

**Approval of Services Agreement  
Between  
Northern California Power Agency  
and  
Placer County Water Agency**

Facilities Committee

June 1, 2016

## Background

- One of the strategic objectives set by the Commission is to expand NCPA's provision of services to non-member customers
- Placer County Water Agency (PCWA) has requested certain services from NCPA as a customer
- Pursuant to Commission authorization, NCPA staff has developed a services based contract under which NCPA may provide services to PCWA

## Services Contract

- General Contract Terms
  - Initial Term through December 31, 2020
    - Pending termination by either Party, the contract will automatically extend for an additional two (2) year period
  - Contract may be terminated by either Party at the end of the Initial Term, or at the end of any subsequent extension, with one (1) year advanced notice
  - Liability of either Party limited to actual insurance coverage and coverage limits
  - Includes provisions associated with Significant Regulatory or Operational Changes

## Roles and Responsibilities

- NCPA shall provide certain Services as defined in the agreement
- PCWA
  - Act as its own Scheduling Coordinator
  - Will manage all CAISO invoicing associated with its SCID
  - Will provide all credit and collateral requirements associated with CAISO participation
  - Act as its own Operating Entity for scheduling and bidding

## PCWA Resources

- Middle Fork and Ralston Powerhouses
  - 218.39 MW
- French Meadows Powerhouse
  - 18.0 MW
- Oxbow Powerhouse
  - 6.0 MW
- Hell Hole Powerhouse
  - 0.75 MW

## Scope of Services

- NCPA shall provide the following scope of services to PCWA
  - Control Center Services (January 1, 2018)
    - Scheduling Agent Services
      - ◆ Schedule submission, processing, outages and settlements
    - Real-Time Dispatch Services
      - ◆ Generator dispatch and monitoring
    - Reliability Standards Compliance Services
      - ◆ Limited GOP responsibility
    - Deal Tracking and Risk Management Reporting Services
      - ◆ Access to Deal Management Software and reporting
  - Supplemental Services (As of the Effective Date)
    - Pursuant to Task Order Process

## Compensation

- Control Center Services
  - \$410,000 for first year of Service
  - Amount escalated at 2.5% for each subsequent year of Service
  - Actual cost plus 15% for installation of physical communications equipment
- Supplemental Services
  - Based on actual time and materials costs
  - Supplemental Services Wage Schedule
    - Adjusted from time to time to reflect increased labor costs

## Structure of Agreement

- Main body of the agreement contains general terms and conditions
- Use of various appendices for scope, compensation and technical requirements
  - Appendix A – Scope of Services
  - Appendix B – Compensation Schedule
  - Appendix C – Scheduling Procedures
  - Appendix D – Customer Resources
  - Appendix E – Operating Procedures
  - Appendix F – Reliability Standards Compliance Services Matrix
  - Appendix G – Task Order Process
- Technical appendices can be updated / amended from time to time to account for operational changes



## Recommendation

- NCPA staff seeks a Facilities Committee recommendation to approve the Services Agreement between NCPA and PCWA, under which NCPA will provide Services to PCWA as further defined in the Services Agreement

# Questions / Comments