

## CT1 / 2 Decommissioning

1. Evaluated cost to completely remove facilities and restore land
2. Removes all above and below ground equipment
3. Cost expressed in today's \$, need to escalate for future
4. Based on torches, shears, heavy equipment, not explosives
5. There is an estimate for scrap value
6. There is no estimate for resale of equipment
7. Wages based on DIR labor rates
8. Based on EPC contracting approach
9. 15% Contingency
10. Potential areas to reduce cost, ie, approval to leave pipeline underground

## CT2 Notes

1. CT2 evaluated two ways
  1. As if LEC did not exist
  2. Limited Demo leaving shared facilities

## Decommissioning Costs

Facility	Cost
CT1 Lodi	\$5.8mm
CT1 Alameda	\$7.7mm
CT2 alone	\$12.6mm
CT2 leaving shared facilities	\$10.2mm

## Decommissioning Timing

- CT1
  - Units currently serviceable
  - Current plan is to continue operation, evaluate in 2026
  - 2026 will either be a maintenance spike or decom
- CT2
  - Unit is not currently serviceable
  - Debt until 2026
  - Requires offer of Energy/Capacity
  - Evaluating options for availability
  - Decom possible in 2026

## Funding Levels

- CT1
  - Long Term Forecast \$5.4mm maint in 2026
  - No collections are currently underway
- CT2
  - Long Term Forecast \$12.4mm decom in 2027
  - No collections are currently underway

# CT1 Value of Project

Month	Starts Count	Hours
January	2	4
February	0	0
March	20	22
April	19	46

Data as of 4/27/17

## Capacity

Short Term Capacity: \$30 / KW-Yr

Long Term Peaker: \$150 / KW-Yr

Long Term Combined Cycle: \$207 / KW-Yr

## Rumors:

- New Plant added to Cold Standby
- One facility may not be repaired
- Facility contracts ending

## Upgrades – Options and Uncertainty

- CT1
  - Static Frequency Converter (Faster Starts)
  - Batteries (spinning reserve)
    - \$550 KWHr Installed
    - Spin Reserve Average \$5 / MWHr
- CT2
  - Used LM6000 retrofit
  - Remove boiler tubes
  - Establish Peaker
  - Currently evaluating costs

## Recommendations

- CT1 / CT2 -Establish a Capital Development/Decommissioning Reserve. Funding requirements to be determined and presented for FY19 budget.