and first month's processing, plus \$165 per month for each additional month administrative costs are actually incurred) in accordance with the provisions of the Support Services Program Agreement. Billing to the CITY OF LODI for said services will be through a Special Invoice. The total amount expended under this Confirmation will not exceed \$236,740.00.

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

Date: 8/22/19

Date: 8/22/19

Participating Member:

CITY OF LODI

NORTHERN CALIFORNIA POWER AGENCY

By its Designated Representatives:

By: Randy S. Howard
Randy S. Howard, General Manager

Stephen Schwabauer
Stephen Schwabauer, City Manager

And

Attest:

Janice D. Magdich
Janice D. Magdich, City Attorney

Cary A. Padgett
Cary A. Padgett, Assistant Secretary to Commission

ES-AGY-2016-001


Jennifer M. Ferraiolo
JENNIFER M. FERRAILOLO
City Clerk

Confirmation No. 0117

Attest:

By: 
Jennifer M. Ferraiolo, City Clerk

Approved as to form:

By: 
Jane E. Luckhardt, NCPA General Counsel

PROPOSAL FOR
PEA DEVELOPMENT
REVISION 2

SUBMITTED TO
LODI ELECTRIC UTILITY

JUNE 5, 2019





June 5, 2019

Jay Marchesseault
Engineering and Operations Manager
Lodi Electric Utility
1331 S. Ham Lane
Lodi, CA 95242

Re: Proposal for the Lodi Electric Utility PEA Development

Dear Mr. Marchesseault,

Lodi Electric Utility requires an experienced, familiar, and capable team with extensive knowledge of PEA development to accomplish the goals of the project. Burns & McDonnell is the right team to provide the engineering design and environmental support for Lodi Electric Utility's project effectively, on time, and on budget.

Our team brings the following advantages to Lodi Electric Utility for this project:

- ▶ ***Existing Knowledge of the Northern San Joaquin 230kV Transmission Project*** - Burns & McDonnell is currently supporting PG&E with the overall PEA application for this project
- ▶ ***Extensive Experience with PEA Submissions in CA*** - Our engineering and environmental professionals have worked on multiple PEA applications over the past decade
- ▶ ***We Design with the Impact in Mind*** - Our engineers will work with the Lodi Electric Utility team to engineer long-term solutions that are cost-effective

As you will see in our proposal, we have provided pricing for the various services and look forward to discussing your needs to further define the services within the proposal. With the strength and depth of our substation project engineering and environmental team, we are equipped to successfully support Lodi Electric Utility and add value to the development of the PEA. Please feel free to contact me at (360) 553-9558 if you have any questions about our proposal. We appreciate your consideration and look forward to working with you on this important project.

Sincerely,

A handwritten signature in blue ink, reading 'Tim Turnbull'.

Tim Turnbull
Client Segment Manager
Transmission & Distribution Services

A handwritten signature in blue ink, reading 'Mike Washburn'.

Mike Washburn, PE
Project Manager
Transmission & Distribution Services

CONTENTS

Introduction	1
Project Approach	3
Project Team	13
Assumptions & Clarifications	14
Pricing	16

Introduction

As a local electric utility, Lodi Electric Utility undertakes projects to provide more reliable service to your customers and the community. To successfully execute and support the Northern San Joaquin 230kV Transmission PEA Development, Lodi Electric Utility needs the comprehensive team that intimately understands the nuances of the CEQA process and can develop innovative and constructible mitigation strategies to minimize environmental impacts, schedule, and costs.

Burns & McDonnell has been actively working and supporting the Northern San Joaquin 230kV Transmission PEA Development since its inception. We have invested the time and resources in making sure the PEA Development continues to full approval and is prepared for successful execution of the next steps in the project life-cycle and realizing the full benefits for your community.

The Burns & McDonnell Team Advantage

1

Existing Knowledge of the Northern San Joaquin 230kV Transmission Project

2

Extensive Experience with PEA Submissions in CA

3

We Design with Impact in Mind

Existing Knowledge of the Northern San Joaquin 230kV Transmission Project



No ramp-up time, close coordination

Time is short and Lodi Electric Utility will rely on an all-inclusive team that knows and understands this project can be completed on time. Our team has extensive experience with the Northern San Joaquin 230kV Transmission Project, starting in late 2015. To date, we have assisted PG&E with the PEA Development for this project, including a detailed initial scoping process. Our team's experience to date with this project, coupled with our relationships with PG&E and other project stakeholders, gives us a head start on this project to provide Lodi Electric Utility with a holistic, closely-coordinated engineering support and PEA Development effort.

Experience with PEA Submissions in CA



A diverse bench of technical experts with successful PEA experience

Lodi Electric Utility needs a firm that knows what it takes to complete a Proponents Environmental Assessment (PEA) that will address anticipated California Public Utilities Commission (CPUC) concerns up front. Our team is one of few who can perform all services from licensing to engineering to construction, and everything in between. We are also one of few teams with extensive licensing support experience for a variety of projects, having

**SUPPORTED DOZENS OF
PEAS IN CA**

supported dozens of PEAs and hundreds of similar efforts across California and the country. This experience gives us current, first-hand knowledge of the environmental permitting, planning, construction, and restoration requirements affecting substation projects in California.

Burns & McDonnell has been involved in design aspects of the Northern San Joaquin 230kV Transmission Project (formerly called the Lockeford-Lodi Project) for PG&E since 2016 and therefore our team has a detailed understanding of the Project complexities and its affected communities. Furthermore, our team includes key environmental staff who have experience working for PG&E and preparing environmental documentation, including PEAs, for submittal to the CPUC. Our environmental staff have served as in-house Project Managers for PG&E and have performed environmental due diligence for hundreds of PG&E projects. As an integrated part of the overall team, our environmental staff is highly experienced at coordinating with our engineering colleagues to gather the information we need for our analyses.

Through these projects and others, we have built solid working relationships with the CPUC and other California regulatory agencies, improving agency responsiveness, facilitating the environmental review process, and providing credibility when interpreting construction compliance with environmental standards. With an understanding of CPUC requirements – and using our depth of California Environmental Quality Act (CEQA) experience at the firm – [Burns & McDonnell can help Lodi Electric Utility complete the project approval process and produce value-add deliverables for the PEA and Certificate of Public Convenience and Necessity \(CPCN\) Application.](#)

We Design with the Impact in Mind



All angles are covered with long-term, and cost-effective solutions

The goal of this project is to develop a constructible substation scope that will minimize CPUC data requests and, therefore, time and money. Because our substation and transmission engineering teams are involved on these projects now, we will develop [legally defensible PEA](#) documentation that will be effective during the CPUC licensing process, but also constructible in the end. We don't just create a "band-aid solution" to obtain a PEA; we do it right the first time and [propose long-term solutions](#) that are cost-effective. Our goal is to work for the benefit of Lodi Electric Utility, continually assessing and correcting the approach as needed, and in the end, offer the Lodi Electric Utility actual cost savings over the life of the project execution — not just during the design phase.

The following proposal presents our approach and capabilities to execute the Lodi Electric Utility's portion of the PEA development for the Northern San Joaquin 230kV Transmission project. We welcome the opportunity to present our capabilities to Lodi Electric Utility and further expand upon our proposal and services included.

Project Approach

Overview

The City of Lodi Electric Utility (Lodi Electric Utility) is a local municipal utility that supplies electricity to its customers. Lodi Electric Utility is a member of the Northern California Power Agency (NCPA). We understand that Lodi Electric Utility is responsible for design and construction of a new, City-owned 230/60kV substation as a component of the Pacific Gas & Electric (PG&E) Northern San Joaquin 230kV Transmission Project. The preferred site was selected after a thorough siting and routing assessment and is located at the intersection of E. Thurman Rd. and S. Guild Ave in Lodi, California. The “site” is approximately 17 acres and is comprised of two parcels (APNs 4931009 and 4931008). Surrounding uses include industrial operations such as agricultural processing facilities.

The new 230/60kV substation would be constructed adjacent to Lodi Electric Utility’s existing 60/12kV Industrial Substation and the yet-to-be constructed PG&E switching station located on the same parcel of land. Along with the new City of Lodi Substation, the Project also consists of modifications to the existing Industrial Substation owned by Lodi Electric Utility. The Project will help address the area’s reliability needs by adding a double-circuit 230kV transmission line from PG&E’s existing Lockeford Substation to a new 230kV switching station.

It is our understanding that PG&E will be applying for a CPCN from CPUC, which has jurisdiction over the siting and routing of electric transmission infrastructure in California. A component of the CPCN application is the PEA which is being prepared by PG&E for the Project. Lodi Electric Utility will incorporate their portion of the scope of the Project into PG&E’s CPCN application. Therefore, Burns & McDonnell has been requested by the utility to provide design and environmental analysis for their Project to be incorporated into PG&E’s PEA. The Burns & McDonnell team proposes to provide most of the necessary services in-house for maximum efficiency and efficacy. This approach allows the Project to proceed efficiently with an in-house team of designers and environmental professionals without additional contracting delays and clear separation of costs for preparation of PEA analysis and supporting technical studies.

The scope of this proposal is to support Lodi Electric Utility’s PEA filing with the CPUC for the Northern San Joaquin 230kV Transmission project.

Engineering Support

Preliminary Design in Support of PEA Filing

Engineering for the Project shall be planned, developed and executed in a coordinated approach. All Burns & McDonnell’s deliverables shall be subject to review and approval by the Lodi Electric Utility’s designated representative as appropriate.

Burns & McDonnell shall provide standard deliverables for the development of substation siting.

New City of Lodi Substation

Design substation to support ultimate site plan, support interconnection with PG&E T-line and Industrial Substation connections.

- ▶ Evaluate different interface details required to interconnect the new City of Lodi Substation to PG&E's new switching station.
- ▶ Evaluate different interface details required to connect the new City of Lodi Substation to the Lodi Electric Utility's existing Industrial Substation.
- ▶ Develop ultimate substation site plan and single line (one line).
- ▶ Develop one (1) combined control and battery building to house all control, monitoring and protection equipment to support ultimate substation site plan and necessary PG&E/CAISO metering equipment.

Industrial Substation

Modify substation to support revised site plan, support connection with the new City of Lodi Substation connections.

- ▶ Evaluate various interface details required to connect to the new City of Lodi Substation at Industrial Substation.
- ▶ Evaluate various interface details required to disconnect the Lodi Electric Utility's existing Industrial Substation to PG&E's existing 60kV transmission system.
- ▶ Revise existing site plan and single line.

Substation Tasks & Deliverables

Coordination, Meetings, and Project Management

- ▶ Project Kick-Off/Walk down
 - Prepare Project Kick-Off/Walk down site visit meeting documentation such as preliminary project requirements, single line diagram, and electrical arrangement.
 - Participate in on-site project kick-off meeting.
 - Revise documents as needed per the site walk down and send to project stakeholders for review and approval.
- ▶ Ongoing Project Coordination, Meetings, and Project Management
 - Prepare preliminary construction sequence plan
 - Coordinate with Lodi Electric Utility for any outage constraints
 - Prepare for, participate in, and follow-up on weekly project meetings
 - Request and coordinate input and follow up from Lodi Electric Utility stakeholders
 - Provide regular progress reports to Lodi Electric Utility
 - Attend site visit to refine documentation and undertake feasibility reviews
- ▶ Assist with Civil Tasks & Deliverables
- ▶ Assist with Environmental Tasks & Deliverables

Technical Studies, Drawings, and Calculations

- ▶ Technical Studies and Analyses
 - Support technical analysis requirements
- ▶ Preliminary Drawings and Calculations

- Prepare preliminary substation drawings in MicroStation
- Update existing and/or create new single line diagram and obtain Lodi Electric Utility approval. Includes both initial and ultimate station arrangements.
- Update existing and/or create new station electrical arrangement plan and section drawings showing the proposed location of new equipment and obtain Lodi Electric Utility approval. Includes both initial and ultimate station arrangements.
- Work with Lodi Electric Utility to assist in the development of project technical requirements within their standard philosophies (i.e. protection, control, communications, civil, structural)

PEA Development

- ▶ Substation PEA Sections
 - Develop written sections of PEA in accordance with CPUC content requirements for a PEA (i.e. summary, project description requirements, construction methods, construction workforce and equipment, etc.)

Civil Tasks & Deliverables

Coordination, Meetings, and Project Management

- ▶ Project Kick-Off/Walk down
 - Prepare Project Kick-Off/Walk down site visit meeting documentation such as preliminary project requirements, single line diagram, and electrical arrangement.
 - Participate in on-site project kick-off meeting.
- ▶ Ongoing Project Coordination and Meetings
 - Prepare for, participate in, and follow-up on weekly project meetings
 - Request and coordinate input and follow up from Lodi Electric Utility stakeholders
 - Assist with regular progress reports to Lodi Electric Utility
 - Attend site visit to refine documentation and undertake feasibility reviews

Technical Studies, Drawings, and Calculations

- ▶ Technical Studies and Analyses
 - Request site geotechnical reports. Utilize geotechnical subcontractor as needed
 - Develop preliminary boring plans and technical guidelines to aid in requesting services
 - Request site survey and develop survey extents
- ▶ Preliminary Drawings and Calculations
 - Prepare preliminary design drawings in MicroStation 2D
 - Foundation plan and road alignment plan
 - Conceptual stormwater designs
 - Grading plan (includes stormwater ponds)
 - Oil containment plan and details
 - Perimeter fence/wall details (if required)

PEA Development

- ▶ Civil PEA Sections
 - Develop written sections of PEA in accordance with CPUC content requirements for a PEA (i.e. access roads, erosion and sediment control, etc.)

Environmental Support

Task 1: PEA Development (Phase I)

Task 1.a: Project Initiation

Our Environmental Task Leader will conduct a Project initiation meeting to review goals and objectives, organization chart, policies and procedures, budget, overall schedule, and quality assurance procedures. As part of the overall management of this Project, our team will prepare a Project Description checklist, as a value-added benefit to increase efficiencies. The Project Description checklist will aid Lodi Electric Utility staff in the preparation of a complete Project Description rather than piecing information together through multiple rounds of review.

Task 1.b: Preliminary Due Diligence

A preliminary review of existing environmental data will be conducted to evaluate the presence of critical resources and identify potential fatal flaws that could result from development of the Project. In this task, Burns & McDonnell will perform a CEQA preliminary review through a high-level, desktop evaluation of the proposed sites using GIS research and publicly available information and reports. The biological assessment will help identify mitigation requirements and solutions based on Federal and State waters and species regulations.

Suggested GIS layers for this phase of preliminary review include, but are not limited to, the following:

- ▶ FEMA floodplains
- ▶ Government lands
- ▶ Wetlands, surface water, vernal pools and floodplains
- ▶ Biological assessment (sensitive species, wildlife areas, etc.)

Note: Includes queries of species occurrences from the CDFW California Natural Diversity Database (CNDDB) and the CNPS Online Inventory of Rare and Endangered Plants for relevant sensitive species data, and CDFW/USFWS databases for species critical habitat units and corridors.

- ▶ Cultural restrictions
- ▶ FMMP/Williamson Act
- ▶ Geology
- ▶ Review of soils and/or geotechnical data (if available)

Note: It's Burns & McDonnell's understanding that a separate geotechnical report specific to the Project may be conducted separately from this scope of work. If geotechnical reports (and/or borings) are not available, recommendations will be made based on publicly available data and industry experience at the site as to the criticality of borings at this phase of the Project. If required, Burns & McDonnell will support in obtaining geotechnical data separately from this proposal.

- ▶ Terrain/slope/access/topography
- ▶ Local zoning/General plan compatibility

- ▶ Land availability, existing use, and ownership type
- ▶ Visual resources
- ▶ Proximity to receptors (noise, visual, odors, fugitive dust, etc.)
- ▶ Land use and recreational resources
- ▶ Environmental data resources report and radius map
- ▶ Transport and site access
- ▶ Applicable laws, ordinances, regulations and standards

The data gathered in this step from the desktop constraints analysis review will yield information for use by our team towards development of the PEA. This enables a head start on the PEA while the Project Description is taking shape, thereby minimizing the sequential link between the two activities. Throughout the evaluation, if any fatal flaws are identified at this early stage, these will be brought to the attention of Lodi Electric Utility as soon as practicable.

Task 1.c: Project Description Development

To write PEA Chapters 2 and 3 and to properly evaluate certain specific resources such as air, biological resources, noise, and visual resources, the Project team must agree to a Project Description. Our environmental lead will work diligently with other team leads to develop consensus on a Project Description as soon as possible. It is recognized that these details may change somewhat as design progresses, but it will be important for our environmental team to have a firm Project Description to appropriately conduct technical studies and kick-off preparation of the PEA chapters. Generally, a 30% design is the appropriate design completion target for this stage of the Project.

Task 2: Technical Studies

Burns & McDonnell understands that PG&E may provide supporting technical studies for the parcels of land, or adjacent parcels of land, and that Lodi Electric Utility may be able to use such supporting studies to prepare certain analyses. However, it is not known at this time which studies will be made available, if any. Therefore, we have prepared optional scope/cost estimates for the technical areas below which we anticipate will be required to support development of the PEA. Each technical report will describe the affected environment (Existing Setting); the applicable laws, ordinances, and regulations (LORS), the environmental impacts and consequences of the Project, and potential mitigation measures (consistent with PG&E/Lodi Electric Utility mitigation guidance). We assume that PG&E will prepare any relevant alternatives and cumulative impact assessments for the entirety of the Project.

Task 2.a: Air Quality and Greenhouse Gas Calculations

The Burns & McDonnell team will prepare an Air Quality and Greenhouse Gas letter report or memo for the Project in accordance with the procedures and requirements of the City and the relevant Air Pollution Control District (APCD). Air quality impacts resulting from construction will be calculated. Dust emissions and exhaust from worker commutes and equipment travel contribute to construction-related emissions. This report would include baseline air quality conditions, short-term construction air pollutant emissions, consistency analysis with the applicable APCD requirements and regional air quality strategy (if applicable), and greenhouse gases analysis. Emissions will be

calculated with the CalEEMod air quality model. The report would include the modeling results, significance determinations and minimization measures (if any) as an appendix to the PEA document.

Task 2.b: Noise Assessment

The Burns & McDonnell team will prepare a technical noise impact analysis consistent with local City requirements and noise standards to identify construction and operational noise impacts of the Project and adjacent noise sensitive land uses.

- ▶ Construction Noise Assessment
 - Noise impacts from construction sources will be analyzed based on the equipment expected to be used, length of a specific construction task, equipment power type (gasoline or diesel engine), horsepower, load factor, and percent of time in use. The construction noise impact will be evaluated in terms of maximum levels (L_{max}) and the frequency of occurrence at adjacent sensitive locations. Analysis requirements will be based on the sensitivity of the area and the Noise Ordinance specifications of the City. Noise abatement measures designed to reduce short-term impacts to acceptable noise levels in the vicinity of the Project site will be determined where necessary.
- ▶ Long-term Operational Noise Assessment
 - The City of Lodi has a noise ordinance that limits sound levels to a 5-dB increase over ambient levels during nighttime hours at residential property lines. Because of this, Burns & McDonnell sound specialists will spend one day and one night in the vicinity of the site taking sound measurements. Measurements will occur at various locations as close to the nearest noise-sensitive locations as possible. Noise-sensitive locations include residential areas to the east and the cemetery northeast of the Project site. Sound measurements, which will include measurements of total sound level (dBA) and individual one-third octave band data, will be made during three or four different periods of the day and night in order to obtain an accurate depiction of existing sound levels in the area.
 - The future operational sound levels of the substation will be ISO 9613-2 based modeled with sound modeling software. Available data for nearby structures, topographical land data, and on-site sound sources will be included in the model in order to obtain a more accurate assessment of operational sound levels in the area. Sound contours will be generated by the program for the proposed equipment and represented on GIS aerial figures.
 - The expected operational noise levels at noise sensitive receivers will be estimated and compared to local City requirements. If required, noise mitigation measures will be developed to reduce the operation noise levels to below the identified limits.

A single Sound Study Report will be prepared for the construction and operational noise assessments for the Project. The report will discuss sound terminology used in the study, local regulations, display the modeling results, and provide the recommended mitigation options (if required).

Task 2.c: Construction Traffic Analysis

The Burns & McDonnell team will prepare a Construction Traffic Analysis summary for the Project in accordance with the procedures and requirements of the City and any relevant local guidelines. This scope assumes that Project would not result in significant changes to circulation patterns (such as new street connections). Accordingly, this analysis will not include a traffic assessment for operation of the substation. This analysis will evaluate construction traffic only.

Note: changes to CEQA guidelines pursuant to SB743 has changed the focus of transportation impact analysis from measuring impacts to drivers (LOS) to vehicle miles travelled (VMT). Burns & McDonnell understands that the City will utilize the opt-in period before the use of VMT is mandatory. Lodi Electric Utility has until July 2020 to implement this change in traffic methodology and therefore we will not provide this method of analysis for this Project. The Specific items necessary for preparation of the construction traffic analysis include (but are not limited to) the following:

- ▶ Staging/phasing – A description of staging area location(s), construction phases, and phase duration (including potential overlapping phases).
- ▶ Workers (for each phase) – Approximate number of workers on a typical day, construction schedule/hours (i.e., estimated arrival/departure times), possible carpool/vanpool options, and access routes (including any proposed roadway closures/detours).
- ▶ Hauling/deliveries (for each phase) – Anticipated number of haul/delivery trucks on a typical day, truck schedule/hours, and designated truck routes.
- ▶ Machinery/equipment (for each phase) – A description of any heavy machinery/equipment that requires transport to/from the Project site (not included as part of staging or hauling/deliveries).

The Burns & McDonnell team will utilize the information requested above for purposes of estimating the approximate daily and peak-hour trips to be generated by construction activities. The Burns & McDonnell team will analyze the roadway segments (up to 4 segments) and intersections (up to 4 intersections) adjacent to the Project site to identify potential construction traffic impacts. The construction traffic analysis summary will be prepared in response to the PEA format and content requirements. The report would include the analysis results, significance determinations, and minimization measures (if any) as an appendix to the PEA document.

Task 3: Preparation of PEA

Task 3.a: First Draft PEA

The Burns & McDonnell Team provides the technical expertise to support an environmental impact analysis based on the PEA Checklist, Appendix G of the CEQA Guidelines (environmental checklist), and City Guidelines. We will prepare the PEA in a print-ready document format using the applicable PG&E templates.

We will provide specific and limited information to PG&E for inclusion in the first several chapters of the PEA, including the Executive Summary, Chapter 1 – Purpose and Need, Chapter 2 – Alternatives, and Chapter 3 – Project Description. We will prepare Chapter 4 – Environmental Impact Analysis specific to the City's scope of work. It is assumed that development of Chapter 5 – Comparison of

Alternatives and Chapter 6 – Other CEQA Considerations, the List of Preparers Section, the Glossary, Appendix A – CEQA Checklist, and Appendix B – List of Preparers will be prepared solely by PG&E.

Chapter 4 will include the environmental setting, impacts analysis, and mitigation measures for each of the topics included. The setting will include a description of the physical environment in the vicinity of the Project, including the local and regional environment, and a description of the regulatory environment, including Federal, State, and local regulations. Each Chapter 4 section of the document will include:

- ▶ Overview;
- ▶ Technical Methodology;
- ▶ Regulations Plan, and Standards;
- ▶ Significance Criteria;
- ▶ Applicant Proposed Measures; and
- ▶ References.

The Burns & McDonnell team will coordinate with PG&E when including relevant mitigation measures and Applicant Proposed Measures that may apply to the City scope. It will be important to maintain consistency and avoid conflicts for mitigation between the City parcel and PG&E's proposed switching station.

Burns & McDonnell will evaluate the following topics according to the CPUC's guidance for PEA content requirements:

- ▶ Aesthetics
- ▶ Agriculture
- ▶ Air Quality
- ▶ Biological Resources
- ▶ Cultural Resources
- ▶ Geology, Soils, and Seismic Potential
- ▶ Hazards and Hazardous Materials
- ▶ Hydrology and Water Quality
- ▶ Land Use Permitting
- ▶ Mineral Resources
- ▶ Noise
- ▶ Population and Housing
- ▶ Public Services
- ▶ Recreation
- ▶ Transportation and Traffic
- ▶ Utilities and Public Services

Additional topics recently required under CEQA (such as Wildfire and Energy) will likely be required though the PEA templates from the CPUC and PG&E have not been updated to reflect this change and it is not known whether PG&E will include such items in the ultimate PEA. Burns & McDonnell will include a qualitative analysis for these items. Standalone technical studies are not anticipated to be required for this analysis.

Task 3.b: Revised (Second Draft) PEA

After receipt of comments from Lodi Electric Utility and PG&E on the First Draft PEA, the documentation will be revised and a Revised (second Draft) PEA will be prepared. The Revised PEA will include the main volume and a second volume that includes the technical reports and other referenced appendices to the PEA. This scope of work anticipates a moderate level of revisions. Major revisions to the First Draft PEA and/or new or substantially expanded technical analyses are not anticipated.

Task 3.c: Final Revised PEA

After receipt of one consolidated set of comments from Lodi Electric Utility on the Second Draft PEA, the documentation will be revised, and a Final Revised PEA will be prepared. The Final Revised PEA will include the main volume and a second volume that includes the technical reports and other referenced appendices to the PEA. This scope of work anticipates a minor level of revisions. Substantive revisions to the Second Draft PEA and/or new or substantially expanded technical analyses are not anticipated.

Burns & McDonnell will cooperate with PG&E to incorporate our sections of the PEA into the ultimate submittal.

Schedule Efficiencies: PEA development would follow a staggered submittal schedule for delivery of draft sections to Lodi Electric Utility and PG&E. The required resource areas will be split into several submittal batches, each batch following its own schedule to space out deliverables to the extent feasible. To avoid waiting until there is a fully completed Project Description, the team will prioritize “existing conditions/regulatory framework” text development first for each section, using much of the research already conducted during Project Initiation. Once the Project Description is complete, the team will be released to initiate the impact analysis. The benefit of this approach is that it allows the team to move forward with the PEA rather than holding until the Project Description is fully complete. It also reduces the risk of rework if design changes are made along the way which tend to cause a ripple affect across all chapters if the analysis is started prematurely.

Some chapters are reliant on technical studies for topics that will likely require specialized study or calculations. We anticipate these supporting technical studies/calculations will include air quality and greenhouse gas emissions, biological resources, cultural and paleontological resources, noise, and traffic and transportation. Burns & McDonnell has an internal team of resource experts that bring decades of experience in assessing impacts of environmental technical topics. The Burns & McDonnell team and our in-house subject matter experts (SMEs) will conduct technical studies for topics that will likely require specialized study or calculations. We have chosen to partner with local DBE firms, Far Western (Cultural/Tribal) and Swaim Biological, Inc (Biological Resources) to

supplement our local field survey capabilities. Burns & McDonnell may choose to subcontract other technical reviews but would not do so without written consent from Lodi Electric Utility.

For Consideration: Additional Visualization Services

For other clients, Burns & McDonnell has offered additional products and services to help utility, regulatory, and public stakeholders visualize the project and its proposed impacts. Some examples include:

- ▶ 3D Printed Models
- ▶ “Google Cardboard”-type virtual reality walkthrough
- ▶ Combines 3D point cloud scanning and Microstation 3D models into one experience

We believe these could add significant value to Lodi Electric Utility in communicating the project and would appreciate the opportunity to discuss further.



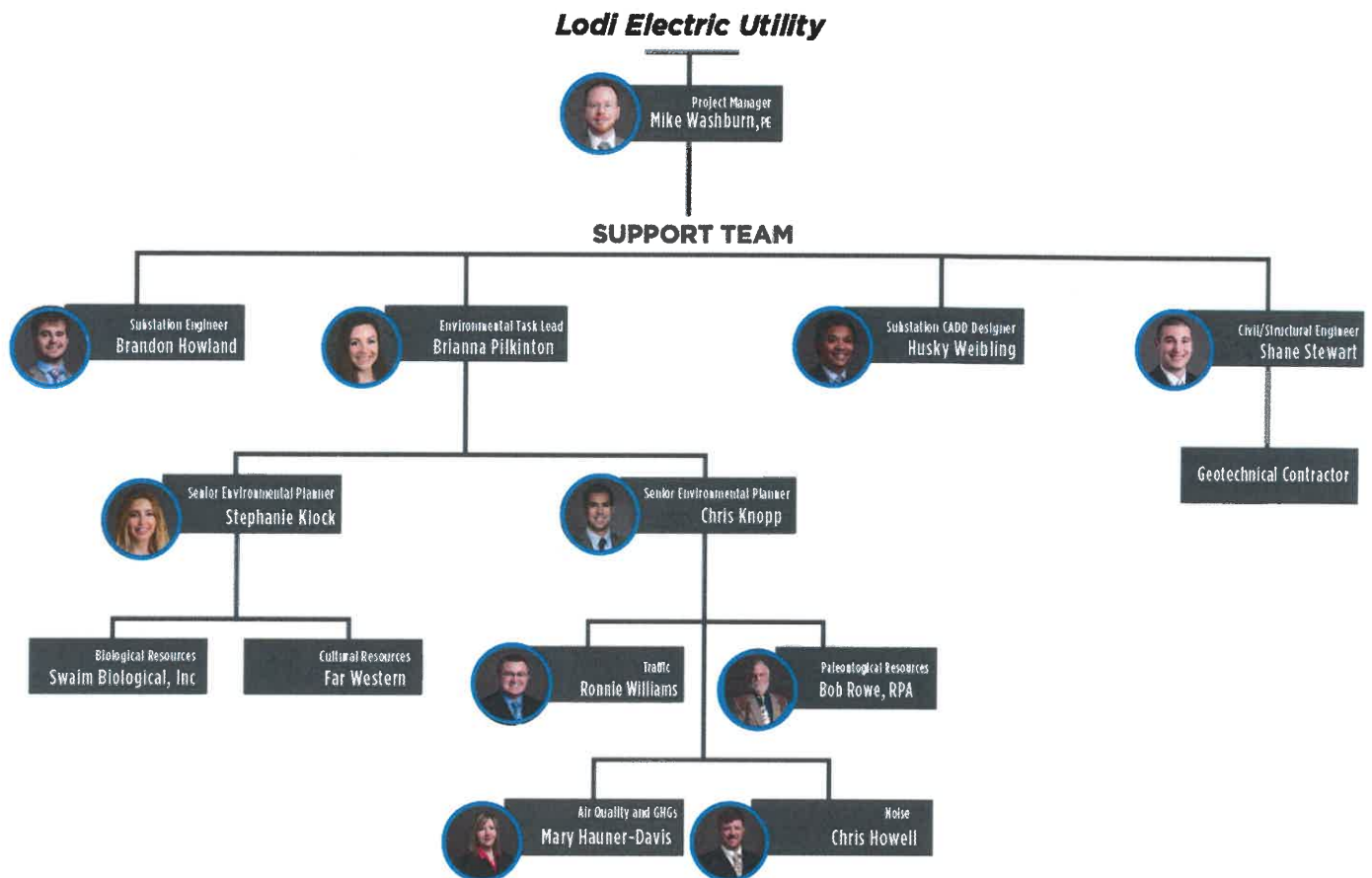
Left: PG&E’s Jonathan Seager, Director, State Infrastructure Projects, with a short-turnaround 3D printed model of the CA High Speed Rail Site 3 “FMC” Substation. This was presented to the Caltrain Board to help PG&E communicate the project.

“ We will spread the word internally at PG&E – these 3D printed models help us communicate project designs outside of the traditional execution departments. And with these larger projects, such as Caltrain Electrification and HSR, we need to engage many more stakeholders than are traditionally involved.

—Jessica Albietz, PG&E, State Infrastructure Projects

Project Team

The Project Manager will be the main points of contact, supported by a team of environmental specialists, electrical and civil engineers, and designers. This core team brings extensive knowledge and experience of PEA Development and substation projects. See Appendix B for resumes of proposed resources.



Assumptions & Clarifications

Engineering Approach & Assumptions

- ▶ Burns & McDonnell will be responsible for producing a construction sequence with input from Lodi Electric Utility stakeholders. We have provided hours in this proposal to create an initial construction sequence and one (1) revision based on comments from project stakeholders at feasibility and final review meetings. Lodi Electric Utility will be responsible for scheduling clearances and further revisions.
- ▶ This proposal assumes all required existing drawings for Lodi Electric Utility's Industrial Substation will be provided in native CAD format for modification.
- ▶ No alternative variations are needed to Lodi Electric Utility substations.
- ▶ Burns & McDonnell will not be needed for community open house, local municipality meetings, or public relation efforts.
- ▶ Preliminary foundation designs only are needed, and that this information is sufficient.
- ▶ Grading designs are limited to two (2) revisions based on comments from project stakeholders at feasibility and final review meetings.
- ▶ Storm runoff quantities shall be completed using the "Rational Method" with a 25-year return period with a time of concentration not less than 5 minutes. Stormwater designs will match post-construction flow rates to pre-construction flow rates for conceptual designs and sizing of ponds. If it is determined that local authorities have different requirements, it will constitute a change in scope.
- ▶ The stormwater detention facilities for the Industrial and new City of Lodi Substation can be incorporated into the PG&E station stormwater detention pond designs.

Environmental Assumptions

- ▶ **Permitting Responsibilities:** Permitting assistance is limited to supplying PG&E internal groups with necessary project information for PG&E's determination of permitting requirements. This scope assumes that PG&E internal groups will have primary responsibility for all permitting, land planning, and environmental efforts.
- ▶ **Geotechnical Reviews:** A separate geotechnical report specific to the Project may be conducted separately from this scope of work. If geotechnical reports (and/or borings) are not available, recommendations will be made based on publicly available data and industry experience at the site as to the criticality of borings at this phase of the Project. If required, Burns & McDonnell will support in obtaining geotechnical data separately from this proposal.
- ▶ **PEA Section Development:** PG&E will prepare any relevant alternatives and cumulative impact assessments for the entirety of the Project. We will provide specific and limited information to PG&E for inclusion in the first several chapters of the PEA, including the Executive Summary, Chapter 1 - Purpose and Need, Chapter 2 - Alternatives, and Chapter 3 - Project Description. We will prepare Chapter 4 - Environmental Impact Analysis specific to the Lodi Electric Utility's scope of work. It is assumed that development of Chapter 5 - Comparison of Alternatives and Chapter 6 - Other CEQA Considerations, the List of Preparers Section, the Glossary, Appendix A - CEQA Checklist, and Appendix B - List of Preparers will be prepared solely by PG&E.
- ▶ **Cultural Scope:** It does not include presence/absence identification efforts, Environmentally Sensitive Area/Archaeological Monitoring Area action plans, evaluation of archaeological resources for National

Register eligibility, or mitigation through data recovery. If required, each would be conducted under a separate proposal and budget.

- ▶ **Traffic Analysis:** The City will utilize the opt-in period before the use of VMT is mandatory. The City of Lodi has until July 2020 to implement this change in traffic methodology and therefore we will not provide this method of analysis for this Project.

Pricing

Project Cost & Milestones

The work will be executed per contract terms and conditions, on a Lump Sum Fee basis and invoiced per the Milestone Payment Schedule below.

Budget Table

Tasks & Deliverables	Budget
Engineering Support	\$138,064
Substation Tasks & Deliverables	\$72,883
Coordination, Meetings, and Project Management	\$37,954
Technical Studies, Drawings, and Calculations	\$12,826
PEA Development	\$22,103
Civil Tasks & Deliverables	\$65,181
Coordination, Meetings, and Project Management	\$18,910
Technical Studies, Drawings, and Calculations	\$43,199
PEA Development	\$3,072
Environmental Support	\$84,736
Task 1: Project Initiation	\$12,072
Task 1.a: Project Kick-off/Initiation	\$898
Task 1.b: Preliminary Due Diligence	\$1,914
Task 1.c: Project Description Development	\$9,260
Task 2: Technical Studies	\$34,422
Task 2.a: Air Quality and Greenhouse Gas Calculations	\$8,214
Task 2.b: Noise Assessment	\$17,845
Task 2.c: Construction Traffic Analysis	\$8,363
Task 3: Preparation of PEA	\$38,242
Task 3.a: First Draft PEA	\$23,228
Task 3.b: Second Draft PEA	\$9,498
Task 3.c: Final Revised PEA	\$5,516
Subcontracted Services	\$6,490
Geotechnical Subcontractor: Service Option	
1: Data Study and Preliminary Geotechnical Report	\$6,490
Total - With Optional Studies and Geotechnical Services	\$229,290

Milestone Table

Milestone Payment Schedule	
Project Kick-off and Walkdown	\$68,787.00
Submit First Draft	\$103,180.50
Submit Revised (Second) Draft	\$34,393.50
Submit Final Revised	\$22,929.00
Total	\$229,290

Notes

- Invoices are due upon receipt. A late payment charge of 1.5% per month will be added to all amounts not paid within 30 days of the invoice date.



Commission Staff Report

November 24, 2020

COMMISSION MEETING DATE: December 3, 2020

SUBJECT: Approval of Northern California Power Agency's (NCPA) Major Insurance Renewals for Policy Year 2021

AGENDA CATEGORY: Discussion/Action

FROM:	Rui Dai	METHOD OF SELECTION:
	Risk Manager	N/A
Division:	Administrative Services	
Department:	Risk Management	

IMPACTED MEMBERS:

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

If other, please specify

RECOMMENDATION:

Northern California Power Agency (NCPA) staff recommends the Commission delegate authority to the General Manager to negotiate and bind property damage and casualty coverage amounts as presented (or better) and a not-to-exceed proposed premiums of approximately \$5,783,200.

BACKGROUND:

NCPA utilizes the insurance brokerage services of Aon Risk Solutions, San Francisco, California to market and place NCPA's insurance programs. Each insurance policy and the related insurance market conditions are reviewed prior to the renewal date and remarketed as required to qualified insurers experienced in underwriting the applicable insurance risk. Current property and liability insurance coverage expires on December 15 and December 31, 2020, respectively.

This year NCPA, together with Aon, marketed NCPA's insurance programs to both existing and prospective underwriters (UWs), a total of 22 UWs from 15 different insurers, focused on presenting NCPA's proactive enterprise risk management approach and its rigorous loss prevention programs. The property insurance market had been soft for many years. It turned around in 2017-18, triggered by floods in Texas, hurricanes along the east coast, the devastation of Puerto Rico, and wildfires in California. NCPA management's commitment to loss prevention and the marketing effort successfully improved the insurance underwriters' confidence and knowledge of NCPA's business and risk profile.

Highlights of the Renewal Process

- The insurance market conditions hardened in 2017-18 after many years of soft markets. The members have benefited with reduced (or flat) premiums since 2015.
- On-going exposure to flooding, hurricanes, and catastrophic California wildfires have changed the insurance landscape.
- NCPA had five of six claims paid in the past five years: 2015 Geothermal wildfire and Hydro Plant landslide, 2017 storm damage on Hydro Beaver Creek, and 2018 Alameda Unit 1 equipment failure, 2019 Kincade Fire Business Interruption (withdrew), and 2020 LEC turbine generator failure (\$44 million).
- California wildfires have a significant impact on the liability insurance market.
- Some underwriters withdrew from California liability insurance market while others have reduced capacities and/or excluded wildfire coverage altogether.

Insurance Programs Renewal Requests

Due to the current wildfires in California, underwriters are not ready to quote NCPA's program before assessing their potential exposures. While NCPA and Aon are still in the process of securing final quotes, staff requests the Commission grant the authority to the General Manager to negotiate and bind coverages with not-to-exceed rates for the 2021 renewal premiums totaling \$5,783,200 as shown in the table below. This is an increase to the property insurance program of almost \$900k from prior committee discussions.

		from 11/4	from 11/24						
	Property			Casualty (Liability)		Workers Comp		Auto	
	2020 Premiums	2021 Premiums (estimated)	Updated 2021 Premiums (estimated)	2020 Premiums	2021 Premiums	2020 Premiums	2021 Premiums	2020 Premiums	2021 Premiums
NCPA	1,885,692	2,325,650	2,960,000	849,412	1,274,100	236,084	250,000	43,038	50,000
LEC	618,856	796,450	1,040,000	139,388	209,100				
Total	2,504,548	3,122,100	4,000,000	988,800	1,483,200	236,084	250,000	43,038	50,000
Inc.		25%	60%		50%		6%		16%

Property

Given a hardening market, the renewal rates in 2020 for Property Damage (PD) and Business Interruption (BI) have been around 25% compared to prior year. However, accounts with recent losses are experiencing significantly higher premiums. Aon will continue to push the markets to minimize the impact on our program.

Casualty

The Casualty program mainly consists of Excess Liability, Workers Comp, and Auto. The anticipated renewal premiums are within \$250,000 for Workers Comp and \$50,000 for Auto. As mentioned above, Excess Liability coverage in California is challenging from both capacity and premium standpoints due to the devastating California wildfires in recent years and adverse legal precedent of inverse condemnation and the corresponding strict liability standard. California wildfire liability is quickly reaching the brink of becoming almost uninsurable or not insurable at a price utilities deem reasonable. While NCPA and Aon continue to push the market, we are estimating this premium may be 50% higher from the prior year of \$988,800 to \$1,483,200 to achieve the same level of liability insurance of \$75 million but only \$35 million in wildfire coverage.

FISCAL IMPACT:

The total cost of the policy year 2021 insurance programs is estimated not to exceed \$5,783,200. This is approximately 53% higher than current year premiums. Staff will return in January with a final report of coverages and premiums.

ENVIRONMENTAL ANALYSIS:

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

COMMITTEE REVIEW:

The recommendation was reviewed by the Facilities Committee and the Lodi Energy Center Project Participant Committee on November 4 and November 9, 2020, respectively. After receiving indications from the insurance markets, the recommendation will be reviewed again by the Lodi Energy Center Project Participant Committees and Facilities Committee on December 1 and December 2, 2020, respectively.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments: Resolution 20-99
Insurance Renewal Presentation

RESOLUTION 20-99

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING THE MAJOR INSURANCE RENEWALS FOR THE POLICY YEAR OF 2021

(reference Staff Report #229:20)

WHEREAS, the Northern California Power Agency (the Agency) is required by various of its contracts and agreements with its members and its generating and transmission project participants to provide for property, casualty and other insurance to protect its interests therein; and

WHEREAS, the Agency utilizes the insurance brokerage services of Aon Risk Solutions, San Francisco, California to market and place the Agency's insurance programs. Each insurance policy and the related insurance market conditions are reviewed prior to the renewal date and remarketed as required to qualified insurers experienced in underwriting the applicable insurance risk; and

WHEREAS, due to the current wildfires in California, underwriters are not ready to quote NCPA's program before assessing their potential exposures; and

WHEREAS, in order to negotiate coverage before expiration of the policies, this action grants the authority to the General Manager to bind coverages with not-to-exceed rates for the 2021 renewal premiums of \$4,000,000 for property damage coverage which includes \$1,040,000 for LEC and \$1,783,200 for casualty coverage which includes \$209,100 for LEC; and

WHEREAS, LEC PPC reviewed and approved on November 10 and will review the increased not-to-exceed amounts on December 1, 2020. The Facilities Committee reviewed and recommended on November 4 and will review the increased not-to-exceed amounts on December 2, 2020; and

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

NOW, THEREFORE BE IT RESOLVED that the Commission of the Northern California Power Agency approves granting the authority to the General Manager to bind coverages at the proposed not-to-exceed rates for the 2021 renewal premiums of \$4,000,000 for property damage coverage and \$1,783,200 for casualty coverage.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2021
by the following vote on roll call:

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

TERESA O'NEILL
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY