



12745 N. Thornton Road  
Lodi, CA 95242

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## LEC PPC Agenda

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**Subject: April 8, 2024 Lodi Energy Center Project Participant Committee Meeting**

**Location: 12745 N. Thornton Road, Lodi, CA and/or Posted Teleconference Locations**

**Time: 10:00 am Pacific Standard Time**

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\*\*\* In compliance with the Brown Act, you may participate in person at the meeting location or via teleconference at one of the locations listed below. In either case, please: (1) post this notice at a publicly accessible location at the participation location at least 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.

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NCPA 651 Commerce Drive Roseville, CA 95678	NCPA 12745 N. Thornton Road Lodi, CA 95241	CITY OF HEALDSBURG 401 Grove Street Healdsburg, CA 95448
BAY AREA RAPID TRANSIT 2150 Webster Street, 1 <sup>st</sup> Floor Oakland, CA 94612	CITY OF GRIDLEY 685 Kentucky Street Gridley, CA 95948	CITY OF LOMPOC 100 Civic Center Plaza Lompoc, CA 93438
CITY OF BIGGS 465 "C" Street Biggs, CA 95917	PLUMAS-SIERRA RURAL ELECTRIC COOP 73233 Highway 70 Portola, CA 96122	POWER & WATER RESOURCES POOLING AUTHORITY 1002 Cooper Ave Glenwood Springs, CO 81601
CALIFORNIA DEPARTMENT OF WATER RESOURCES 1425 River Park Dr. Suite 300. Sacramento, CA 95815	SILICON VALLEY POWER/CITY OF SANTA CLARA 881 Martin Avenue Santa Clara, CA 95050	CITY OF UKIAH 300 Seminary Avenue Ukiah, CA 95482
CITY OF AZUSA 729 N. Azusa Avenue Azusa, CA 91702		

*Persons requiring accommodations 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.*

*The Lodi Energy Center Project Participant Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an action item, a report, or an information item. If this Agenda is supplemented by staff reports, they are available to the public upon request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA, 651 Commerce Drive, Roseville, CA or [www.ncpa.com](http://www.ncpa.com)*

- 1. Review Safety Procedures**
- 2. Call Meeting to Order and Roll Call**

### **PUBLIC FORUM**

Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item considered by the Lodi Energy Center Project Participant Committee at this meeting, before or during the Committee's consideration of that item, shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the Lodi Energy Center Project Participant Committee on any item within the jurisdiction of the Lodi Energy Center Project Participant Committee and not listed on the Agenda may do so at this time.

- 3. Meeting Minutes** – Approval of March 11, 2024 Regular Meeting Minutes

### **MONTHLY REPORTS**

- 4. Operational Report for March 2024**
- 5. Market Data Report for March 2024**
- 6. Monthly Asset Report for February 2024**
- 7. Bidding Strategies Report**

### **CONSENT CALENDAR**

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

- 8. Treasurer's Report for February 2024** – Accept by all Participants
- 9. Financial Report for February 2024** – Approve by all Participants
- 10. GHG Reports (excerpted from Monthly ARB)** – Accept by all Participants

*Persons requiring accommodations 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.*

- 11. Allied Power Group, LLC MTGSA-EMS** – Staff is seeking a recommendation for approval of a five-year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC for inspection and maintenance related services, with a not to exceed amount of \$2,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.
- 12. Cornerstone Land Service, LLC First Amendment to MTGSA** – Staff is seeking a recommendation for approval of a First Amendment to the five-year Multi-Task General Services Agreement with Cornerstone Land Service, LLC for snow and debris removal, logging, and vegetation management related services, increasing the not to exceed amount from \$200,000 to \$1,000,000, with no change to the contract term, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.
- 13. Mountaineering Engineering Corp MTPSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task Professional Services Agreement with Mountaineering Engineering Corp for on-site maintenance contractor oversight and engineering inspection related services, 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.
- 14. NCPA Cyber Liability Insurance Renewal** – Staff is seeking a recommendation for approval to renew the Agency's Cyber Liability Insurance program from May 2024 to May 2025.

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

#### **DISCUSSION/ACTION ITEMS**

- 15. Lodi Energy Center FY2025 Annual Budget** – Staff is seeking a recommendation for approval of the Lodi Energy Center FY2025 proposed annual budget.

#### **INFORMATIONAL ITEMS**

- 16. Lodi Energy Center Hydrogen Upgrade Project** – Staff will provide an update regarding the potential hydrogen upgrade project at the Lodi Energy Center.
- 17. Additional Operational Updates** – Staff will provide an update on issues related to Operations.

#### **ADJOURNMENT**

Next Regular Meeting: May 6, 2024 at 10:00 am Pacific Standard Time

*Persons requiring accommodations 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.*



651 Commerce Drive  
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# LEC PPC Meeting Minutes

**Date:** Monday, March 11, 2024

**Time:** 10:00 am Pacific Standard Time

**Location:** Lodi Energy Center – 12745 N. Thornton Rd, Lodi, CA 95242 and by teleconference

**Subject:** Lodi Energy Center Project Participant Committee Meeting

## 1. Review Safety Procedures

The PPC reviewed the NCPA Safety Procedures and assigned safety roles.

## 2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:08 am by Chairman Brock Costapules. He asked that roll be called for the Project Participants as listed below. PWRPA arrived after roll call but was able to vote on the other items. Gridley arrived late but was able to participate in the Consent Calendar vote.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Torres	Present	2.7857%
BART - Schmidt	Absent	6.6000%
Biggs - Sorensen	Absent	0.2679%
CDWR - Burk	Present	33.5000%
Gridley - Sanchez	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Wilkie	Absent	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Sauers	Absent	1.7857%
Summary		
Present	6	84.9179%
Absent	7	15.0821%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	March 11, 2024	



## **Public Forum**

Chairman Costalupes asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items or on any item within the jurisdiction of the LEC PPC and not listed on the agenda. No members of the public were present.

### **3. Meeting Minutes**

The draft minutes from the February 12, 2024 regular meeting and re-approve the minutes from the January 8, 2024 regular meeting (to correct a typo in the meeting adjournment time on the last page). The LEC PPC considered the following motion:

**Date:** 3/11/2024

**Motion:** The PPC approves the minutes from the February 12, 2024 regular meeting and re-approve the minutes from the January 8, 2024 regular meeting (to correct a typo in the meeting adjournment time on the last page).

**Moved by:** Lodi  
**Seconded by:** CDWR

**Discussion:** There was no further discussion

<b>Vote Summary on Motion</b>		
<b>Participant</b>	<b>Vote</b>	<b>Particulars / GES</b>
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	6	84.9179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	15.0821%
Result:	Motion Passed	

## **MONTHLY REPORTS**

### **4. Operational Report for February 2024**

Gordon Loyd presented the Operational Report for February. There were no OSHA recordable and one non-recordable incident where an employee reported minor skin irritation from a chemical. The employee self-administered first aid and declined medical treatment. LEC management will retrain staff on the importance of correctly identifying job hazards and mitigating those hazards. There were no NERC/WECC or permit violations. There was one outage due to a trip during startup. 2024 planned outage is scheduled for April 1-30 for annual maintenance and steam turbine excitation upgrade.

The operational report reflected monthly production of 73,750 MWH, 271 service hours, and equivalent operating availability of 99.6%. The report set for the Capacity Factor @ 302MW Pmax of 35.1%. There were two cold starts, no warm starts and one hot start during the month.

### **5. Market Data Report for February 2024**

Bob Caracristi presented the operating and financial settlement results for the month. LEC was committed to CAISO 12 out of 29 available days. There were three starts during the month. There were seventeen days where LEC was uneconomic. LEC had ten days of 24-hour operations.

### **6. Monthly Asset Report**

Rafael Santana presented the monthly asset report for January 2024, showing that net costs are over budget. Rafael reviewed the monthly historical comparisons as well as the 12-month history, showing January was a record month when compared to historical results.

### **7. Bidding Strategies Report**

Jesse Shields presented the Bidding Strategies Report for February 2024. Jesse reviewed bidding and calculated net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee.

### **Consent Calendar (Items # 8 – # 15)**

The consent calendar was considered. Chairman Costalupes asked if any Participant wished to have any item removed for separate discussion. Hearing no requests, he then asked if any Participant wished to abstain from one or more items on the Consent Calendar. There were no abstentions. The LEC PPC considered the following motion:

**Date:** 3/11/2024

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for January 2024; **9.** Financial Report for January 2024; **10.**

GHG Reports (excerpted from the Monthly ARB); **11. PMOA Schedule 6.00 Update** to reflect changes for Modesto Irrigation District; **12. Trimark Associates, Inc. 5-year MTGSA** for miscellaneous meter maintenance, operations, data, and related design engineering services, not to exceed \$2,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **13. Ulteig Operations LLC 5-year MTCSA** for miscellaneous meter maintenance, operations, data, and related design engineering services, not to exceed \$2,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **14. GEI Consultants, Inc. 5-year MTPSA** for dam safety engineering related services, not to exceed \$5,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **15. PME Babbitt Bearings Second Amendment to 5-year MTGSA** for off-site maintenance and labor services, increasing the not to exceed amount from \$235,000 to \$750,000, with no change to contract term, for continued use at all facilities owned and/or operated by NCPA.

**Moved by:**  
**Seconded by:**

**SVP**  
**Gridley**

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	7	86.8822%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	13.1178%
Result:	Motion Passed	

## **BUSINESS ACTION ITEMS / INFORMATIONAL ITEMS**

**16. LEC FY2025 Budget Presentation** – Sondra Ainsworth presented the proposed budget for fiscal year 2025. The FY2025 budget will be presented in April for approval. There was a request for an estimated Hydrogen Project Budget.

**17. Lodi Energy Center Hydrogen Upgrade Project** – Mike DeBortoli discussed the lobbying efforts, status of pending regulations, and that the CEC may have a grant available soon that we may be able to apply for to cover some cost in the project. An estimated budget was requested by participants.

### **Additional Operational Updates**

**20. Additional Operational Updates** – Rafael Santana discussed the CEC grant we applied for regarding the FX upgrade. A formal quote was requested from Siemens, the study should be completed by the end of April and will prepare to present everything at the May meeting.

Rafael also presented an update on FM Global suggested corrective actions and his visit to the FM Global Lab.

Rafael followed-up with all participants by email after the meeting regarding the continued increase in the LEC injection well pressure and that the plan is to take a short notice outage at the end of March prior to the scheduled outage to complete an acid cleaning. This timeframe is most advantageous to minimize outage contractor chemical exposure and not to impact RA.

### **Adjournment**

The next regular meeting of the PPC is scheduled for Monday, April 8, 2024.

The meeting was adjourned at 11:18 am.

Submitted by: Julie Kenkel

# **Lodi Energy Center Project Participant Committee**

## **Operational Report**

**Agenda Item No.: 4**

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**Date:** 04/08/2024

**To:** Lodi Energy Center Project Participant Committee

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### **Safety**

- OSHA Recordable/Reportable: 1 Recordable incident
- Non-Recordable/Reportable: 1 “near-miss” incident
  - Recordable: On March 11, 2024 an employee rolled their ankle in a small hole while working on an uneven gravel surface. The gravel was reportedly moved to facilitate underground utility identification, and the employee did not see the uneven surface. The employee was administered first aid on site and transported to a local medical center for evaluation. The employee was placed on light duty, but has subsequently returned to full duty.
  - Near Miss: On March 28, 2024 an employee was working to perform Lockout-Tagout-Try (LOTOT), in accordance with NCPA procedures, to deenergize equipment in preparation for the April 1, 2024 LEC outage. While performing the “Try” step after the lockout was placed, they discovered the circuit was still electrically energized. No employees or equipment was damaged in the incident. LEC management disseminated the incident report to all plant staff as a reminder of the purpose and importance of following LOTOT procedures.

### **Notice of Violations**

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

### **Outage Summaries:**

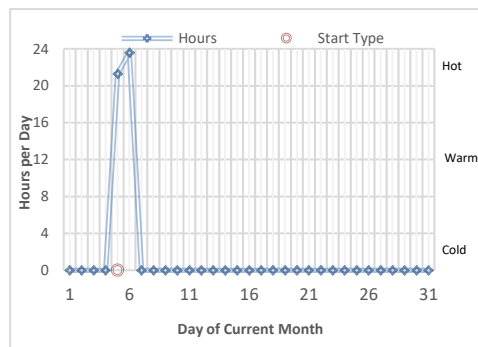
- 3/27 @ 00:00 - 3/31 @ 23:59; Injection well cleaning, OMS 159450699

### **Planned Outage Summaries:**

- April 1-30, 2024; Steam turbine excitation upgrade, annual maintenance outage.

**LEC Generating Unit Statistics:**
**Date:** 3/1/2024

1. Monthly Production 11,541 MWh
2. Productivity Factor
  - a. Service Hours 45 Hours
  - b. Service Factor 6.0 %
  - c. Capacity Factor @ 302MW Pmax 5.1 %



3. Equivalent Operating Availability (EOA) 83.8 %
4. Forced Outage Rate (FOR) 72.8 %

5. Heat Rate Deviation
  - a. Fuel Cost (Not Current Market Price) 4.00 \$/mmBTU

MW Range	PMOA HR BTU/kW- Hr	Average HR BTU/kW-Hr	Deviation %	Production MWh	Cost \$
Seg. 1 296 +	6850	0	0.00%	0	\$0
Seg. 2 284 - 296	6870	6,956	1.26%	3,983	\$1,378
Seg. 3 275 - 284	6971	6,894	-1.11%	1,574	-\$486
Seg. 4 250 - 275	7081	6,904	-2.49%	4,017	-\$2,837
Seg. 5 225 - 250	7130	6,961	-2.37%	908	-\$613
Seg. 6 200 - 225	7200	7,047	-2.13%	337	-\$207
Seg. 7 175 - 225	7450	7,287	-2.19%	244	-\$159
Seg. 8 165 - 175	7760	7,712	-0.62%	8	-\$2
	7,164	6,940	-3.13%	11,072	-\$2,927

**6. AGC Control Deviation**

MW Range	High Dev MWh	Low Dev MWh	Total Dev MWh	Cost \$
Seg. 1 296 +	0	0	0	\$0
Seg. 2 284 - 296	0	0	0	\$0
Seg. 3 275 - 284	0	0	0	\$0
Seg. 4 250 - 275	0	0	0	\$0
Seg. 5 225 - 250	0	0	0	\$0
Seg. 6 200 - 225	0	0	0	\$0
Seg. 7 175 - 225	0	0	0	\$0
Seg. 8 165 - 175	0	0	0	\$0
	0	0	0	\$0

**7. Starting Reliability**

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	0	0	1
Start Time Benchmark (Minutes)	20		
Start Time Actual (Average Minute)	0	0	20
Start Time Deviation (%)	0%	0%	0%
Start Fuel Benchmark (mmBTU)	250		
Start Fuel Actual (Average mmBTU)	0	0	220
Fuel Deviation (%)	0%	0%	-12%
Costs of Fuel Deviations (\$)	\$0	\$0	-\$121

**Definitions:**

1. Monthly Production = Plant Net MWh's
2. Capacity Factor
  - a. Service Hours (SH) = In-Production or In-Service State, i.e. "Plant On"
  - b. Service Factor =  $SH / HIM \times 100\%$ ; (HIM = hours in month, aka possible hours)
  - c. Capacity Factor =  $Production / 302MW \times HIM$
3. Equivalent Operating Availability (EOA) =  $(HIM - FOH - POH) / HIM \times 100\%$ ; (FOH = Forced Outage Hours, POH = Planned Outage Hours)
4. Forced Outage Rate (FOR) =  $FOH / (FOH + SH) \times 100\%$
5. Heat Rate Deviation (HRD)
  - a. Fuel Cost = Standard Cost of Fuel in \$/mmBTU
  - b. Average Heat Rate (HR) = Average heat rate for the given Segment; weighted total average at bottom
  - c. Heat Rate Deviation =  $(Heat\ Rate\ Average - Heat\ Rate\ Expected) / Heat\ Rate\ Expected \times 100\%$
  - d. Production = Sum of production for the given Segment
  - e. Costs of Heat Rate Deviations =  $(Average\ Heat\ Rate - Expected\ Heat\ Rate) \times Production \times Cost\ of\ Fuel$
6. AGC Deviation-
  - a. MWh's = AGC Set Point Generation - LEC Actual Generation
  - b. Cost of Deviations = Fuel Cost x Heat Rate x Generation
7. Starting Reliability
  - a. Number of Starts = Start Count for Hot, Warm, and Cold
    - i. Hot = Time between plant shutdown and startup < 6 hours
    - ii. Warm = Time between plant shutdown and startup 6 - 20 hours
    - iii. Cold = Time between plant shutdown and startup > 20 hours
  - b. Start Time = Average Time from 0 Fuel Flow to Pmin (Pmin = 100 MW)
  - c. Start Fuel = Average Fuel Consumption to Pmin
  - d. Cost of Fuel Deviation =  $(Actual\ Fuel\ Consumed - Expected\ Fuel) \times Cost\ of\ Fuel$



# **LEC PPC Meeting**

**April 8, 2024**

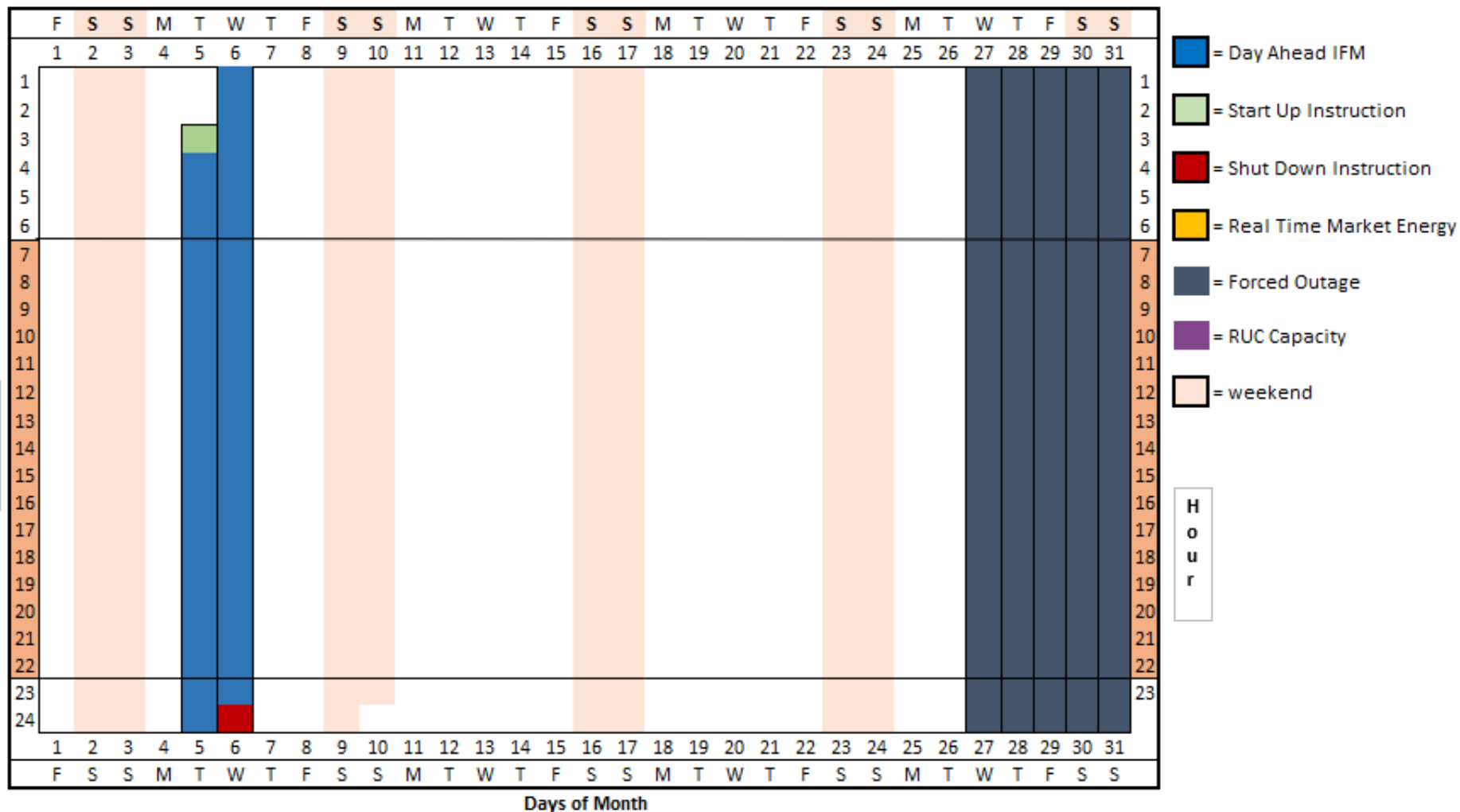
**March 2024 Market Financial Results**



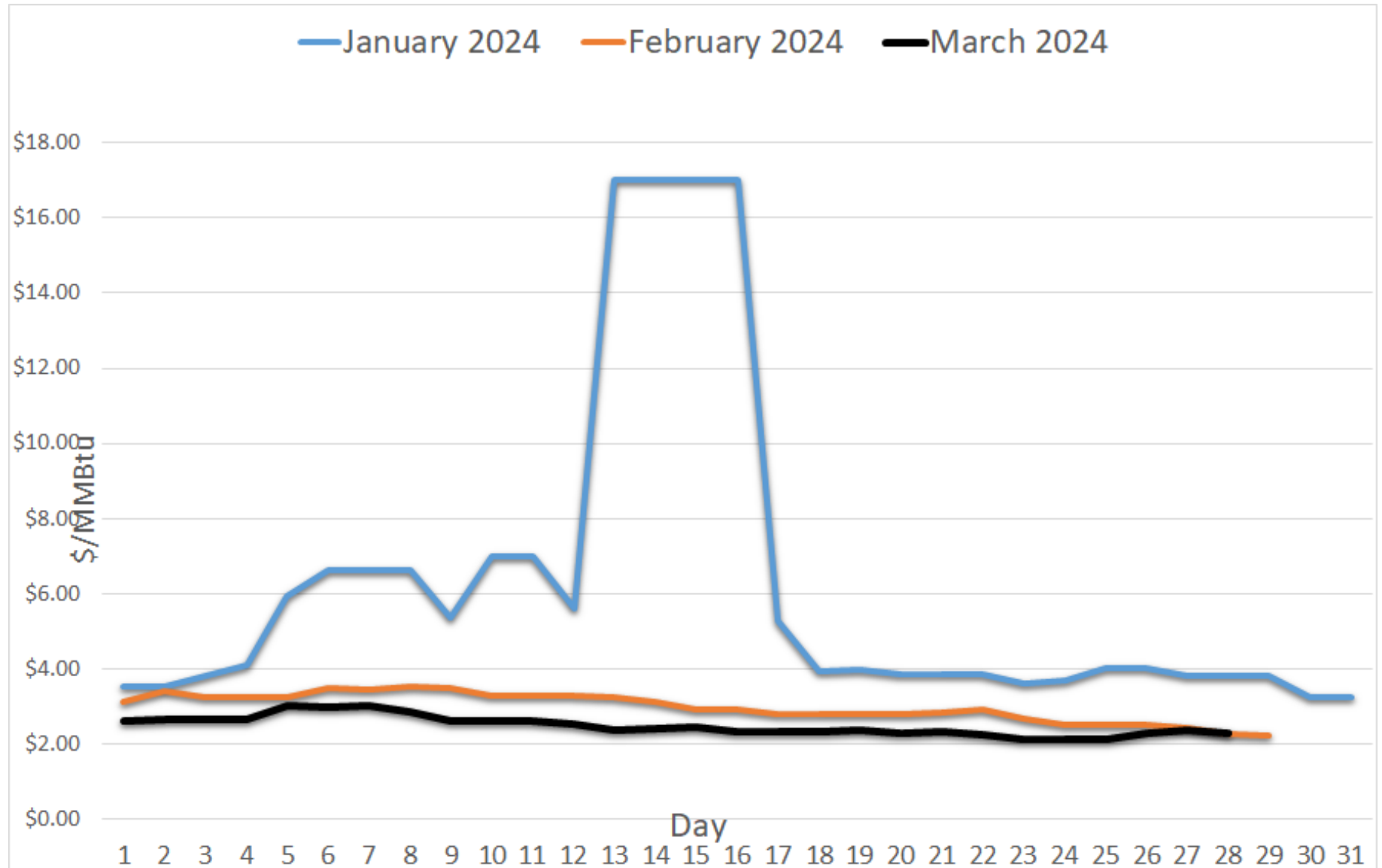
## LEC Operational Results for March 2024

- Resource Adequacy Availability Metrics:
  - 100% - Monthly Assessment Generic Performance
  - 100% - Monthly Assessment Flexible Performance Vs
  - 96.5% Availability Standard
- Estimated RAAIM Incentive Payment:
  - \$7k for Generic RA based on claimed 50.18 MW
  - \$12k for Flexible RA based on claimed 92.22 MW
- LEC was committed by CAISO for Market energy 2 days of 26 available days
  - LEC was considered uneconomic twenty-four (24) days throughout March;
  - There was one (1) start during the month;
  - One (1) full day of operations without a start-up

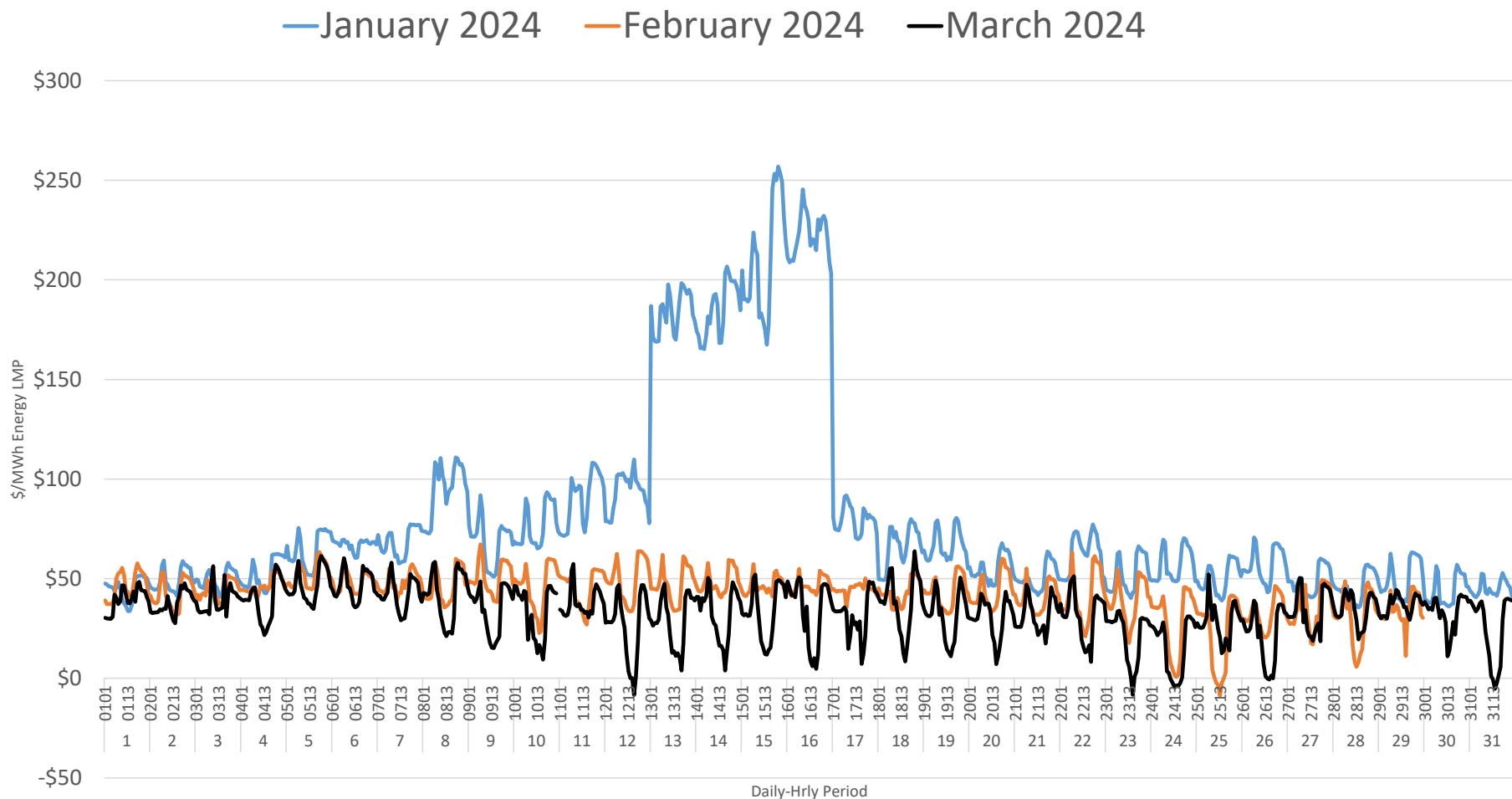
# Daily CAISO Commitment Runs for March 2024

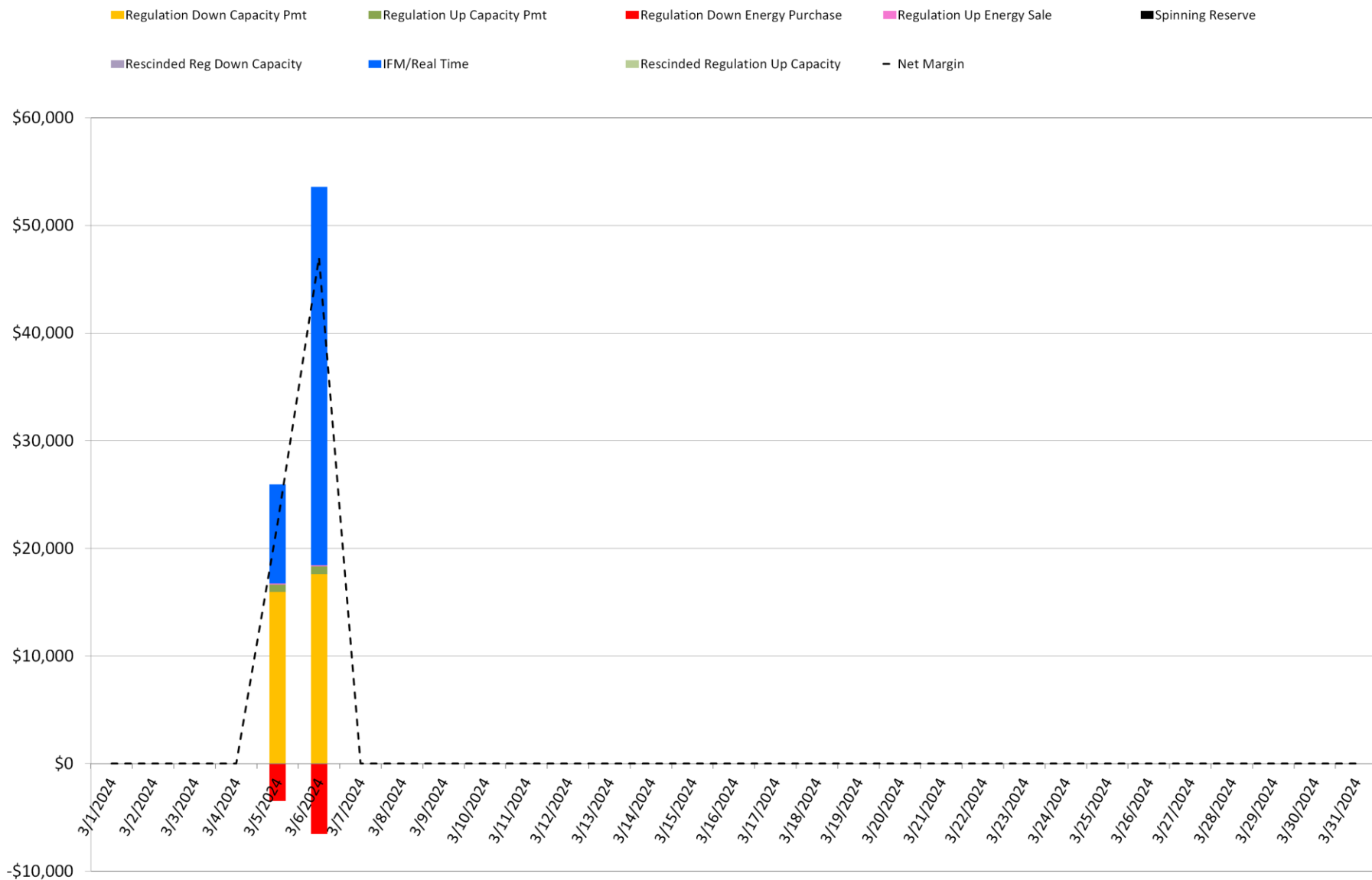


# Daily PG&E City Gate Gas Index Values by Month



# DA Energy LMP values by Month





## March 2024 LEC Project Cumulative Monthly Margin

IFM/RTM Gross Revenues	\$	584,000	
Regulation Up Capacity	\$	1,400	
Regulation Down Capacity	\$	33,600	
Spinning Reserve	\$	-	
<b>Total Gross LEC Revenue</b>			<b>\$ 619,000</b>
LEC CAISO GMC Costs	\$	(4,600)	
CAISO Energy & Capacity Buyback Costs	\$	(36,600)	
Total Monthly LEC Fuel Cost	\$	(294,100)	
Total Monthly GHG Obligation	\$	(189,100)	
Variable Operations & Maintenance Cost	\$	(25,100)	
<b>Total Gross Costs</b>			<b>\$ (549,500)</b>
<b>Cumulative Monthly Margin</b>			<b>\$ 69,500</b>
1 Days of Accrued LT Maintenance Costs	\$	(15,181)	
<b>Net Cumulative Monthly Margin</b>			<b>\$ 54,319</b>
Average Net Margin \$/MWh	\$		0.74

# Comparison of Day Ahead Congestion LEC vs NP15 Trade Hub

Net\_Amount by Day

March 2024 Cost of Congestion Component

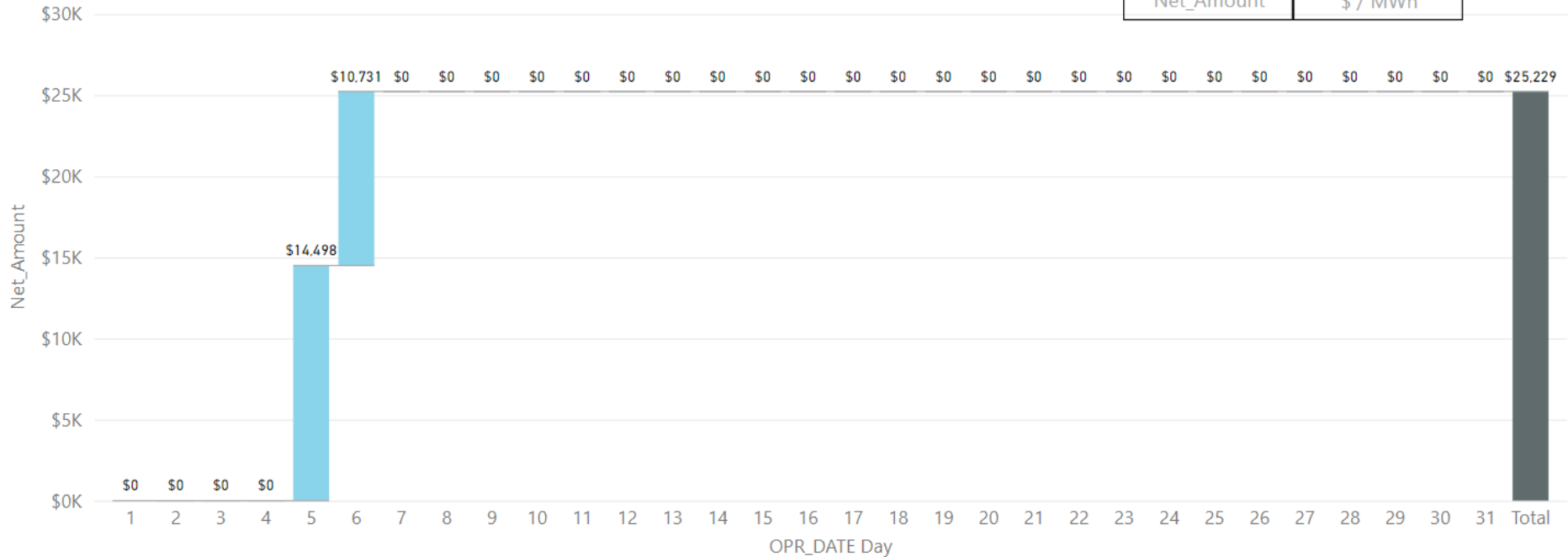
● Increase ● Decrease ● Total

\$25,229

Net\_Amount

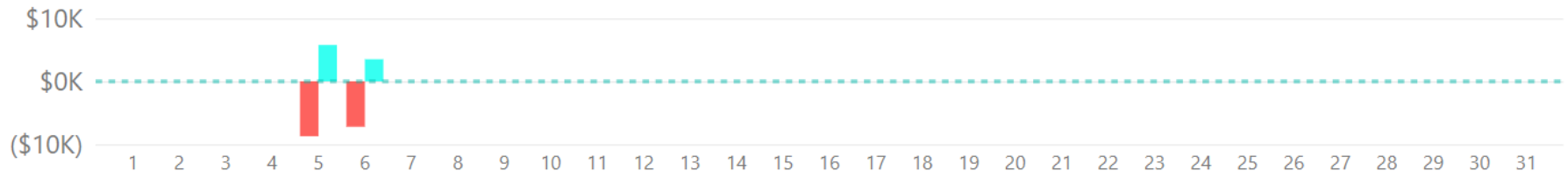
\$2.19

\$ / MWh



NP15\_Cost and LEC\_Cost by Day

● NP15\_Cost ● LEC\_Cost



# Comparison of Day Ahead Loss Component LEC vs NP15 Trade Hub

Net\_Amount by Day

March 2024 Cost of Loss Component

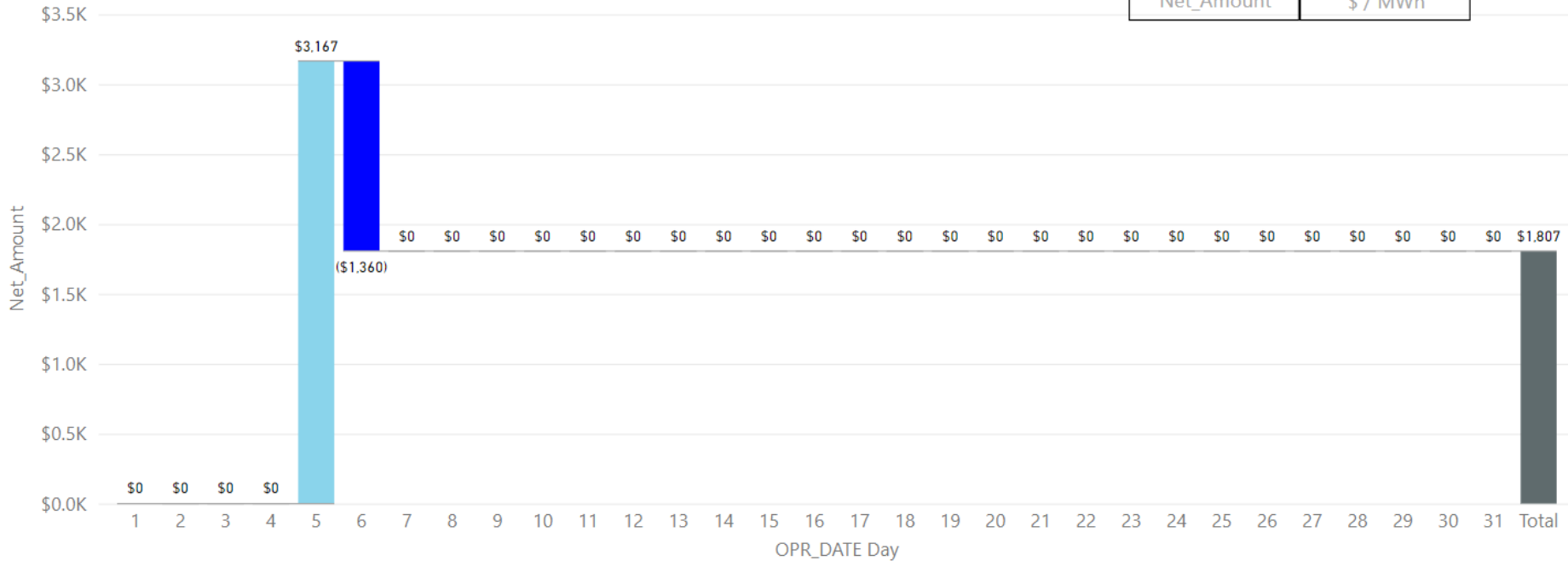
● Increase ● Decrease ● Total

\$1,807

\$0.16

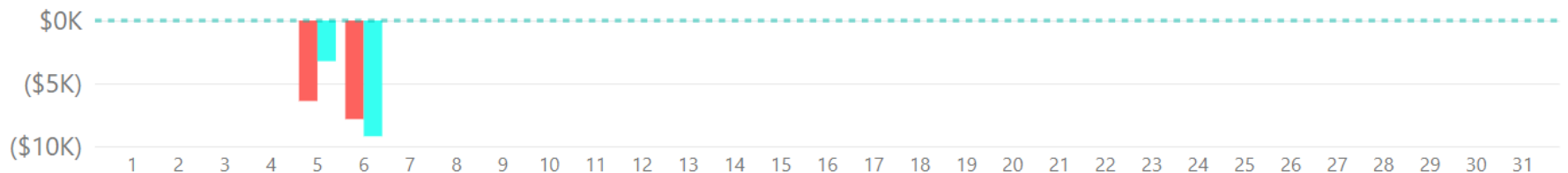
Net\_Amount

\$ / MWh



NP15\_Cost and LEC\_Cost by Day

● NP15\_Cost ● LEC\_Cost



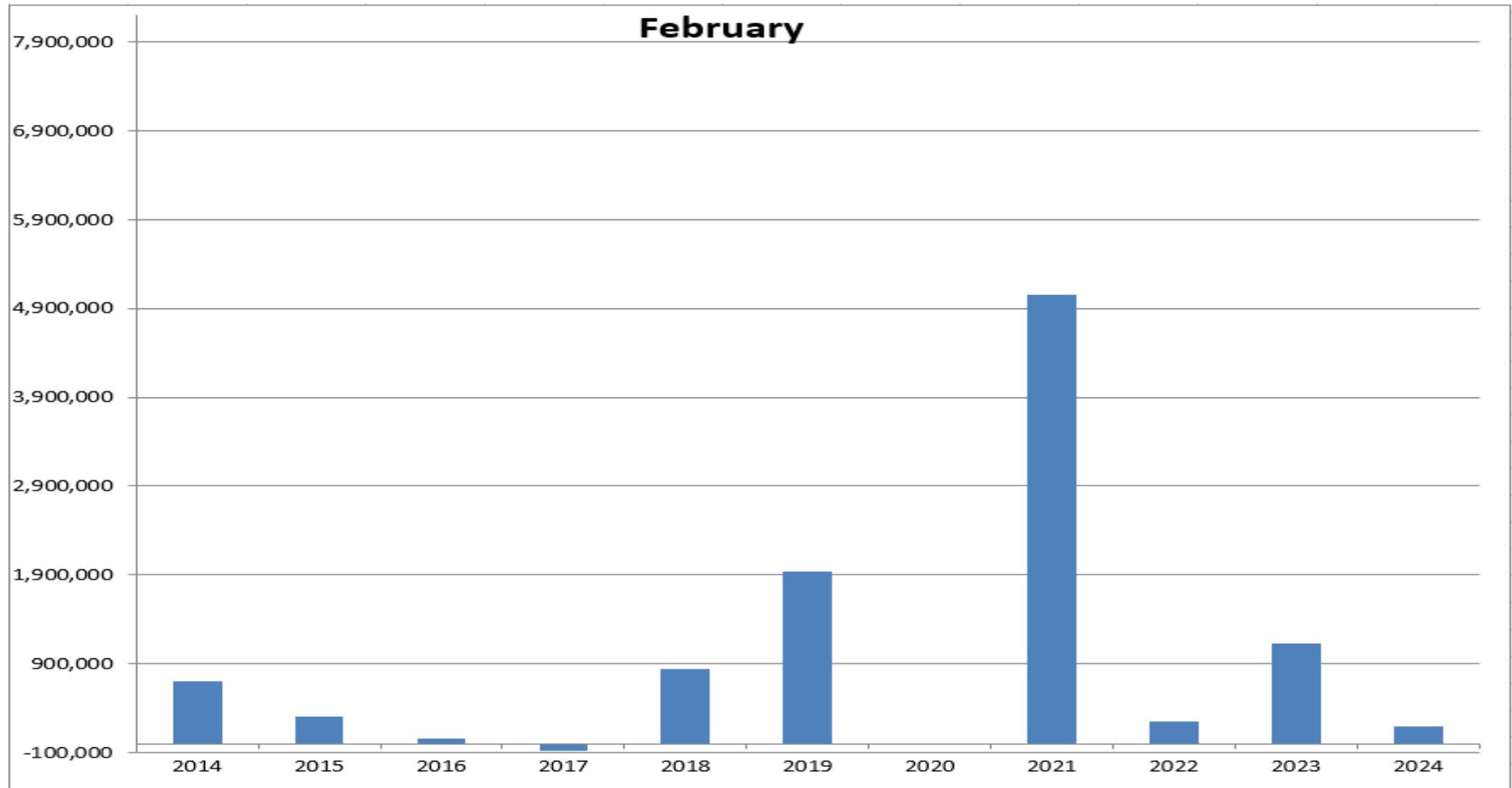


	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY2024 Budget	Percent Used	Comments
VOM	6,230,796	8,130,435	1,644,190	8,884,688	6,635,255	7,099,531	12,353,150	3,380,655	5,698,546	0	254,812	4,082,653	64,394,712	91,703,714	70.2%	
Capacity Factor	49%	65%	15%	56%	50%	65%	69%	35%	37%	0%	2%	21%	39%	39%	100.0%	CF lower by 38% vs. Forecast
Fuel Consumed (mmBTU, estimated)	778,036	1,034,230	228,909	881,581	764,290	1,015,613	1,075,545	519,988	629,869	0	38,318	385,894	7,352,273	9,058,849	81.2%	
Avg Fuel Cost (\$/mmBTU)	5.41	5.39	4.33	6.38	6.08	4.52	7.51	3.63	0.00	0.00	0.00	0.00	4.84	7.87	61.5%	
Power Produced (MWhr, estimated)	110,534	148,957	31,972	125,082	109,227	146,112	155,019	73,757	82,366	0	3,997	46,589	1,033,612	1,303,566	79.3%	MWhr production lower by 38% vs. Forecast
Avg Power Price (\$/MWhr)	70.51	77.17	60.02	78.22	74.97	60.42	94.74	50.18	0.00	0.00	0.00	0.00	64.24	95.06	67.6%	Power Prices lower by 52% vs. Forecast
Operations / Variable / LTSA	147,690	169,459	141,392	878,497	148,982	81,213	1,172,451	101,694	95,712	0	26,158	562,841	3,526,089	4,837,398	72.9%	
Fuel (estimated)	4,211,170	5,569,646	991,544	5,627,298	4,649,538	4,594,126	8,078,944	1,889,865	4,092,619	0	138,631	2,601,635	42,445,017	71,517,913	59.3%	
AB32 GHG Offset (estimated)	1,462,153	2,030,979	462,367	1,749,465	1,592,739	2,148,977	2,493,608	1,212,320	1,359,896	0	82,729	833,152	15,428,385	13,984,733	110.3%	
CA ISO Charges (estimated)	409,783	360,351	48,887	629,428	243,996	275,215	608,147	176,776	150,319	0	7,294	85,025	2,995,221	1,363,670	219.6%	
Routine O&M (Fixed)	1,364,229	1,520,704	1,104,923	1,292,039	1,265,418	1,214,385	1,068,137	1,017,035	1,120,800	1,354,887	1,318,930	1,214,093	14,855,578	14,013,817	106.0%	
Maintenance / Fixed	370,865	330,257	338,399	533,479	371,163	297,764	298,959	268,835	268,500	396,582	268,500	268,500	4,011,803	3,350,082	119.8%	Fixed cost inline vs. Forecast
Administration	2,526	15,273	2,212	12,348	22,003	18,000	3,271	7,470	15,681	15,681	15,681	15,681	145,827	188,173	77.5%	
Mandatory Costs	44,199	405,606	18,181	19,785	14,490	-3,691	24,067	19,541	17,907	43,800	40,525	33,386	677,796	374,870	180.8%	
Inventory Stock	0	0	0	18,118	132,665	9,129	109,059	0	118,188	0	144,000	0	531,159	500,000	0.0%	
Labor	675,240	484,316	459,297	436,142	453,204	618,284	360,196	445,516	414,403	612,703	564,103	610,403	6,133,807	6,167,244	99.5%	Labor cost higher by 10% vs. Forecast
Insurance	145,976	145,976	145,976	145,976	145,976	145,976	145,976	145,976	145,976	145,976	145,976	145,976	1,751,712	1,751,712	100.0%	
Power Management & Settlements	125,423	125,423	125,423	125,423	125,423	125,423	125,423	125,423	125,423	125,423	125,423	125,424	1,505,075	1,505,071	100.0%	
Other Costs	0	13,853	15,435	768	494	3,500	1,186	4,274	14,722	14,722	14,722	14,723	98,399	176,665	55.7%	
Projects	218,640	180,755	243,735	222,078	258,846	284,268	271,786	354,707	248,255	1,328,823	180,755	248,255	4,040,904	3,912,591	103.3%	
Maintenance Reserve	180,755	180,755	180,755	180,755	180,755	180,755	180,755	180,755	180,755	180,755	180,755	180,755	2,169,061	2,169,063	100.0%	
Operations & Maintenance Projects	37,885	0	62,980	41,323	78,091	103,513	91,031	173,952	67,500	1,148,068	0	22,500	1,826,843	1,698,528	107.6%	Paid two invoices to Siemens for the RG3 excitation upgrade
Capital Projects	0	0	0	0	0	0	0	0	0	0	0	45,000	45,000	45,000	100.0%	
A&G	223,194	223,194	223,194	223,194	223,194	223,194	223,194	223,194	223,280	223,280	223,280	223,280	2,678,671	2,679,358	100.0%	
Administrative & General (Allocated)	190,458	190,458	190,458	190,458	190,458	190,458	190,458	190,458	190,498	190,498	190,498	190,498	2,285,654	2,285,971	100.0%	
Generation Services Shared	32,736	32,736	32,736	32,736	32,736	32,736	32,736	32,736	32,782	32,782	32,782	32,782	393,017	393,387	99.9%	
Total O&M Cost	8,036,859	10,055,088	3,216,042	10,621,999	8,382,713	8,821,378	13,916,267	4,975,591	7,290,880	2,906,990	1,977,777	5,768,280	85,969,865	112,309,480	76.5%	
Debt Service	2,166,020	2,166,020	2,166,020	2,166,020	2,166,020	2,166,020	2,166,020	2,166,020	2,166,350	2,166,350	2,166,350	2,166,350	25,993,561	25,992,239	100.0%	
Revenues	7,885,997	11,628,566	2,044,088	9,914,012	8,322,394	8,942,838	14,818,020	3,824,413	6,537,994	0	257,110	4,233,107	78,408,539	126,179,301	62.1%	
ISO Energy Sales (estimated)	7,793,651	11,494,752	1,919,044	9,783,322	8,188,300	8,828,351	14,686,478	3,700,889	6,537,994	0	257,110	4,233,107	77,422,998	123,918,636	62.5%	Energy Sales lower by 70% vs. Forecast
Other Income	92,346	133,814	125,044	130,690	134,094	114,487	131,542	123,524	0	0	0	0	985,541	2,260,665		
Net	(\$2,316,882)	(\$592,542)	(\$3,337,974)	(\$2,874,007)	(\$2,226,339)	(\$2,044,560)	(\$1,264,267)	(\$3,317,198)	(\$2,919,237)	(\$5,073,340)	(\$3,887,017)	(\$3,701,523)	(\$33,554,887)	(\$12,122,418)	Above budget by 176.80%	

# February Asset Report

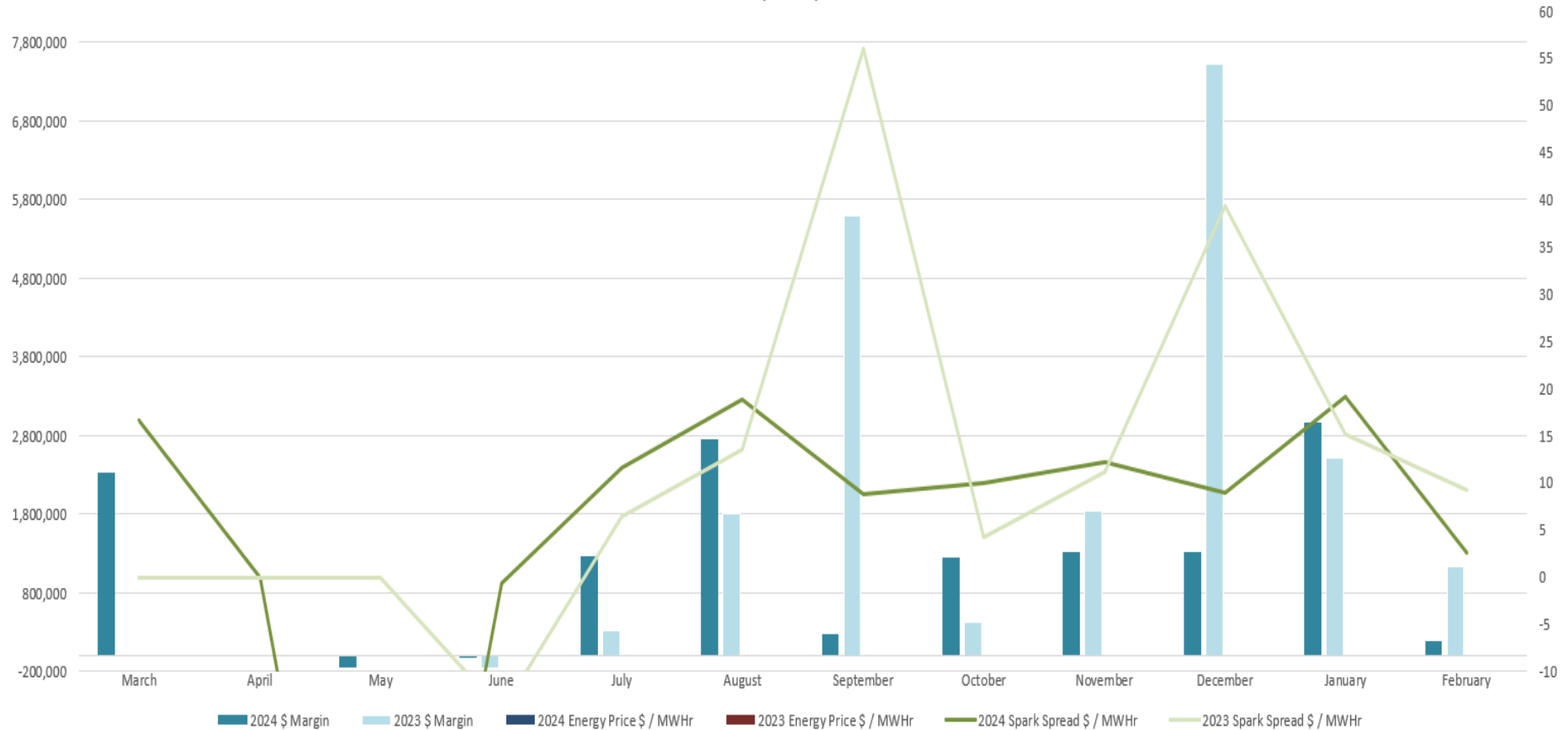
		Most Recent		Above / (below)	Percent Difference	
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	3,824,413	12,527,332	6,379,187	(8,702,919)	-69%	CAISO Energy Sales Revenue Lower by 70% vs Forecast, Avg. Power Pricing lower by 52% vs Forecast
VOM	3,380,655	10,302,432	4,540,530	(6,921,777)	-67%	CF lower by 38% vs Forecast, Power Produced (MWHr) lower by 38% vs Forecast
Fixed	1,017,035	1,149,642	993,296	(132,607)	-12%	
Projects	354,707	255,755	180,755	98,952	39%	Two Payments for Siemens ST RG-3S Excitation Upgrade
A&G	223,194	223,280	223,280	(86)	0%	
Debt	2,166,020	2,166,350	2,166,019	(330)	-0.02%	
Net Cost	(3,317,198)	(1,570,128)	(1,724,693)	1,747,071	111%	
Net Annual Cost		(33,554,887)	(12,122,418)	(\$21,432,469)		
				Above budget by 176.80%		

# Historical Margins



- February 2024 Margins are down due to soft market @ \$187,835 vs. February 2023 @ \$1,130,631.

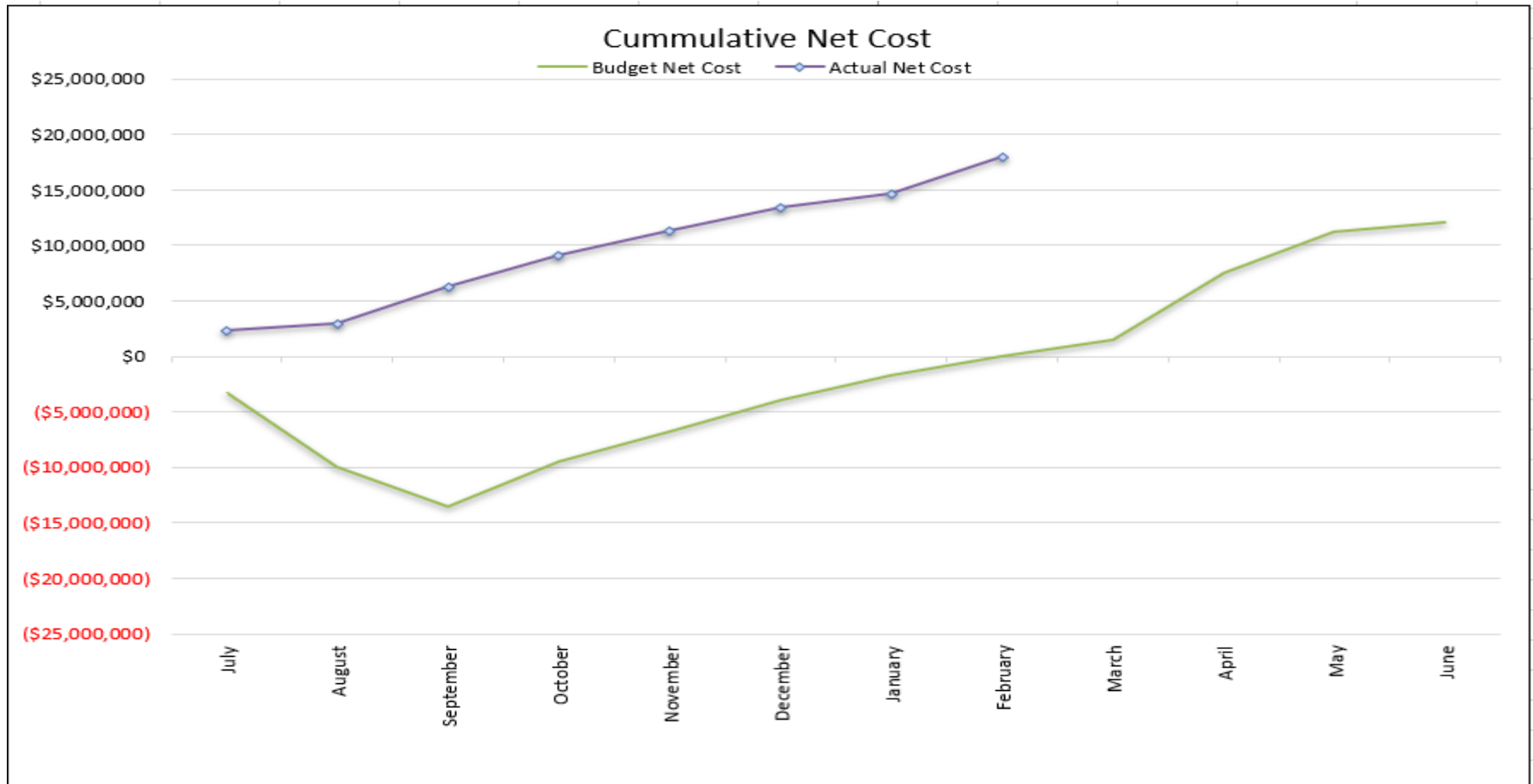
## Historical Monthly Comparison



\* Spark Spread lower from (Feb 2023)@ \$9.28 \$/MWhr vs. (Feb 2024) @ \$2.54 \$/MWhr

\* Spark Spread delta lower from Feb 2023 vs Feb 2024 @ \$6.74 \$/MWhr

\* Margin comparison from Feb 2023 (\$1,130,631) vs Feb 2024 (\$187,835)



**\*\* On the cumulative chart, February was a record month when compared to historical results. Actual Net Cost \$17,973,770 vs Budget Net Cost \$1,709,989.**



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# LEC Treasurer's Report

AGENDA ITEM NO.: 8

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**Date:** April 8, 2024  
**To:** LEC Project Participant Committee  
**Subject:** Treasurer's Report for the Month Ended February 29, 2024

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

Cash - At month end cash totaled \$149.

Investments - The carrying value of the LEC's investment portfolio totaled \$41,910,603 at month end. The current market value of the portfolio totaled \$40,831,784.

The overall portfolio had a combined weighted average interest rate of 3.699% with a bond equivalent yield (yield to maturity) of 3.736%. Investments with a maturity greater than one year totaled \$17,734,000. During the month \$2,048,665 was invested.

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

Interest Rates - During the month, rates on 90 day T-Bills remained unchanged at 5.45% and rates on one year T-Bills increased 19 basis points from 4.80% to 4.99%.

To the best of my knowledge and belief, all securities held by LEC as of February 29, 2024 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

## Environmental Analysis

The Treasurer's report will not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

Respectfully submitted,

*Monty Hanks*

MONTY HANKS  
Assistant General Manager/CFO  
Administrative Services/Finance

Prepared by:

*Sandra Ainsworth*

SONDRA AINSWORTH  
Treasurer-Controller

Attachments

# **LODI ENERGY CENTER**

## **TREASURER'S REPORT**

**FEBRUARY 29, 2024**

### **TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
<b>CASH &amp; INVESTMENT BALANCE</b>	<b>1</b>
<b>CASH ACTIVITY SUMMARY</b>	<b>2</b>
<b>INVESTMENT ACTIVITY SUMMARY</b>	<b>3</b>
<b>INTEREST RATE/YIELD ANALYSIS</b>	<b>4</b>
<b>LIQUIDITY AND INVESTMENT MATURITIES ANALYSIS</b>	<b>5</b>
<b>DETAIL REPORT OF INVESTMENTS</b>	<b>APPENDIX</b>

**Northern California Power Agency/Lodi Energy Center  
Treasurer's Report  
Cash & Investment Balance  
February 29, 2024**

	<b>CASH</b>	<b>INVESTMENTS</b>	<b>TOTAL</b>	<b>PERCENT</b>	<b>INVESTMENTS at MARKET</b>
<b>MANDATORY FUNDS</b>					
Debt Service Account	\$ 149	\$ 14,273,591	\$ 14,273,740	34.06%	\$ 14,269,147
Debt Service Reserve	-	11,511,588	11,511,588	27.47%	11,134,158
O & M Reserve	-	15,953,281	15,953,281	38.06%	15,256,336
	149	41,738,460	41,738,609	99.59%	40,659,641
<b>ADDITIONAL PROJECT FUNDS</b>					
GHG Cash Account	-	172,143	172,143	0.41%	172,143
Participant Deposit Account	-	-	-	-	-
	\$ 149	\$ 41,910,603	\$ 41,910,752	100.00%	\$ 40,831,784

**NOTE A -Investment amounts shown at book carrying value.**



**Northern California Power Agency/Lodi Energy Center**  
**Treasurer's Report**  
**Cash Activity Summary**  
**February 29, 2024**

	RECEIPTS			EXPENDITURES			CASH
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	INCREASE / (DECREASE)
<b>MANDATORY FUNDS</b>							
Debt Service Account	\$ -	\$ 1	\$ -	\$ -	\$ (1,902,117)	\$ 1,901,631	\$ (485)
Debt Service Reserve	-	462	-	-	(462)	-	-
O & M Reserve	-	28,807	50,000	-	(145,339)	66,532	-
	-	29,270	50,000	-	(2,047,918)	1,968,163	(485)
<b>ADDITIONAL PROJECT FUNDS</b>							
GHG Cash Account	-	747	-	-	(747)	-	-
Participant Deposit Account	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 30,017</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ (2,048,665)</b>	<b>\$ 1,968,163</b>	<b>\$ (485)</b>

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

**Northern California Power Agency/Lodi Energy Center**  
**Treasurer's Report**  
**Investment Activity Summary**  
**February 29, 2024**

			(NON-CASH)	(NON-CASH)	INVESTMENTS	
	PURCHASED	SOLD OR MATURED	DISC/(PREM) AMORT	GAIN/(LOSS) ON SALE	TRANSFERS	INCREASE / (DECREASE)
<b>MANDATORY FUNDS</b>						
Debt Service Account	\$ 1,902,117	\$ -	\$ 52,530	\$ -	\$ -	\$ 1,954,647
Debt Service Reserve	462	-	12,113	-	-	12,575
O & M Reserve	145,339	(50,000)	(452)	-	-	94,887
	<u>2,047,918</u>	<u>(50,000)</u>	<u>64,191</u>	<u>-</u>	<u>-</u>	<u>2,062,109</u>
<b>ADDITIONAL PROJECT FUNDS</b>						
GHG Cash Account	747	-	-	-	-	747
Participant Deposit Acct.	-	-	-	-	-	-
<b>TOTAL</b>	<u>\$ 2,048,665</u>	<u>\$ (50,000)</u>	<u>\$ 64,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,062,856</u>

**Less Non- Cash Activity**

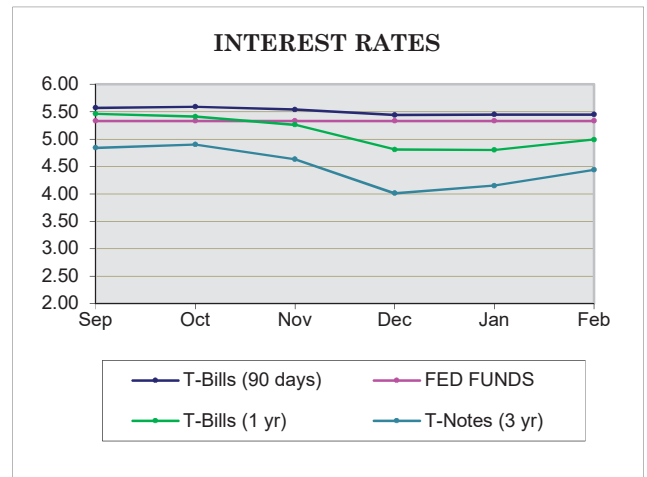
Disc/(Prem) Amortization & Gain/(Loss) on Sale	<u>(64,191)</u>
Net Change in Investment –Before Non-Cash Activity	<u>\$ 1,998,665</u>

**NOTE A -Investment amounts shown at book carrying value.**

**Northern California Power Agency/Lodi Energy Center**  
**Interest Rate/Yield Analysis**  
**February 29, 2024**

	<b>WEIGHTED AVERAGE INTEREST RATE</b>	<b>BOND EQUIVALENT YIELD</b>
<b>OVERALL COMBINED</b>	<b>3.699%</b>	<b>3.736%</b>
Debt Service Account	<b>5.108%</b>	<b>5.293%</b>
Debt Service Reserve	<b>3.138%</b>	<b>3.094%</b>
O & M Reserve	<b>2.824%</b>	<b>2.788%</b>
GHG Cash Account	<b>5.540%</b>	<b>5.540%</b>

<b>KEY INTEREST RATES</b>		
	<b>CURRENT</b>	<b>PRIOR YEAR</b>
Fed Funds (Overnight)	<b>5.33%</b>	<b>4.58%</b>
T-Bills (90da.)	<b>5.45%</b>	<b>4.85%</b>
Agency Disc (90da.)	<b>5.26%</b>	<b>4.82%</b>
T-Bills (1yr.)	<b>4.99%</b>	<b>5.06%</b>
Agency Disc (1yr.)	<b>4.87%</b>	<b>5.12%</b>
T-Notes (3yr.)	<b>4.44%</b>	<b>4.45%</b>

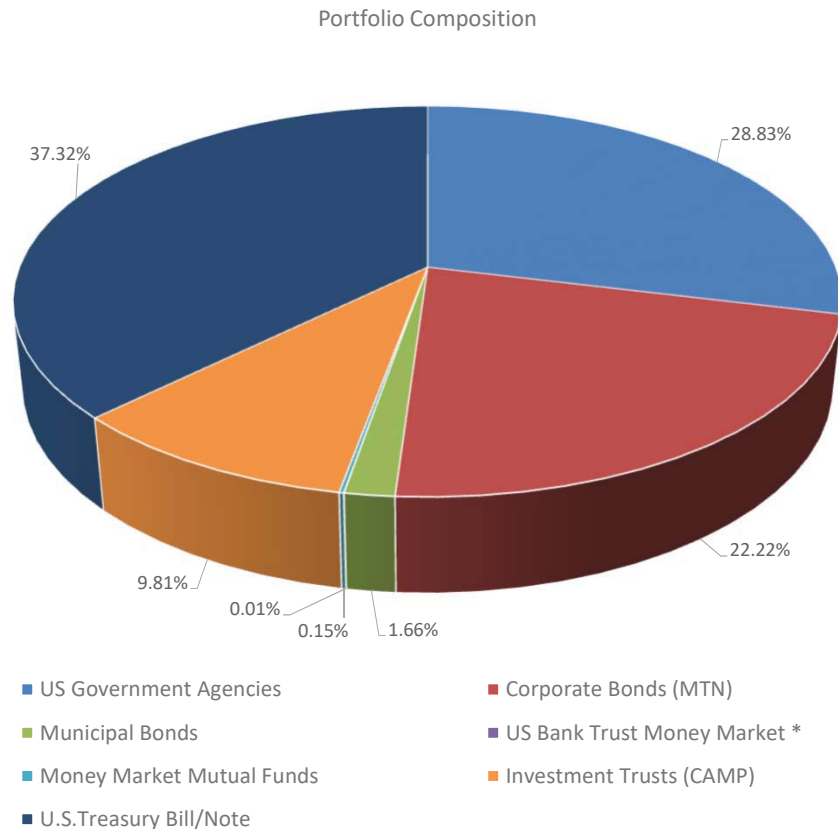


**Northern California Power Agency/Lodi Energy Center**  
**Total Portfolio**  
**Liquidity and Investment Maturities Analysis**  
**February 29, 2024**

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$ -	\$ -	\$ 1,929	\$ 2,070	\$ -	\$ 8,141	\$ -	\$ 12,140	28.83%
Corporate Bonds (MTN)	-	-	-	-	465	8,893	-	9,358	22.22%
Municipal Bonds	-	-	-	-	-	700	-	700	1.66%
US Bank Trust Money Market *	4	-	-	-	-	-	-	4	0.01%
Money Market Mutual Funds	65	-	-	-	-	-	-	65	0.15%
Investment Trusts (CAMP)	4,133	-	-	-	-	-	-	4,133	9.81%
U.S.Treasury Bill/Note	-	15,720	-	-	-	-	-	15,720	37.32%
<b>Total Dollars</b>	<b>\$ 4,202</b>	<b>\$ 15,720</b>	<b>\$ 1,929</b>	<b>\$ 2,070</b>	<b>\$ 465</b>	<b>\$ 17,734</b>	<b>\$ -</b>	<b>\$ 42,120</b>	<b>100.00%</b>
<b>Total Percents</b>	<b>9.99%</b>	<b>37.32%</b>	<b>4.58%</b>	<b>4.91%</b>	<b>1.10%</b>	<b>42.10%</b>	<b>0.00%</b>	<b>100.00%</b>	

Investments are shown at Face Value, in thousands.

\* Uninvested debt service balances at U.S. Bank Global Trust and Custody are swept into U.S. Bank unrated money market demand deposit investment products.



# **NORTHERN CALIFORNIA POWER AGENCY**

## **Detail Report Of Investments**

### **APPENDIX**

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



## Northern California Power Agency

## Treasurer's Report

02/29/2024

## LEC Issue #1 2010B DS Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	1,007	0.010		1,007		1	0.010	1,007	SYS79004	79004	1,007
U.S. Treasury	USBT	1,323,000	5.050	01/03/2024	1,296,832	05/23/2024	83	5.223	1,307,018	912797HR1	27699	1,307,596
U.S. Treasury	USBT	51,000	5.140	12/05/2023	49,711	05/30/2024	90	5.346	50,333	912797HS9	27679	50,345
U.S. Treasury	USBT	685,000	5.010	12/29/2023	670,415	05/30/2024	90	5.190	676,040	912797HS9	27690	676,420
U.S. Treasury	USBT	473,000	5.110	01/29/2024	464,809	05/30/2024	90	5.272	466,813	912797HS9	27713	466,957
Federal Home Loan Ba	USBGC	468,000	5.195	02/26/2024	461,382	06/03/2024	94	5.342	461,607	313384XR5	27739	461,652
Fund Total and Average		\$ 3,001,007	5.073		\$ 2,944,156		88	5.242	\$ 2,962,818			\$ 2,963,977

## LEC Issue #2 2010B DS Fund

US Bank Trust	USB	1,020	0.010		1,020		1	0.010	1,020	SYS79012	79012	1,020
U.S. Treasury	USBT	3,262,000	5.140	12/05/2023	3,179,564	05/30/2024	90	5.346	3,219,333	912797HS9	27680	3,220,083
U.S. Treasury	USBT	683,000	5.010	12/29/2023	668,457	05/30/2024	90	5.190	674,066	912797HS9	27691	674,445
U.S. Treasury	USBT	778,000	5.110	01/29/2024	764,527	05/30/2024	90	5.272	767,824	912797HS9	27714	768,061
Federal Home Loan Ba	USBGC	774,000	5.194	02/26/2024	763,054	06/03/2024	94	5.342	763,427	313384XR5	27740	763,501
Fund Total and Average		\$ 5,498,020	5.126		\$ 5,376,622		91	5.315	\$ 5,425,670			\$ 5,427,110

## LEC Issue#1 2017A DS Fund

U.S. Treasury	USBT	3,892,000	5.110	12/06/2023	3,794,769	05/30/2024	90	5.313	3,841,093	912797HS9	27683	3,842,280
U.S. Treasury	USBT	691,000	5.010	12/29/2023	676,287	05/30/2024	90	5.190	681,962	912797HS9	27692	682,345
U.S. Treasury	USBT	689,000	5.110	01/29/2024	677,068	05/30/2024	90	5.272	679,988	912797HS9	27715	680,198
Federal Home Loan Ba	USBGC	687,000	5.195	02/26/2024	677,284	06/03/2024	94	5.342	677,616	313384XR5	27741	677,681
Fund Total and Average		\$ 5,959,000	5.108		\$ 5,825,408		90	5.298	\$ 5,880,659			\$ 5,882,504
GRAND TOTALS:		\$ 14,458,027	5.108		\$ 14,146,186		90	5.293	\$ 14,269,147.			\$ 14,273,591

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 02/29/2024



## Northern California Power Agency

## Treasurer's Report

02/29/2024

## LEC Issue #1 2010 DSR Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	1,413	0.010		1,413		1	0.010	1,413	SYS79005	79005	1,413
Federal Home Loan Ba	USBT	20,000	4.875	04/25/2023	20,107	09/13/2024	196	4.468	19,949	3130ATVD6	27586	20,041
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	731	0.840	4,100,940	3133EMSK9	27199	4,430,000
Federal Home Loan Ba	USBT	150,000	0.875	08/27/2021	150,528	06/12/2026	833	0.799	138,087	3130AN4T4	27270	150,251
U.S. Treasury	USBT	3,589,000	4.375	01/03/2024	3,618,020	12/15/2026	1,019	4.080	3,581,714	91282CJP7	27700	3,616,458
Federal Home Loan Ba	USBT	120,000	4.000	07/28/2023	118,496	06/30/2028	1,582	4.285	118,831	3130AWN63	27624	118,677
U.S. Treasury	USBT	21,000	4.375	09/28/2023	20,785	08/31/2028	1,644	4.608	21,067	91282CHX2	27647	20,804
Fund Total and Average		\$ 8,331,413	2.433		\$ 8,359,349		870	2.308	\$ 7,982,001			\$ 8,357,644

## LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	436	0.010		436		1	0.010	436	SYS79006	79006	436
U.S. Treasury	USBT	132,000	5.140	12/05/2023	128,664	05/30/2024	90	5.346	130,273	912797HS9	27681	130,304
U.S. Treasury	USBT	2,168,000	5.000	01/16/2024	2,127,350	05/30/2024	90	5.166	2,139,643	912797HS9	27702	2,140,900
Fund Total and Average		\$ 2,300,436	5.007		\$ 2,256,450		90	5.176	\$ 2,270,352			\$ 2,271,640

## LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	485	0.010		485		1	0.010	485	SYS79013	79013	485
U.S. Treasury	USBT	51,000	5.140	12/05/2023	49,711	05/30/2024	90	5.346	50,333	912797HS9	27682	50,345
U.S. Treasury	USBT	842,000	5.000	01/16/2024	826,213	05/30/2024	90	5.166	830,987	912797HS9	27703	831,475
Fund Total and Average		\$ 893,485	5.005		\$ 876,409		90	5.174	\$ 881,805			\$ 882,305
GRAND TOTALS:		\$ 11,525,334	3.138		\$ 11,492,208		657	3.094	\$ 11,134,158.			\$ 11,511,589

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 02/29/2024

## Callable Dates:

Inv #

27199 FFCB Anytime



## Northern California Power Agency

## Treasurer's Report

02/29/2024

## LEC O &amp; M Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
First American Govt.	USBGC	64,849	5.210		64,849		1	5.210	64,849	SYS70041	70041	64,849
California Asset Mgm	CMP	3,961,172	5.540	09/09/2022	3,961,172		1	5.540	3,961,172	SYS70075	70075	3,961,172
Local Agency Investm		0	3.590	07/01/2023	0		1	3.590	0	SYS70047	70047	0
Federal Farm Credit	USBGC	2,050,000	5.375	09/15/2023	2,053,075	09/13/2024	196	5.217	2,050,738	3133EPVU6	27640	2,051,649
Caterpillar Financia	USBGC	465,000	3.250	02/03/2020	496,569	12/01/2024	275	1.776	457,927	14912L6G1	26952	469,904
Nashville Met Gov	USBGC	350,000	0.610	09/18/2023	350,000	07/01/2025	487	0.609	330,379	592112XC5	27645	350,000
Nashville Met Gov	USBGC	150,000	0.610	09/18/2023	150,000	07/01/2025	487	0.609	141,524	592112XA9	27646	150,000
Federal National Mtg	USBGC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	515	0.579	941,670	3136G4D75	27047	1,000,282
Federal National Mtg	USBGC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	535	0.600	940,580	3136G4G72	27057	1,000,000
Federal Farm Credit	USBGC	750,000	0.530	09/29/2020	750,000	09/29/2025	577	0.530	701,933	3133EMBH4	27083	750,000
Federal Farm Credit	USBGC	670,000	0.530	09/29/2020	670,000	09/29/2025	577	0.530	627,040	3133EMBJ0	27084	670,000
Apple Inc.	USBGC	500,000	0.700	02/17/2021	500,000	02/08/2026	709	0.699	462,210	037833EB2	27170	500,000
JP Morgan	USBGC	500,000	1.200	04/30/2021	500,000	04/30/2026	790	1.200	456,565	48128G3G3	27222	500,000
MassMutual Global Fu	USBGC	1,000,000	1.200	08/02/2021	1,007,220	07/16/2026	867	1.050	910,820	57629WDE7	27250	1,003,460
Bank of America Corp	USBGC	100,000	1.250	08/26/2021	100,000	08/26/2026	908	1.250	88,813	06048WN22	27259	100,000
Caterpillar Financia	USBGC	500,000	1.150	10/13/2021	498,165	09/14/2026	927	1.227	455,805	14913R2Q9	27290	499,054
TSMC Arizona Corp.	USBGC	850,000	1.750	12/08/2021	857,242	10/25/2026	968	1.567	781,609	872898AA9	27335	853,932
Public Storage	USBGC	515,000	1.500	11/15/2021	515,242	11/09/2026	983	1.490	470,113	74460DAG4	27310	515,131
Public Storage	USBGC	1,064,000	1.500	12/08/2021	1,065,234	11/09/2026	983	1.475	971,262	74460DAG4	27341	1,064,675
City of Beverly Hill	USBGC	200,000	1.327	06/28/2022	179,194	06/01/2027	1,187	3.654	178,166	088006KB6	27424	186,270
Mercedes-Benz Fin. N	USBGC	275,000	3.750	06/26/2023	260,832	02/22/2028	1,453	5.003	263,161	233851DF8	27609	262,903
Fund Total and Average		\$ 15,965,021	2.824		\$ 15,979,794		489	2.788	\$ 15,256,336			\$ 15,953,281
GRAND TOTALS:		\$ 15,965,021	2.824		\$ 15,979,794		489	2.788	\$ 15,256,336.			\$ 15,953,281

\*Bond Equivalent Yield to Maturity is shown based on a 365 day year to provide a basis for comparison between all types.

Investments with less than 6 months to maturity use an approximate method, all others use an exact method.

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 02/29/2024

## Callable Dates:

Inv #

27047	FHLMC	Quarterly
27057	FNMA	Quarterly
27083	FFCB	Anytime
27084	FFCB	Anytime
27170	APPL	Anytime starting 1/8/2026
27222	JPM	Annually
27259	BAC	Semi-annually





Northern California Power Agency  
Treasurer's Report  
02/29/2024

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
California Asset Mgm	CMP	172,143	5.540	09/13/2022	172,143		1	5.540	172,143	SYS70077	70077	172,143
Local Agency Investm		0	3.590	07/01/2023	0		1	3.590	0	SYS70046	70046	0
Fund Total and Average		\$ 172,143	5.540		\$ 172,143		1	5.540	\$ 172,143			\$ 172,143
GRAND TOTALS:		\$ 172,143	5.540		\$ 172,143		1	5.540	\$ 172,143.			\$ 172,143

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 02/29/2024



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

### **LEC Financial Reports**

AGENDA ITEM NO.: 9

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**Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** February 29, 2024 Financial Reports (Unaudited)

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

		February	
		2024	2023
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$	172,143	\$ 80,164
Interest receivable		73,753	24,642
Inventory and supplies - at average cost		2,620,150	2,635,210
Prepaid insurance		901,399	982,721
Due from (to) Agency, net		29,776,870	59,147,798
<b>TOTAL CURRENT ASSETS</b>		<b>33,544,315</b>	<b>62,870,535</b>
<b>RESTRICTED ASSETS</b>			
Cash and cash equivalents		4,030,528	2,809,703
Investments		37,708,081	35,499,992
Interest receivable		52,995	60,208
<b>TOTAL RESTRICTED ASSETS</b>		<b>41,791,604</b>	<b>38,369,903</b>
<b>ELECTRIC PLANT</b>			
Electric plant in service		447,596,790	447,458,697
Less: accumulated depreciation		(148,421,365)	(133,669,027)
<b>TOTAL ELECTRIC PLANT</b>		<b>299,175,425</b>	<b>313,789,670</b>
<b>OTHER ASSETS</b>			
Regulatory assets		28,506,209	29,337,639
<b>TOTAL OTHER ASSETS</b>		<b>28,506,209</b>	<b>29,337,639</b>
<b>TOTAL ASSETS</b>		<b>403,017,553</b>	<b>444,367,747</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized excess cost on advance refunding of debt, net		289,096	631,136
Asset retirement obligations		202,458	195,640
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>		<b>491,554</b>	<b>826,776</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$</b>	<b>403,509,107</b>	<b>\$ 445,194,523</b>

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

	February	
	2024	2023
<b>LIABILITIES &amp; NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts and retentions payable	\$ 1,893,980	\$ 7,651,469
Operating reserves	19,942,659	13,821,198
Current portion of long-term debt	14,239,000	13,842,676
Accrued interest payable	3,110,921	3,180,171
<b>TOTAL CURRENT LIABILITIES</b>	<b>39,186,560</b>	<b>38,495,514</b>
<b>NON-CURRENT LIABILITIES</b>		
Operating reserves and other deposits	165,932	711,668
Asset retirement obligations	202,458	195,640
Long-term debt, net	301,709,764	315,948,765
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>302,078,154</b>	<b>316,856,073</b>
<b>TOTAL LIABILITIES</b>	<b>341,264,714</b>	<b>355,351,587</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Regulatory credits	37,413,062	38,455,744
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	(3,282,167)	(2,627,870)
Restricted	10,466,586	10,743,788
Unrestricted	17,646,912	43,271,274
<b>TOTAL NET POSITION</b>	<b>24,831,331</b>	<b>51,387,192</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 403,509,107</b>	<b>\$ 445,194,523</b>

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

		<b>Eight Months Ended February</b>	
		<b>2024</b>	<b>2023</b>
<b>SALES FOR RESALE</b>			
Participants	\$	33,683,640	\$ 44,074,840
Other		65,759,685	151,793,247
<b>TOTAL SALES FOR RESALE</b>		<b>99,443,325</b>	<b>195,868,087</b>
<b>OPERATING EXPENSES</b>			
Operations		55,330,339	127,955,919
Depreciation & amortization		9,437,234	9,434,752
Purchased power		2,337,215	6,879,250
Maintenance		3,891,766	3,321,603
Administrative and general		4,372,250	3,727,522
Transmission		486,806	660,876
Intercompany (sales) purchases		261,891	219,864
<b>TOTAL OPERATING EXPENSES</b>		<b>76,117,501</b>	<b>152,199,786</b>
<b>NET OPERATING REVENUES</b>		<b>23,325,824</b>	<b>43,668,301</b>
<b>OTHER REVENUES (EXPENSES)</b>			
Interest expense		(8,448,997)	(8,704,040)
Interest income		2,824,650	2,010,495
Other		4,064,417	7,769,406
<b>TOTAL OTHER REVENUES (EXPENSES)</b>		<b>(1,559,930)</b>	<b>1,075,861</b>
<b>FUTURE RECOVERABLE AMOUNTS</b>		<b>(632,252)</b>	<b>(380,192)</b>
<b>REFUNDS TO PARTICIPANTS</b>		<b>(916,772)</b>	<b>80,601</b>
<b>INCREASE IN NET POSITION</b>		<b>20,216,870</b>	<b>44,444,571</b>
<b>NET POSITION</b>			
Beginning of year		4,614,461	6,942,621
End of period	\$	24,831,331	\$ 51,387,192

**Lodi Energy Center  
FY 2024 Operating Costs  
As of February 29, 2024**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
<b>Variable Costs</b>					
Variable	\$ 4,837,398	\$ 2,830,453	\$ 2,006,945	41%	
Fuel & LDC Costs	71,517,913	37,299,200	34,218,713	48%	<b>A B B</b>
GHG Allowance Costs	13,984,733	10,461,710	3,523,023	25%	
CA ISO Charges	675,245	486,806	188,439	28%	
CA ISO Energy Purchases	688,425	2,337,215	(1,648,790)	0%	
<b>Total Variable Costs</b>	<b>91,703,714</b>	<b>53,415,384</b>	<b>38,288,330</b>	<b>42%</b>	
<b>Routine O&amp;M Costs</b>					
Fixed O&M	3,350,082	2,804,749	545,333	16%	<b>C D</b>
Administration	188,173	85,792	102,381	54%	
Mandatory Costs	374,870	544,408	(169,538)	0%	
Routine O&M Costs without Labor	4,413,125	3,703,920	709,205	16%	
Labor	6,167,244	3,932,195	2,235,049	36%	
<b>Total Routine O&amp;M Cost</b>	<b>10,580,369</b>	<b>7,636,115</b>	<b>2,944,254</b>	<b>28%</b>	
<b>Other Plant Costs</b>					
Debt Service	25,992,239	17,328,158	8,664,081	33%	
Insurance	1,751,712	1,167,808	583,904	33%	
Other Costs	176,665	39,510	137,155	78%	
Generation Services Shared	393,387	261,891	131,496	33%	
Administrative & General (Allocated)	2,285,971	1,523,664	762,307	33%	
Power Management Allocated Costs	1,505,071	1,003,381	501,690	33%	
<b>Total Other Plant Costs</b>	<b>32,105,045</b>	<b>21,324,412</b>	<b>10,780,633</b>	<b>34%</b>	
<b>Total O&amp;M Costs</b>	<b>134,389,128</b>	<b>82,375,911</b>	<b>52,013,217</b>	<b>39%</b>	
<b>Projects</b>					
Operations & Maintenance	1,698,529	588,776	1,109,753	65%	
Capital	45,000	-	45,000	100%	
Maintenance Reserve	2,169,063	1,446,042	723,021	33%	
<b>Total Projects</b>	<b>3,912,592</b>	<b>2,034,818</b>	<b>1,877,774</b>	<b>48%</b>	
<b>Annual Cost</b>	<b>138,301,720</b>	<b>84,410,729</b>	<b>53,890,991</b>	<b>39%</b>	
<b>Less: Third Party Revenue</b>					
Interest Income	250,000	938,296	(688,296)	0%	
ISO Energy Sales	123,918,636	64,972,291	58,946,345	48%	
Ancillary Services Sales	2,010,665	787,393	1,223,272	61%	
Other Income	-	947	(947)	0%	
	126,179,301	66,698,927	59,480,374	47%	
<b>Net Annual Cost to Participants (without GHG Transfer Credits)</b>	<b>12,122,419</b>	<b>17,711,802</b>	<b>(5,589,383)</b>		
GHG Allowance Credits	13,611,634	10,461,710	3,149,924	23%	
<b>Net Annual Cost to Participants (with GHG Transfer Credits)</b>	<b>\$ (1,489,215)</b>	<b>\$ 7,250,092</b>	<b>\$ (8,739,307)</b>	<b>587%</b>	
<b>Total Variable Costs</b>	<b>91,703,714</b>	<b>53,415,384</b>	<b>38,288,330</b>		
<b>Total Fixed Costs</b>	<b>46,598,006</b>	<b>30,995,345</b>	<b>15,602,661</b>		
	<b>\$ 138,301,720</b>	<b>\$ 84,410,729</b>	<b>\$ 53,890,991</b>		
<b>Net Cumulative Generation (MWh)</b>	<b>1,626,895</b>	<b>900,661</b>			
<b>Total O&amp;M Cost Per MWh</b>	<b>\$ 82.60</b>	<b>\$ 91.46</b>			
<b>Net Annual Cost Per MWh</b>	<b>\$ (0.92)</b>	<b>\$ 8.05</b>			
<b>Net Annual Cost Per KW Month</b>	<b>\$ (0.41)</b>	<b>\$ 2.00</b>			

**Footnotes:**

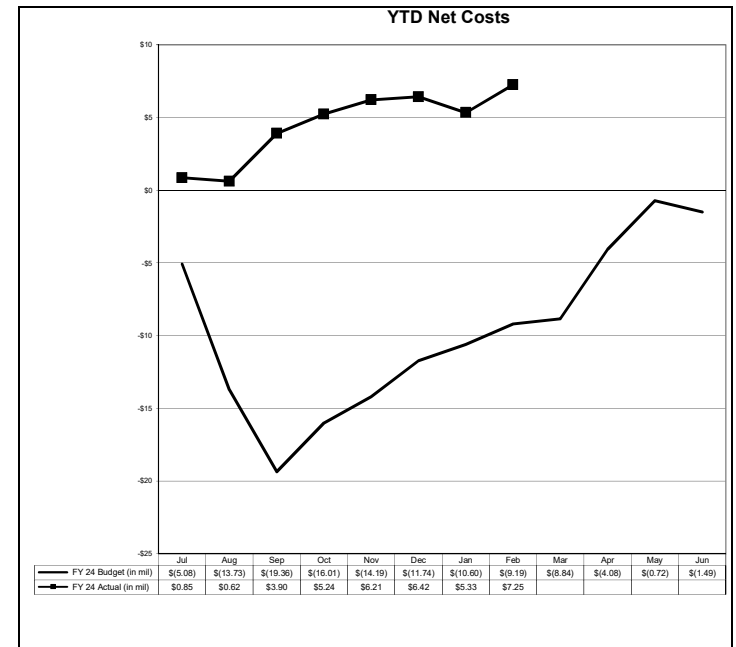
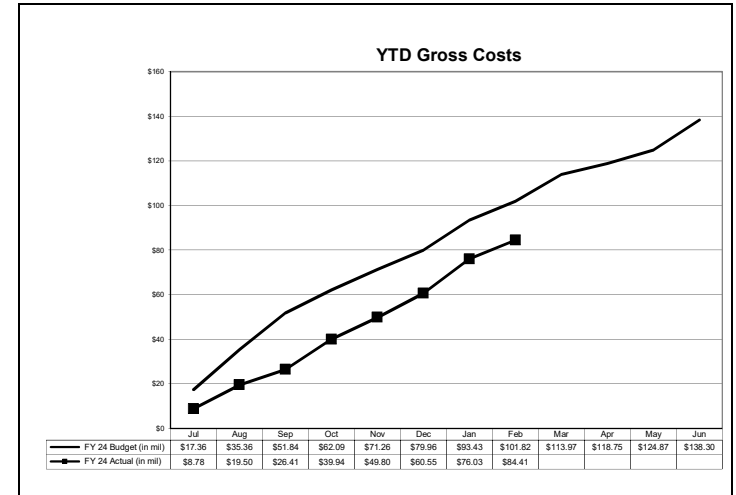
**General** - The plant ran 23 out of 31 days during the month due to economics.

**A** - Higher GHG obligation costs due to increasing obligation costs per metric ton.

**B** - Higher CAISO costs due to higher prices for settlement charges during the year.

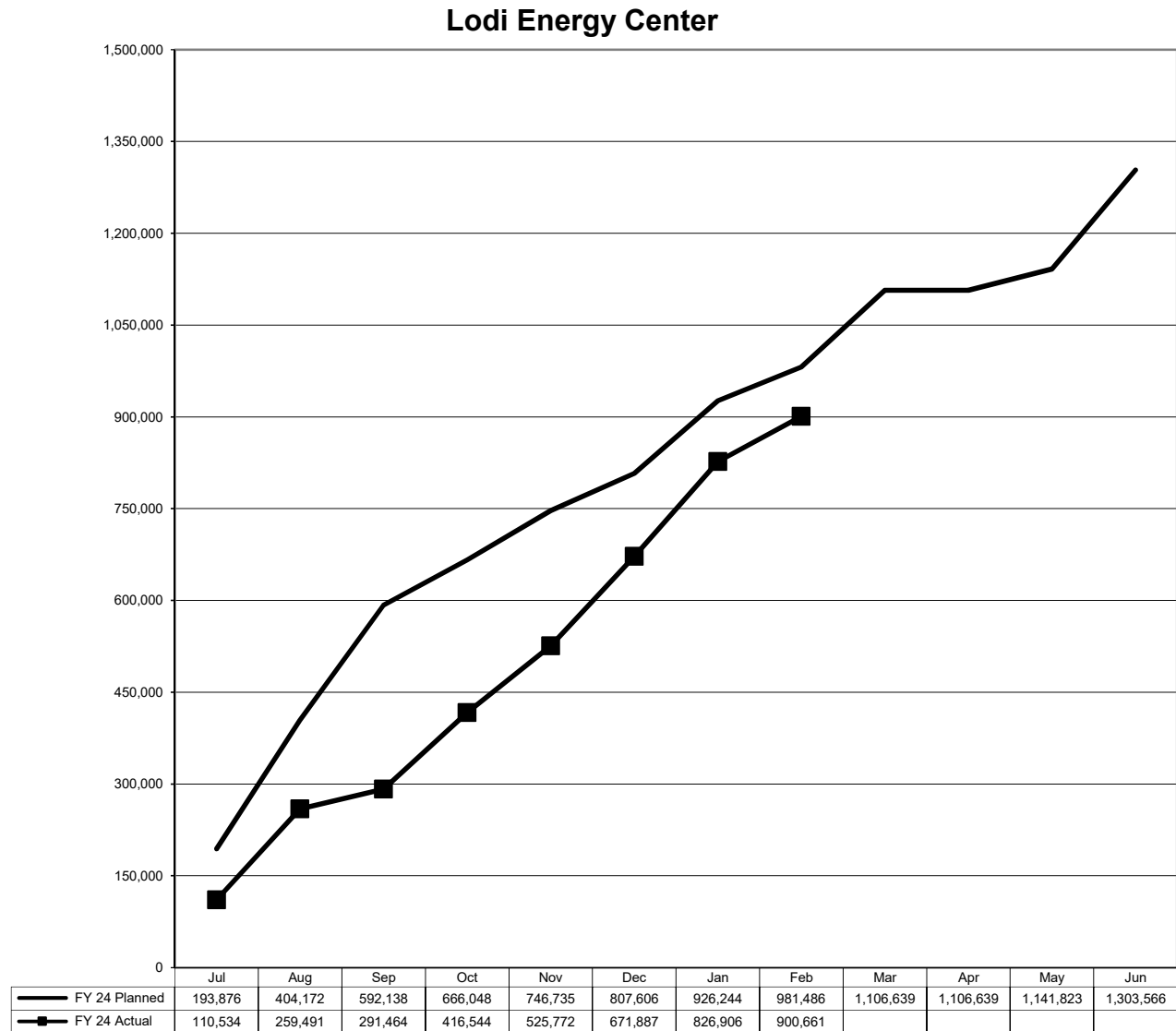
**C** - Costs for materials and supplies for annual outage were higher than expected due to supply chain issues.

**D** - Expenditure for annual permit fees, including higher than expected fees to Air Resources Board.



# Annual Budget LEC Generation Analysis Planned vs. Actual FY 2024

In MWh





**Lodi Energy Center Project Participant Committee**

**LEC GHG Reports**

AGENDA ITEM NO.: 10

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**Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

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

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[illegible]

	CY 2024 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for Lodi Energy Center													
	Actual		Estimated										CY 2024	Cumulative
IDENTIFIER	January	February	March	April	May	June	July	August	September	October	November	December	Total	Total
Energy (MWh)	155,019	73,755	21,015	0	0	9,214	0	0	0	0	0	0	259,003	12,594,800
Gas Schedule (MMBtu)	1,076,706	519,176	163,079	0	0	71,501	0	0	0	0	0	0	1,830,462	90,464,245
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054		
HVAC/Water Heater (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	6,315
Monthly MT Obligation (MTO)	58,104	28,017	8,801	0	0	3,859	0	0	0	0	0	0	98,781	4,889,955
Annual Cal e-GGRT/MT Obligation True Up (MTO)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cumulative MT Obligation (MTO)	1,326,057	1,354,074	1,362,875	1,362,875	1,362,875	1,366,734	1,366,734	1,366,734	1,366,734	1,366,734	1,366,734	1,366,734	1,366,734	1,366,734
Compliance Instrument Participant Transfers														
Carryover Allowances	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000	109,263
Auction Allowances	939	294	0	0	0	0	0	0	0	0	0	0	1,233	5,103,753
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	10,939	294	0	0	0	0	0	0	0	0	0	0	11,233	5,213,016
NCPA Compliance Instrument Purchases														
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument NCPA Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Internal Transfers (LEC from/to STIG)	0	0	0	0	0	0	0	0	0	0	0	0	0	(678)
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	3,517,755
Total Monthly Activity (MT)	10,939	294	0	0	0	0	0	0	0	0	0	0	11,233	5,259,338
Cumulative MT Account Balance (MTA)	1,741,967	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261	1,742,261
MTA Shortfall (MT)	(415,910)	(388,187)	(379,386)	(379,386)	(379,386)	(375,527)	(375,527)	(375,527)	(375,527)	(375,527)	(375,527)	(375,527)	(375,527)	(375,527)
Current Month CCA Balance (\$)	0	0	0	170,596	0	0	0	0	0	0	0	0	0	170,596
Monthly GHG Price	41.40	40.44	42.95	38.22	38.41	43.59	38.78	38.97	44.24	39.35	39.56	44.90		



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

AGENDA ITEM NO.: 11

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**Meeting Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** Allied Power Group, LLC – Five Year Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

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### Proposal

Approve the Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC for inspection and maintenance related services and materials, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,000,000 over five years for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

### Background

Various inspection and maintenance related services and materials are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. NCPA has utilized this vendor in the past, and has a good working relationship with this vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. NCPA has an agreement in place for similar services with Sulzer Turbo Services Houston.

### Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. 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.

### Fiscal Impact

Upon execution, the total cost of the agreement is not to exceed \$2,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

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

Submitted by:

Michael DeBortoli  
Assistant General Manager  
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement and Agreement for Purchase of Equipment, Materials and Supplies with Allied Power Group, LLC



**MULTI-TASK  
GENERAL SERVICES AGREEMENT AND AGREEMENT FOR PURCHASE OF  
EQUIPMENT, MATERIALS AND SUPPLIES BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
ALLIED POWER GROUP, LLC**

This agreement for general services and purchase of equipment, materials, and supplies ("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 Allied Power Group, LLC, a LLC, with its office located at 10131 Mills Road, Houston, TX 77070 ("Contractor") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2024 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or equipment, materials, and supplies ("Goods") described in the Scope of Work attached hereto as Exhibit A and incorporated herein (both services and Goods collectively referred to as "Work" herein). Contractor shall be responsible at its sole expense for delivering the Goods, as further specified herein, to the specified Project Site, DDP, and title shall not pass until the Agency accepts delivery at the Site. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap or monetary cap on Requested Work and all related expenditures authorized by that

Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** TWO MILLION dollars (\$2,000,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

## **2.1 Invoices.**

For Services: Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

For Goods: Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for Goods delivered prior to the invoice date. Contractor shall include the number of the Purchase Order which authorized the Goods for which Contractor is seeking payment.

All invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

- 2.2 Monthly Payment.** Agency shall make payments, based on invoices received, for Work satisfactorily performed and for authorized reimbursable costs incurred, or for delivery of the Goods, per the delivery terms of this Agreement. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.
- 2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.
- 2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

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

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$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.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$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.** Intentionally left blank.

**4.4 Pollution Insurance.** Intentionally left blank.

**4.5 All Policies Requirements.**

**4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.5, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

**4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

**4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.

**4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1 and 4.5.5, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.



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

**4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

## **Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

**5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

**5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

## **Section 6. STATUS OF CONTRACTOR.**

**6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law,

or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

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

Contractor 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, Contractor 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 Contractor.

**6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

**6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall

supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

## **Section 7. LEGAL REQUIREMENTS.**

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in

performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

### **8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however,

may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

**8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

**8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

**8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

**8.4.3** Retain a different Contractor to complete the Work not finished by Contractor; and/or

**8.4.4** Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

## **Section 9. KEEPING AND STATUS OF RECORDS.**

**9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

**9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

**9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

**9.4 Confidential Information and Disclosure.**

**9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

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

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

**9.4.4 Handling of Confidential Information.** 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. PROJECT SITE.**

**10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

**10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work,

as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

## **Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

Without limiting the generality of the foregoing, and in addition to any and all warranties provided or implied by law or public policy, or any other warranties provided by Contractor, Contractor warrants that all Goods are free from defects in design and workmanship; comply with applicable federal, state and local laws and regulations; are new, of good quality and workmanship, and free from defects; are suitably safe and sufficient for the purpose for which they are normally used; and are not subject to any liens or encumbrances. Contractor shall provide all Goods in accordance with all applicable engineering, construction and other codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all with the degree of high quality and workmanship expected from purveyors engaged in the practice of providing materials and supplies of a similar nature.

- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction. In the event of a defect, Agency shall provide clear access to the Work at the installation site; provided, however, that Contractor shall be



responsible for any cost related to uncovering, disassembly or reassembly of parts or hardware required for Contractor to perform its warranty obligations.

- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.
- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental

conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

- 12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8 Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10 If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

### **Section 13 MISCELLANEOUS PROVISIONS.**

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 13.7 Contract Administrator.** This Agreement shall be administered by the Assistant General Manager, Generation Services, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Allied Power Group, LLC  
Attention: Jeremy Clifton, Director of Business Development  
10131 Mills Road  
Houston, TX 77070

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

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and

Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work 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 Work relating to such Member.

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

NORTHERN CALIFORNIA POWER AGENCY

ALLIED POWER GROUP, LLC

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
**JIM MASSO,**  
CEO

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

**EXHIBIT A**  
**SCOPE OF WORK**

Allied Power Group, LLC ("Contractor") shall provide inspection and maintenance services/materials as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

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

- Compressor inspections
- Combustion inspections (CI)
- Hot gas path inspection (HGP)
- Steam Turbines inspections
- Major turbine inspections
- Process pumps and compressors
- Turbine overhaul and valve maintenance
- Field machining and Millwright services
- Propose resource requirements for maintenance outages
- Crane support services
- Project management, turbine tooling kits, and transportation of all equipment
- Provide engineering and senior technical advisors and support packages as required.  
(This does not include engineering that would require stamped drawings)

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## **EXHIBIT B**

### **COMPENSATION SCHEDULE AND HOURLY FEES**

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

## Time and Material Rate Sheet

### 2024 APG NCPA Lodi Gas Turbine Union Labor Rate Schedule

#### Labor Rates

JOB CLASSIFICATION	ST Days	OT Days	DT Days
Project Manager	\$235.00	\$350.00	\$350.00
Technical Advisor	\$200.00	\$300.00	\$300.00
Safety Coordinator	\$195.00	\$251.00	\$307.00
Supervisor	\$130.00	\$195.00	\$195.00
Millwright	\$195.00	\$251.00	\$307.00
Specialty Technician	\$200.00	\$298.00	\$298.00

#### Tooling and Rentals

EQUIPMENT	DAILY	CONSUMABLES	FREIGHT
Major Set (Steam/Gas)	\$1,500	\$300/day	Cost +20%
HGP Tool Set	\$1,250	\$250/day	
CI Tool Set/Minor	\$1,000	\$200/day	
Generator Tool Set	\$1,000	\$250/day	
Company Truck	\$ 250	Fuel cost +20%	

#### NOTES

1. Straight time shall be eight (8) hours per day, Monday through Friday except on federal holidays. Hours in excess of eight (8) hours per day and all hours on Saturday shall be billed at Overtime rates. Hours on Sundays and federal holidays shall be billed at Double time rates.
2. Minimum billable hours Monday – Friday are 8-hrs/day not including federal holidays. Stand by time will be billed at a minimum of 8 hours straight time for holidays and weekends if employees are expected to be available for call in.
3. Travel time will be billed at the straight time rate for all non-local resources.
4. Per Diem will be billed at applicable GSA rate for non-local resources and will be charged every day, including travel days until the individual is released from the job site.
5. All other travel expenses, purchased materials, subcontracted services, and shipping shall be charged at cost + 20%.
6. Personal auto usage will be billed at the current IRS Mileage Rate for that particular year.
7. Tool rental charges start when the tools are offloaded at site and apply until tools are shipped from site.
8. Consumable charges will be billed for each day labor is billed to project.
9. Subcontracted services and engineered parts will be quoted on a case-by-case basis.
10. Night shift differential and other craft labor rates to be provided upon request.



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

Contractor may revise the hourly rates upon 30 days' advance written notice to NCPA. If the Parties cannot agree on revised rates, NCPA may terminate the Agreement.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I,

---

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Allied Power Group, LLC

(Company name)

for contract work at

---

(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.

**NOT APPLICABLE - EXHIBIT D**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT E**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally establishes trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_ Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_



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

AGENDA ITEM NO.: 12

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**Meeting Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** Cornerstone Land Services, LLC – First Amendment to Five-Year Multi-Task General Services Agreement; Applicable to the following: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA) and SCPPA Members.

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### Proposal

Approve a First Amendment to the existing five-year Multi-Task General Services Agreement with Cornerstone Land Services, LLC for vegetation management services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not-to-exceed amount from \$200,000 to \$1,000,000, with no change to the contract term, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA) and SCPPA Members.

### Background

Vegetation management related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA entered into a five-year Multi-Task General Services Agreement with Cornerstone Land Services, LLC, effective June 20, 2023, for an amount not to exceed \$200,000, for use at any facilities owned and/or operated by NCPA, NCPA Members, Southern California Public Power Authority (SCPPA) and SCPPA Members.

This agreement was used by the Hydroelectric Facility during the snow removal and vegetation clean up after the winter storms in 2023. NCPA now desires to enter into a First Amendment to the current Multi-Task General Services Agreement, increasing the not-to-exceed amount from \$200,000 to \$1,000,000 to ensure sufficient funds are available for the remainder of the contract term.

NCPA has agreements in place for similar services with High Sierra Timber Management, LLC, Kimberly Fields, and Nate's Tree Service.

### Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. 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.

Fiscal Impact

Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over the remainder of the contract term. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

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

Submitted by:

Michael DeBortoli  
Assistant General Manager  
Generation Services

Attachments: (2)

- Multi-Task General Services Agreement with Cornerstone Land Services, LLC
- First Amendment to Multi-Task General Services Agreement with Cornerstone Land Services, LLC



**MULTI-TASK  
GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND  
CORNERSTONE LAND SERVICES, LLC**

This Multi-Task General 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 Cornerstone Land Services, LLC, a Partnership with its office located at 5351 Cosumnes Mine Road, Somerset, CA 95684 ("Contractor") (together sometimes referred to as the "Parties") as of June 20, 2023 ("Effective Date") in Roseville, California.

**Section 1. SCOPE OF WORK.** Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

**Section 2. COMPENSATION.** Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED TWO HUNDRED THOUSAND dollars (\$200,000.00)** for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

**2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency  
651 Commerce Drive  
Roseville, California 95678  
Attn: Accounts Payable  
[AcctsPayable@ncpa.com](mailto:AcctsPayable@ncpa.com)

**2.2 Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

**2.3 Payment of Taxes.** Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

**2.4 Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.



- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

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

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

**4.2 Commercial General and Automobile Liability Insurance.**

- 4.2.1 Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$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.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$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.** Not Applicable.
- 4.4     Pollution Insurance.** Not Applicable.
- 4.5     All Policies Requirements.**
- 4.5.1   Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2   Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3   Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4   Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.5.5   Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
- 4.6     Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

**Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.**

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.

**Section 6. STATUS OF CONTRACTOR.**

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.



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

Contractor 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, Contractor 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 Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types

of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding

Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

**8.4.1** Immediately terminate the Agreement;

**8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

- 8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

**Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 **Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 **Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 **Confidential Information and Disclosure.**
- 9.4.1 **Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to

Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

**9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

**9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

**9.4.3.1** Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

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

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

**9.4.4 Handling of Confidential Information.** 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. PROJECT SITE.**

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.
- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.
- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

## **Section 11. WARRANTY.**

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

- 11.2 Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

**Section 12. HEALTH AND SAFETY PROGRAMS.** The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

- 12.1** Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2** Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3** Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4** Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

**Section 13. MISCELLANEOUS PROVISIONS.**

- 13.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in

whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

- 13.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 13.7 Contract Administrator.** This Agreement shall be administered by the, Assistant General Manager, Generation Services or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 13.8 Notices.** Any written notice to Contractor shall be sent to:

Evan Vaughan  
Owner/Operator  
Cornerstone Land Services, LLC  
5351 Cosumnes Mine Road  
Somerset, CA 95684[CONTRACTOR'S NAME, ADDRESS]

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

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
  - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
  - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
  - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
  - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
  - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits

shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

**13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

**13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work 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 Work relating to such Member.

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

NORTHERN CALIFORNIA POWER AGENCY

CORNERSTONE LAND SERVICES, LLC

Date Jun 20, 2023

Date Jun 20, 2023

  
Randy S Howard (Jun 20, 2023 15:23 PDT)

**RANDY S. HOWARD**  
General Manager

  
Evan Vaughan (Jun 20, 2023 10:27 PDT)

**EVAN VAUGHAN**  
Owner/Operator

Attest:

  
Trisha Zimmer (Jun 20, 2023 16:21 PDT)

Assistant Secretary of the Commission

Approved as to Form:

  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF WORK**

Cornerstone Land Services, LLC ("Contractor") shall provide machining services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCAPPA) or SCPPA Members.

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

- Compact tractor work (trenching, grading etc.)
- Tree climbing, trimming, and removals
- Land clearing
- Vegetation management
- Debris removal
- Snow Removal

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.



## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

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

#### Cornerstone Land Services Equipment Rate Sheet (per 8 hour day)

Equipment	Rate
Deere 26G Mini Excavator	\$450
Deere 317G Tracked Skid w/Grapple Rake	\$700
Dosko 6" Chipper	\$400
Deere 3025e Wheeled Tractor	\$350
Operator	\$800
Arborist (Tree Climber)	\$1,000
14' Dump Trailer (14k rating)	\$200
20' Equipment Trailer (20k rating)	\$200
Stihl 661 Chainsaw	\$30
Stihl 362 Chainsaw (x2)	\$25

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

Contractor shall provide NCPA with 30 days' advance written notice of all rate changes. Regardless of any rate or pricelist revisions, total compensation shall not exceed the amount set forth in Section 2, Compensation, of this Agreement.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



**EXHIBIT C**

**CERTIFICATION**

**Affidavit of Compliance for Contractors**

I, Evan Vaughan

(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

Cornerstone Land Services, LLC

(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.

  
Evan Vaughan (Jun 20, 2023 10:27 PDT)

(Signature of officer or agent)

Dated this 20 day of June, 20 23.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT D – NOT APPLICABLE**

**CERTIFICATION**

**Affidavit of Compliance for Hazardous Materials Transport Vendors**

I, \_\_\_\_\_,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

\_\_\_\_\_

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

\_\_\_\_\_  
(Signature of officer or agent)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

**EXHIBIT E – NOT APPLICABLE**

**ATTACHMENT A [from MLA]  
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT  
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: \_\_\_\_\_

Name of Employer \_\_\_\_\_

\_\_\_\_\_  
(Authorized Officer & Title)

\_\_\_\_\_  
(Address)






# Cornerstone\_Land\_Services\_LLC\_MTGSA\_2023

Final Audit Report

2023-06-20

Created:	2023-06-20
By:	Melissa Conrad (melissa.conrad@ncpa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzIryJJNnuY6r_33AylqB5F9KLvILjhsE

## "Cornerstone\_Land\_Services\_LLC\_MTGSA\_2023" History

-  Document created by Melissa Conrad (melissa.conrad@ncpa.com)  
2023-06-20 - 5:06:43 PM GMT- IP address: 66.60.185.198
-  Document emailed to Evan Vaughan (cornerlandservicesllc@gmail.com) for signature  
2023-06-20 - 5:10:57 PM GMT
-  Email viewed by Evan Vaughan (cornerlandservicesllc@gmail.com)  
2023-06-20 - 5:26:24 PM GMT- IP address: 74.125.209.54
-  Document e-signed by Evan Vaughan (cornerlandservicesllc@gmail.com)  
Signature Date: 2023-06-20 - 5:27:45 PM GMT - Time Source: server- IP address: 166.205.87.19
-  Agreement completed.  
2023-06-20 - 5:27:45 PM GMT







# Cornerstone Land Service LLC MTGSA and CAF

Final Audit Report

2023-06-20

Created:	2023-06-20
By:	Trisha Zimmer (trisha.zimmer@ncpa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAopw9g9ulF_tuFwnH1IldIWUVIz5ArvKL

## "Cornerstone Land Service LLC MTGSA and CAF" History

-  Document created by Trisha Zimmer (trisha.zimmer@ncpa.com)  
2023-06-20 - 9:50:43 PM GMT
-  Document emailed to randy.howard@ncpa.com for signature  
2023-06-20 - 9:52:03 PM GMT
-  Email viewed by randy.howard@ncpa.com  
2023-06-20 - 10:01:41 PM GMT
-  Signer randy.howard@ncpa.com entered name at signing as Randy S Howard  
2023-06-20 - 10:23:23 PM GMT
-  Document e-signed by Randy S Howard (randy.howard@ncpa.com)  
Signature Date: 2023-06-20 - 10:23:25 PM GMT - Time Source: server
-  Agreement completed.  
2023-06-20 - 10:23:25 PM GMT



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN  
THE NORTHERN CALIFORNIA POWER AGENCY AND CORNERSTONE LAND SERVICES,  
LLC**

This First Amendment (“Amendment”) to Multi-Task General Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and Cornerstone Land Services, LLC, a limited liability company, (“Contractor”) (collectively referred to as “the Parties”) as of \_\_\_\_\_, 2024.

WHEREAS, the Agency and Cornerstone Land Services, LLC entered into a Multi-Task General Services Agreement dated effective June 20, 2023, (the “Agreement”) for Contractor to provide vegetation and road maintenance related services for the Agency, Agency Members, the Southern California Public Power Authority (SCPPA) or SCPPA Members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a NOT TO EXCEED amount of \$200,000.00 to a NOT TO EXCEED amount of \$1,000,000.00; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor’s fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

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2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

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

NORTHERN CALIFORNIA POWER AGENCY

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

CORNERSTONE LAND SERVICES, LLC

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

\_\_\_\_\_  
**EVAN VAUGHAN,**  
**Owner/Operator**

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



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

AGENDA ITEM NO.: 13

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**Meeting Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** Mountaineering Engineering Corp – Five-Year Multi-Task Professional Services Agreement; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members

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### Proposal

Approve the Multi-Task Professional Services Agreement with Mountaineering Engineering Corp for on-site maintenance contractor oversight and related engineering inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

### Background

Various project support related to on-site maintenance contractor oversight and related engineering inspection services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members. Mountaineering Engineering Corp is a new vendor for NCPA. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future purchases. Additionally, adding this vendor will increase the pool of qualified vendor for these types of services. NCPA has agreements in place for similar services with AECOM Technical Services, Condor Earth, GEI Consultants, Inc., HDR Engineering, and Mead & Hunt, Inc.

### Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are needed, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from qualified providers as required. 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.

### 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.



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.

Submitted by:

Michael DeBortoli  
Assistant General Manager  
Generation Services

Attachments: (1)

- Multi-Task General Professional Agreement with Mountaineering Engineering Corp



## MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND MOUNTAINEERING ENGINEERING CORP

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 Mountaineering Engineering Corp, a S Corporation with its office located at 1397 Greenhaven Drive, Oakdale, CA 95361 ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2024 ("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](mailto: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 the 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:

Michael Nessler, President  
Mountaineering Engineering Corp  
1397 Greenhaven Drive  
Oakdale, CA 95361

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

MOUNTAINEERING ENGINEERING CORP

Date\_\_\_\_\_

Date\_\_\_\_\_

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

\_\_\_\_\_  
**MICHAEL NESSL, PE, CCM**  
**President**

Attest:

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

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel

## **EXHIBIT A**

### **SCOPE OF SERVICES**

Mountaineering Engineering Corp (“Consultant”) shall provide on-site maintenance contractor oversight and engineering inspection related services as requested by Northern California Power Agency (“Agency”) at any facilities owned or operated by Agency, NCPA Members, Southern California Public Power Authority (SCPPA), or SCPPA Members.

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

- Maintenance Project Manager;
- Maintenance Inspection;
- Engineering Services During Maintenance Projects;
- Startup Testing Coordinator;
- Water and Wastewater Treatment Engineering

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

## EXHIBIT B

### COMPENSATION SCHEDULE AND HOURLY FEES

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

#### 2024 HOURLY LABOR RATES

Principal Engineer	\$195.00
Project Manager	\$185.00
Resident Engineer/Construction Manager	\$185.00
Project Engineer/Design Engineer	\$175.00
Office Engineer/Construction Administration	\$155.00
Field Engineer/Construction QA Inspector	\$155.00
Drafting Designer	\$135.00
Sample Collection	\$105.00
Certified Operator	\$105.00
Administration	\$95.00

#### REIMBURSABLE EXPENSE RATES\*

	Units	Cost
<u>Travel</u>		
Mileage (Per Mile)	Mile	\$0.66
Airfare, Auto Rental, Hotel		At Cost
Misc. Travel (Parking, tax, tolls, meals, etc.)		At Cost
Per Diem (Contract Rate)	DAY	Contract Rate
<u>Reproduction</u>		At Cost
<u>Shipping (FedEx, UPS, Courier, etc.)</u>		At Cost
<u>Lab Testing</u>		At Cost

*\*Note: All reimbursable expenses will be invoiced at the above rates + 15%*

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

Upon 30 days advance notice and no more than once each calendar year, Mountaineering Engineering Corp may increase rates for new Purchase Orders. If NCPA does not accept the increased rates, NCPA may terminate this Agreement.

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

\_\_\_\_\_  
Mountaineering Engineering Corp

(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.



## Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 14

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**Meeting Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** Approval of Northern California Power Agency's Cyber Insurance Liability Program Renewal for May 2024 to May 2025.

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### Proposal

LEC PPC delegates authority to the General Manager or his designee to negotiate and bind the Cyber Liability Insurance program for the term starting May 1, 2024, and ending May 1, 2025, at a not-to-exceed premium of \$265,000 for the Northern California Power Agency and Lodi Energy Center.

### Background

Alliant Insurance Services has aggressively marketed the Cyber Security Insurance Program to ensure best-in-class pricing, terms, and conditions. Earlier in the year, the Insurance Markets indicated that insurers were seeing 15 to 25 percent year-over-year increases; these increases were later confirmed during market solicitation meetings with Alliant in December of 2023. The IS team was instrumental in completing the insurer's detailed application and questionnaire, and this effort substantially improved pricing. Alliant estimates that the 2024 renewal premium will remain flat for the next policy period. Staff recommends a not-to-exceed of \$265,000 to provide sufficient headroom for the General Manager to bind coverage.

### Coverage Details

Below are the provided coverages deemed as critical coverage areas to limit the Agency's risk exposure:

**Business Interruption and Extra Expense** –responds to a loss of income and operating expenses when business operations are interrupted or suspended due to a network security failure.

**Data Recovery** –responds to a loss of digital information assets, including customer databases resulting from a network security failure.

**Cyber Extortion** –reimburses for payments made to settle network security-related extortion demands (e.g., threats to shut down websites, release confidential customer information, or vandalization of computer networks).

**Privacy and Security** –responds to and covers claims arising from disclosing personally identifiable or confidential corporate information from various sources (e.g., phishing). Coverage extends to data in all forms (electronic and hard copy).

**Breach Event and Crisis Management Coverage** –responds to the costs of retaining vendors/services to assist in managing and mitigating a covered privacy or network security incident.

Fiscal Impact

The total cost of the policy year 2024 Cyber Liability Insurance program is estimated not to exceed \$265,000. This amount is already included in the Risk Management budget; therefore, no budget augmentation is required. The cost is split 90% to Integrated Systems Support which is included in the Nexant allocation model, and 10% to the A&G allocation methodology.

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.

Submitted by:

Randall Kramer  
Energy Risk Analyst



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

AGENDA ITEM NO.: 15

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**Meeting Date:** April 8, 2024

**To:** Lodi Energy Center Project Participant Committee

**Subject:** Approval of Lodi Energy Center FY 2025 Annual Budget

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### Proposal

Staff recommends that the Lodi Energy Center Project Participant Committee approve and adopt the Lodi Energy Center (LEC) FY 2024 Annual Budget in the amount of \$160,165,229 and approve modifications to the PMOA Schedule 1, Exhibit 2.

### Background

In October 2023, the Commission approved budget guidance for the NCPA FY 2025 Annual Budget and staff began preparation of the proposed budget during the following months. Presentations on the budget were made to the Lodi Energy Center Project Participants Committee on February 12, 2024 and March 11, 2024.

All changes resulting from the budget review meetings have been incorporated into the proposed Lodi Energy Center FY 2025 Annual Budget.

Section 21.3 of the Lodi Energy Center Power Sales Agreement dated May 24, 2010 requires that an Operating Reserve Fund be established for the LEC project and that a minimum of 60 days of Operation and Maintenance Expenses for the LEC project be maintained in this fund. The proposed FY 2025 budget includes an additional Operating Reserve collection of \$1,557,389.

### Assumptions

The LEC budget is heavily driven by variable costs. Each year a market model is prepared and through analysis, the projected operation of LEC is determined. These factors feed into the budget process, which then get calculated into an estimated cost to be used in the budget. The assumption results are summarized in the table below.

<b>Budget Assumptions</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>% Change</b>
Energy Production			
MWHrs	1,303,566	1,127,248	-14%
Avg Rate (\$/MWHr)	91.15	95.28	5%
Fuel			
mmBTU	9,058,849	8,288,573	-9%
Avg Rate (\$/mmBTU)	7.89	9.36	19%
Operations			
Hours On-line	4,680	4,166	-11%
Starts	73	250	242%
Avg Output (MW)	279	271	-3%
* FY25 has a 1-Month Planned outage (April)			

In addition, because of the rate changes and budget changes that occur each year, the variable costs should be updated to reflect the approved budget. The Variable Costs are used in the bidding of the unit to CAISO and are approved in the PMOA. The table below represents the changes required to the PMOA with the approved budget.

PMOA Schedule 1 Exhibit 2			
<b>VOM Impact</b>	<b>Approved 2024 VOM</b>	<b>Proposed 2025 VOM</b>	<b>% Change</b>
Variable Cost	(\$/MWHr)	(\$/MWHr)	
Operations	1.00	1.01	1.0%
LTSA-\$/MWHr	2.44	2.54	4.1%
Maintenance Reserve Variable	0.22	0.22	0.0%
Total	3.66	3.77	3.0%
LTSA-\$/Start		15,721	
Forecasted Starts		250.00	
Forecasted Generation (MWHr)	1,303,566	1,127,248	-13.5%

### Fiscal Impact

The Lodi Energy Center Annual Budget cost for FY 2025 is approximately \$160.2 million, which represents an increase of approximately \$21.9 million from the prior year's budget. Third Party Revenue and Greenhouse Gas (GHG) credits are forecasted to total approximately \$133.3 million for FY 2025, which is approximately \$6.5 million less than in FY 2024.

The forecast Net Annual Budget Cost to Participants is a cost of approximately \$26.9 million which is approximately \$28.3 million higher than the prior year's budget. Funding allocations for each member are attached to this staff report and shown on page H-1 of the budget.

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

Prepared by:

Michael DeBortoli  
Assistant General Manager/Generation Services

Attachments: (3)

- Allocation of LEC Project Budget
- LEC Budget
- PMOA Schedule 1.00, Exhibit 2

LODI ENERGY CENTER  
Allocation of Project Budget  
FY 2025

ALLOCATION PERCENTAGES:

Generation Entitlement Share<sup>(1)</sup>

	Allocated by	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
Indenture Cost Share A	ICS A	100.0000%	4.9936%	11.8310%	0.4802%	0.0000%	3.5212%	2.9448%	17.0295%	3.6491%	0.0000%	1.4084%	4.7824%	46.1588%	3.2010%
Indenture Cost Share B	ICS B	100.0000%	0.000%	0.000%	0.000%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

PROJECTED MWH		1,127,248	31,402	74,398	3,020	377,628	22,143	18,518	107,089	22,947	120,777	8,857	30,074	290,266	20,129
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PROJECT COSTS:

Fuel Cost	GES	\$	77,589,905	\$	2,161,422	\$	5,120,934	\$	207,863	\$	25,992,618	\$	1,524,099	\$	1,274,648	\$	7,371,041	\$	1,579,498	\$	8,313,215	\$	609,624	\$	2,070,021	\$	19,979,400	\$	1,385,523
GHG Allowance Costs	GES	\$	18,130,063	\$	505,049	\$	1,196,584	\$	48,570	\$	6,073,571	\$	356,129	\$	297,841	\$	1,722,356	\$	369,074	\$	1,942,509	\$	142,448	\$	483,692	\$	4,668,491	\$	323,749
Labor	GES	\$	6,650,919	\$	185,275	\$	438,961	\$	17,818	\$	2,228,058	\$	130,644	\$	109,261	\$	631,837	\$	135,393	\$	712,599	\$	52,256	\$	177,440	\$	1,712,612	\$	118,765
Variable O&M	GES	\$	5,616,489	\$	156,459	\$	370,688	\$	15,047	\$	1,881,524	\$	110,325	\$	92,268	\$	533,566	\$	114,335	\$	601,767	\$	44,129	\$	149,842	\$	1,446,246	\$	100,294
Fixed O&M	GES	\$	3,587,692	\$	99,942	\$	236,788	\$	9,611	\$	1,201,877	\$	70,473	\$	58,939	\$	340,831	\$	73,035	\$	384,396	\$	28,188	\$	95,716	\$	923,831	\$	64,065
O&M Administration	GES	\$	188,345	\$	5,247	\$	12,431	\$	505	\$	63,096	\$	3,700	\$	3,094	\$	17,893	\$	3,834	\$	20,180	\$	1,480	\$	5,025	\$	48,499	\$	3,363
Mandatory Costs	GES	\$	386,269	\$	10,760	\$	25,494	\$	1,035	\$	129,400	\$	7,587	\$	6,346	\$	36,696	\$	7,863	\$	41,386	\$	3,035	\$	10,305	\$	99,464	\$	6,898
Inventory Stock	GES	\$	450,000	\$	12,536	\$	29,700	\$	1,206	\$	150,750	\$	8,839	\$	7,393	\$	42,750	\$	9,161	\$	48,214	\$	3,536	\$	12,006	\$	115,875	\$	8,036
O&M Projects Costs	GES	\$	1,746,778	\$	48,660	\$	115,287	\$	4,680	\$	585,171	\$	34,312	\$	28,696	\$	165,944	\$	35,559	\$	187,155	\$	13,724	\$	46,602	\$	449,795	\$	31,192
Capital Projects Costs	GES	\$	6,341,666	\$	176,660	\$	418,550	\$	16,989	\$	2,124,458	\$	124,569	\$	104,181	\$	602,458	\$	129,097	\$	679,465	\$	49,826	\$	169,189	\$	1,632,979	\$	113,243
Maintenance Reserve	GES	\$	2,769,390	\$	77,147	\$	182,780	\$	7,419	\$	927,746	\$	54,399	\$	45,496	\$	263,092	\$	56,376	\$	296,721	\$	21,759	\$	73,885	\$	713,118	\$	49,453
Insurance	GES	\$	1,849,532	\$	51,522	\$	122,069	\$	4,955	\$	619,593	\$	36,330	\$	30,384	\$	175,706	\$	37,651	\$	198,164	\$	14,532	\$	49,344	\$	476,254	\$	33,027
Other Costs	GES	\$	117,000	\$	3,259	\$	7,722	\$	313	\$	39,195	\$	2,298	\$	1,922	\$	11,115	\$	2,382	\$	12,536	\$	919	\$	3,121	\$	30,128	\$	2,089
Generation Services Shared	GES	\$	504,061	\$	14,042	\$	33,268	\$	1,350	\$	168,860	\$	9,901	\$	8,281	\$	47,886	\$	10,261	\$	54,007	\$	3,960	\$	13,448	\$	129,796	\$	9,001
Transmission (CAISO)	GES	\$	675,952	\$	18,830	\$	44,613	\$	1,811	\$	226,444	\$	13,278	\$	11,105	\$	64,215	\$	13,760	\$	72,424	\$	5,311	\$	18,034	\$	174,058	\$	12,070
Energy Purchases (CAISO)	GES	\$	2,876,697	\$	80,136	\$	189,862	\$	7,707	\$	963,693	\$	56,507	\$	47,258	\$	273,286	\$	58,561	\$	308,218	\$	22,602	\$	76,747	\$	740,749	\$	51,369
Debt Service Cost:																													
Indenture Group A Cost	ICS A	\$	20,943,379	\$	1,045,829	\$	2,477,811	\$	100,570	\$	-	\$	737,458	\$	616,741	\$	3,566,553	\$	764,245	\$	-	\$	294,967	\$	1,001,596	\$	9,667,212	\$	670,398
BAB's Subsidy (Group A)	ICS A	\$	(4,261,953)	\$	(212,825)	\$	(504,232)	\$	(20,466)	\$	-	\$	(150,072)	\$	(125,506)	\$	(725,789)	\$	(155,523)	\$	-	\$	(60,025)	\$	(203,824)	\$	(1,967,266)	\$	(136,425)
Debt and Trustee Fees (Group A)	ICS A	\$	53,322	\$	2,663	\$	6,309	\$	256	\$	-	\$	1,878	\$	1,570	\$	9,080	\$	1,946	\$	-	\$	751	\$	2,550	\$	24,613	\$	1,707
Indenture Group B Cost	ICS B	\$	10,869,906	\$	-	\$	-	\$	-	\$	10,869,906	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
BAB's Subsidy (Group B)	ICS B	\$	(1,533,464)	\$	-	\$	-	\$	-	\$	(1,533,464)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Debt and Trustee Fees (Group B)	ICS B	\$	25,922	\$	-	\$	-	\$	-	\$	25,922	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Administrative & General	GES	\$	2,674,401	\$	74,501	\$	176,510	\$	7,165	\$	895,924	\$	52,533	\$	43,935	\$	254,068	\$	54,443	\$	286,543	\$	21,013	\$	71,350	\$	688,658	\$	47,757
Power Management Allocated Costs	GES	\$	1,912,958	\$	53,289	\$	126,255	\$	5,125	\$	640,841	\$	37,576	\$	31,426	\$	181,731	\$	38,942	\$	204,960	\$	15,030	\$	51,036	\$	492,587	\$	34,160
Total Project Costs		\$	160,165,229	\$	4,570,402	\$	10,828,384	\$	439,529	\$	54,275,183	\$	3,222,764	\$	2,695,277	\$	15,586,315	\$	3,339,892	\$	14,364,460	\$	1,289,065	\$	4,377,126	\$	42,247,098	\$	2,929,734
Estimated price per MWh		\$	142.09	\$	145.55	\$	145.55	\$	145.54	\$	143.73	\$	145.55	\$	145.55	\$	145.55	\$	145.55	\$	118.93	\$	145.55	\$	145.55	\$	145.55	\$	145.55

Third Party Revenue																													
ISO Energy Sales	GES	\$	113,367,408	\$	3,158,076	\$	7,482,249	\$	303,711	\$	37,978,082	\$	2,226,876	\$	1,862,400	\$	10,769,904	\$	2,307,820	\$	12,146,524	\$	890,728	\$	3,024,529	\$	29,192,108	\$	2,024,402
Ancillary Services Sales	GES	\$	2,049,226	\$	57,085	\$	135,249	\$	5,490	\$	686,491	\$	40,253	\$	33,665	\$	194,676	\$	41,716	\$	219,560	\$	16,101	\$	54,671	\$	527,676	\$	36,593
GHG Allowance Credits	GES	\$	17,646,371	\$	505,049	\$	1,196,584	\$	48,570	\$	6,073,571	\$	356,129	\$	297,841	\$	1,722,356	\$	369,074	\$	1,942,509	\$	142,448	\$	-	\$	4,668,491	\$	323,749
Interest & Other Income	GES	\$	134,000	\$	3,733	\$	8,844	\$	359	\$	44,890	\$	2,632	\$	2,201	\$	12,730	\$	2,728	\$	14,357	\$	1,053	\$	3,575	\$	34,505	\$	2,393
Interest Income (Group A)	ICS A	\$	105,000	\$	5,243	\$	12,423	\$	504	\$	-	\$	3,697	\$	3,092	\$	17,881	\$	3,832	\$	-	\$	1,479	\$	5,022	\$	48,467	\$	3,361
Interest Income (Group B)	ICS B	\$	11,000	\$	-	\$	-	\$	-	\$	11,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
		\$	133,313,005	\$	3,729,186	\$	8,835,349	\$	358,635	\$	44,794,033	\$	2,629,587	\$	2,199,199	\$	12,717,547	\$	2,725,170	\$	14,322,951	\$	1,051,808	\$	3,087,797	\$	34,471,246	\$	2,390,497

<b>Annual Project Costs, net</b>		<b>\$</b>	<b>26,852,224</b>	<b>\$</b>	<b>841,215</b>	<b>\$</b>	<b>1,993,035</b>	<b>\$</b>	<b>80,894</b>	<b>\$</b>	<b>9,481,150</b>	<b>\$</b>	<b>593,177</b>	<b>\$</b>	<b>496,078</b>	<b>\$</b>	<b>2,868,768</b>	<b>\$</b>	<b>614,723</b>	<b>\$</b>	<b>41,509</b>	<b>\$</b>	<b>237,257</b>	<b>\$</b>	<b>1,289,329</b>	<b>\$</b>	<b>7,775,852</b>	<b>\$</b>	<b>539,236</b>
<b>Estimated price per Mwh, net</b>		<b>\$</b>	<b>23.82</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>25.11</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>0.34</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>42.87</b>	<b>\$</b>	<b>26.79</b>	<b>\$</b>	<b>26.79</b>

JPA Assessment (per PMOA)		\$	82,862	\$	4,647	\$	-	\$	-	\$	55,889	\$	-	\$	-	\$	-	\$	-	\$	17,875	\$	-	\$	4,451	\$	-	\$	-
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Summary of Variable and Fixed Project Costs:

Variable Costs		\$	104,889,106	\$	2,921,896	\$	6,922,681	\$	280,998	\$	35,137,851	\$	2,060,337	\$	1,723,119	\$	9,964,465	\$	2,135,228	\$	11,238,133	\$	824,114	\$	2,798,336	\$	27,008,944	\$	1,873,005
Fixed Costs		\$	55,276,123	\$	1,648,506	\$	3,905,703	\$	158,531	\$	19,137,333	\$	1,162,427	\$	972,158	\$	5,621,850	\$	1,204,665	\$	3,126,327	\$	464,952	\$	1,578,789	\$	15,238,154	\$	1,056,729
		<b>\$</b>	<b>160,165,229</b>	<b>\$</b>	<b>4,570,402</b>	<b>\$</b>	<b>10,828,384</b>	<b>\$</b>	<b>439,529</b>	<b>\$</b>	<b>54,275,183</b>	<b>\$</b>	<b>3,222,764</b>	<b>\$</b>	<b>2,695,277</b>	<b>\$</b>	<b>15,586,315</b>	<b>\$</b>	<b>3,339,892</b>	<b>\$</b>	<b>14,364,460</b>	<b>\$</b>	<b>1,289,065</b>	<b>\$</b>	<b>4,377,126</b>	<b>\$</b>	<b>42,247,098</b>	<b>\$</b>	<b>2,929,734</b>

FY 2024 Approved Budget (For Comparison Purpose)

Net Annual Project Costs		\$	(1,489,215)	\$	53,756	\$	127,352	\$	5,164	\$	40,947	\$	37,910	\$	31,693	\$	183,314	\$	39,273	\$	(2,979,670)	\$	15,156	\$	424,576	\$	496,859	\$	34,456
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Northern California Power Agency  
Lodi Energy Center  
Annual Operating Cost Summary Report

	FY 2023 Budget	FY 2023 Actual	FY 2024 Budget	FY 2024 Actual Through December 31, 2023	Proposed FY 2025 Budget	Budget Increase / (Decrease)
<b>Variable Costs</b>						
Variable O&M	\$6,088,236	\$5,160,048	\$4,837,398	\$1,567,232	<b>\$5,616,489</b>	\$779,091
Fuel & LDC Costs	64,819,215	121,737,930	71,517,913	17,279,379	<b>77,589,905</b>	6,071,992
GHG Allowance Costs	20,249,959	15,282,347	13,984,733	4,071,014	<b>18,130,063</b>	4,145,330
CA ISO Charges (variable)	1,080,335	887,297	675,245	271,127	<b>675,952</b>	707
CA ISO Energy Purchases (variable)	1,889,864	6,527,305	688,425	1,275,607	<b>2,876,697</b>	2,188,272
Routine Variable Costs	94,127,609	149,594,927	91,703,714	24,464,359	<b>104,889,106</b>	13,185,392
<b>Routine O &amp; M Costs</b>						
Fixed	3,151,902	4,495,995	3,350,082	2,241,925	<b>3,587,692</b>	237,610
Administration	195,869	134,737	188,173	72,362	<b>188,345</b>	172
Mandatory Costs	365,380	403,433	374,870	498,570	<b>386,269</b>	11,399
Inventory Stock	0	4,930	500,000	159,912	<b>450,000</b>	(50,000)
Routine O & M Costs without Labor	3,713,151	5,039,095	4,413,125	2,972,769	<b>4,612,306</b>	199,181
Labor	6,112,796	5,798,911	6,167,244	3,126,483	<b>6,650,919</b>	483,675
Total Routine O & M Costs	9,825,947	10,838,006	10,580,369	6,099,252	<b>11,263,225</b>	682,856
<b>Other Plant Costs</b>						
Debt Service	25,996,203	25,996,204	25,992,239	12,996,120	<b>26,017,868</b>	25,629
Insurance	1,313,901	1,492,533	1,751,712	583,904	<b>1,849,532</b>	97,820
Other Costs	151,208	160,929	176,665	34,050	<b>196,244</b>	19,579
Generation Services Shared	420,233	411,598	393,387	196,418	<b>504,061</b>	110,674
Administrative & General	2,270,375	2,192,164	2,285,971	1,142,748	<b>2,674,401</b>	388,430
Power Management Allocated Costs	1,450,728	1,399,695	1,505,071	501,690	<b>1,912,958</b>	407,887
<b>Total O &amp; M Costs</b>	<b>135,556,204</b>	<b>192,086,056</b>	<b>134,389,128</b>	<b>46,018,541</b>	<b>149,307,395</b>	<b>14,918,267</b>
<b>Projects</b>						
Operations & Maintenance	1,342,970	2,387,886	1,698,528	323,792	<b>1,746,778</b>	48,250
Capital	280,000	347,708	45,000	0	<b>6,341,666</b>	6,296,666
Maintenance Reserve	2,008,392	2,008,392	2,169,063	723,021	<b>2,769,390</b>	600,327
Total Projects Budget	3,631,362	4,743,986	3,912,591	1,046,813	<b>10,857,834</b>	6,945,243
<b>Annual Budget Cost</b>	<b>139,187,566</b>	<b>196,830,042</b>	<b>138,301,719</b>	<b>47,065,354</b>	<b>160,165,229</b>	<b>21,863,510</b>
<b>Less: Third Party Revenue</b>						
ISO Energy Sales	121,619,515	164,527,652	123,918,636	29,896,160	<b>113,367,408</b>	(10,551,228)
Ancillary Services Sales	2,317,565	366,142	2,010,665	298,484	<b>2,049,227</b>	38,562
Interest Income - Operations	134,000	504,445	134,000	274,195	<b>134,000</b>	0
Interest Income (NCPA)	105,000	303,620	105,000	106,601	<b>105,000</b>	0
Interest Income (CDWR)	11,000	176,349	11,000	53,854	<b>11,000</b>	0
Other Income	0	109,519	0	947	<b>0</b>	0
	124,187,080	165,987,727	126,179,301	30,630,241	<b>115,666,635</b>	(10,512,666)
<b>Net Annual Budget Cost to Participants (without GHG Transfer Credits)</b>	<b>15,000,486</b>	<b>30,842,315</b>	<b>12,122,418</b>	<b>16,435,113</b>	<b>44,498,594</b>	<b>32,376,176</b>
GHG Allowance Credits	19,709,710	15,282,347	13,611,634	4,071,014	<b>17,646,370</b>	4,034,736
<b>Net Annual Budget Cost To Participants (with GHG Transfer Credits)</b>	<b>(\$4,709,224)</b>	<b>\$15,559,968</b>	<b>(\$1,489,216)</b>	<b>\$12,364,099</b>	<b>\$26,852,224</b>	<b>\$28,341,440</b>



Northern California Power Agency  
Lodi Energy Center  
Annual Operating Cost Summary Report

	FY 2023 Budget	FY 2023 Actual	FY 2024 Budget	FY 2024 Actual Through December 31, 2023	Proposed FY 2025 Budget	Budget Increase / (Decrease)
Total Variable Costs	\$94,127,609	\$149,594,927	\$91,703,714	\$24,464,359	\$104,889,106	\$13,185,392
Total Fixed Costs	45,059,957	47,235,115	46,598,005	22,600,995	55,276,123	8,678,118
	<b>\$139,187,566</b>	<b>\$196,830,042</b>	<b>\$138,301,719</b>	<b>\$47,065,354</b>	<b>\$160,165,229</b>	<b>\$21,863,510</b>
Net Annual Generation (MWh)	1,626,895	1,180,327	1,303,566	671,887	1,127,248	(176,318)
Net Annual Budget Costs per MWh	(\$3)	\$13	(\$1)	\$18	\$24	\$25
Variable Costs per MWh	\$58	\$127	\$70	\$36	\$93	\$23
Net Costs per KW Month	(\$1)	\$4	(\$0)	\$3	\$7	\$8
<b>Fuel &amp; LDC costs/MWh</b>	<b>\$39.84</b>	<b>\$103.14</b>	<b>\$54.86</b>	<b>\$25.72</b>	<b>\$68.83</b>	<b>\$13.97</b>
<b>GHG Obligation Costs/MWh</b>	<b>\$12.45</b>	<b>\$12.95</b>	<b>\$10.73</b>	<b>\$6.06</b>	<b>\$16.08</b>	<b>\$5.36</b>
<b>ISO Revenue/MWh</b>	<b>\$74.76</b>	<b>\$139.39</b>	<b>\$95.06</b>	<b>\$44.50</b>	<b>\$100.57</b>	<b>\$5.51</b>

**Northern California Power Agency  
Lodi Energy Center  
Projects Detail**

Projects	Notes	Total	FY 2024 Budget	Proposed FY 2025	Forecast FY 2026	Forecast FY 2027	Forecast FY 2028	Forecast FY 2029	Forecast FY 2030	Forecast FY 2031	Forecast FY 2032	Forecast FY 2033	Forecast FY 2034
<b>Operations &amp; Maintenance (O&amp;M)</b>													
Consulting / Grant Writing	M	\$ 300,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Decommissioning Study	D	75,000	75,000	-	-	-	-	-	-	-	-	-	-
Service Water Piping	M	200,000	75,000	75,000	50,000	-	-	-	-	-	-	-	-
Asphalt & Paving Maintenance	M	195,000	-	-	-	85,000	-	-	-	-	110,000	-	-
Painting & Preservation	D	775,000	-	-	-	250,000	250,000	-	-	275,000	-	-	-
Water Plant EDI/RO	M	425,000	-	-	150,000	-	275,000	-	-	-	-	-	-
Risk Mitigation	D	555,000	150,000	135,000	135,000	135,000	-	-	-	-	-	-	-
HRSG / Steam Piping	D	1,300,000	-	-	-	650,000	-	-	-	-	-	650,000	-
Critical Inventory	D	3,750,000	-	-	400,000	-	450,000	450,000	575,000	575,000	450,000	400,000	450,000
Life cycle Replacement	D	1,175,000	225,000	-	200,000	-	-	750,000	-	-	-	-	-
Gas Plants Shared Projects	D	60,517	25,461	35,056	-	-	-	-	-	-	-	-	-
Plant O&M Projects	D	1,900,000	-	300,000	-	-	-	-	-	400,000	400,000	400,000	400,000
Annual Maintenance Outage	M	15,082,350	1,073,068	1,126,722	1,183,058	1,242,211	1,304,321	1,369,537	1,438,014	1,509,915	1,585,411	1,585,411	1,664,681
553-009-000-610-044-075 Overall Facility Expense	M	1,119,611	79,657	83,640	87,822	92,213	96,824	101,665	106,748	112,086	117,690	117,690	123,575
553-009-000-610-070-075 Overall Facility Expense	M	243,341	17,313	18,179	19,088	20,042	21,044	22,096	23,201	24,361	25,579	25,579	26,858
553-009-000-610-044-077 CEMS Support Contract	M	52,245	3,717	3,903	4,098	4,303	4,518	4,744	4,981	5,230	5,492	5,492	5,766
553-009-010-610-044-071 CTG and Accessories	M	1,604,781	114,176	119,885	125,879	132,173	138,781	145,720	153,006	160,657	168,690	168,690	177,124
553-009-010-610-070-071 CTG and Accessories	M	1,089,773	77,534	81,411	85,482	89,756	94,244	98,956	103,904	109,099	114,554	114,554	120,281
553-009-011-610-044-071 HRSG/Stack	M	1,156,946	82,314	86,429	90,751	95,288	100,053	105,055	110,308	115,823	121,615	121,615	127,695
553-009-011-610-070-071 HRSG/Stack	M	1,322,543	94,095	98,800	103,740	108,927	114,374	120,092	126,097	132,402	139,022	139,022	145,973
553-009-012-610-044-071 STG and Accessories	M	671,777	47,795	50,185	52,694	55,329	58,095	61,000	64,050	67,252	70,615	70,615	74,146
553-009-012-610-070-071 STG and Accessories	M	370,305	26,346	27,664	29,047	30,499	32,024	33,625	35,306	37,072	38,925	38,925	40,872
553-009-013-610-044-071 Water Treatment	M	1,044,975	74,347	78,064	81,968	86,066	90,369	94,888	99,632	104,614	109,845	109,845	115,337
553-009-013-610-070-071 Water Treatment	M	793,529	56,457	59,280	62,244	65,357	68,624	72,056	75,658	79,441	83,413	83,413	87,584
553-009-014-610-044-071 Balance of Plant	M	791,195	56,291	59,106	62,061	65,164	68,423	71,844	75,436	79,208	83,168	83,168	87,326
553-009-014-610-070-071 Balance of Plant	M	1,830,399	130,228	136,739	143,576	150,755	158,293	166,208	174,518	183,244	192,406	192,406	202,026
553-009-015-610-044-072 Network/Communication	M	74,636	5,310	5,576	5,854	6,147	6,455	6,777	7,116	7,472	7,846	7,846	8,238
553-009-015-610-070-072 Network/Communication	M	160,353	11,409	11,979	12,578	13,207	13,867	14,561	15,289	16,053	16,856	16,856	17,699
553-009-015-610-044-073 Electrical/Control	M	1,343,537	95,589	100,368	105,387	110,656	116,189	121,998	128,098	134,503	141,229	141,229	148,290
553-009-015-610-070-073 Electrical/Control	M	476,111	33,874	35,568	37,346	39,213	41,174	43,233	45,394	47,664	50,047	50,047	52,550
553-009-016-610-044-071 Buildings and Grounds	M	671,777	47,795	50,185	52,694	55,329	58,095	61,000	64,050	67,252	70,615	70,615	74,146
553-009-016-610-070-071 Buildings and Grounds	M	264,515	18,820	19,761	20,749	21,786	22,875	24,019	25,220	26,481	27,805	27,805	29,195
Total O&M Projects Funding Requirement		\$ 25,792,867	\$ 1,698,529	\$ 1,746,778	\$ 2,193,058	\$ 2,437,211	\$ 2,279,321	\$ 2,569,537	\$ 2,013,014	\$ 2,759,915	\$ 2,545,411	\$ 3,035,411	\$ 2,514,681

Projects	Notes	Total	FY 2024 Budget	Proposed FY 2025	Forecast FY 2026	Forecast FY 2027	Forecast FY 2028	Forecast FY 2029	Forecast FY 2030	Forecast FY 2031	Forecast FY 2032	Forecast FY 2033	Forecast FY 2034
<b>Capital Projects</b>													
Civil/Structural	D	\$ 1,805,000	\$ 45,000	\$ -	\$ 80,000	\$ 100,000	\$ 155,000	\$ 775,000	\$ 650,000	\$ -	\$ -	\$ -	\$ -
Platforms	D	650,000	-	650,000	-	-	-	-	-	-	-	-	-
FX Turbine Upgrade	D	14,299,998	-	4,766,666	4,766,666	4,766,666	-	-	-	-	-	-	-
Expansion Joints	D	1,825,000	-	725,000	-	400,000	250,000	-	450,000	-	-	-	-
DCS Software Upgrades	D	1,350,000	-	-	650,000	-	-	-	-	-	-	-	700,000
DCS Hardware Updates	D	600,000	-	-	250,000	-	-	-	-	-	-	-	350,000
Clarifier Tank Refurbishment	M	400,000	-	-	400,000	-	-	-	-	-	-	-	-
BOP PLC Upgrades	D	425,000	-	-	175,000	-	-	-	-	-	-	-	250,000
Vehicles (5% Share)	D	16,000	-	-	7,500	8,500	-	-	-	-	-	-	-
Unidentified Capital Project	D	5,369,641	-	200,000	-	575,000	592,250	610,018	628,318	647,168	666,583	686,580	763,724
Total Capital Projects Funding Requirement		\$ 26,740,639	\$ 45,000	\$ 6,341,666	\$ 6,329,166	\$ 5,850,166	\$ 997,250	\$ 1,385,018	\$ 1,728,318	\$ 647,168	\$ 666,583	\$ 686,580	\$ 2,063,724

Notes:

- D Discretionary
- M Mandatory

**Northern California Power Agency  
Maintenance Reserves - Lodi Energy Center  
Budget FY 2025**

**Maintenance Reserves are set aside for the purpose of funding unanticipated, but Commission approved, cost overruns, extraordinary repairs, and maintenance not budgeted. Fund balances and annual replenishments are affected through the annual operating budget. The maintenance Reserve is held in two components:**

- \* **Annual Maintenance Contingency** for the purpose of funding annual maintenance overruns, unanticipated annual maintenance and annual maintenance costs not budgeted, and
- \* **Long-Term Maintenance Reserve** for anticipated costs of future estimated scheduled overhauls and other major projects as anticipated in the annual budget. Generally the projects are significant in scope and cost, planned for completion in future years and affect the long term viability of the project. Funding is spread over a period of years to mitigate the cash flow demands. Funds should not be considered available to augment the annual budget or replace the Annual Maintenance Contingency.

In the FY2013 operations budget, funding was approved for a maintenance reserve to specifically provide cash for the first five year overhaul. The reserve is to cover those costs not covered under the Siemens LTSA (FY2018). Based on actual operating experience, the timing and requirements of the overhaul have changed and are reflected below.

Funding/(Expenditures)	Fiscal Year Activity										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>LEC:</b>											
Beginning Reserve Balance	\$ 2,746,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Projected Reserve Expenditures -</b>											
Combustion Turbine (Overhaul)	-	-	(175,000)	(850,000)	(1,728,188)	(191,750)	(400,000)	-	(1,148,838)	(2,126,162)	-
Steam Turbine	-	(20,000)	(1,000,000)	(125,000)	-	-	-	(2,500,000)	(20,000)	(740,000)	-
Generators	(70,000)	-	-	(100,000)	-	-	-	-	-	(1,400,000)	-
Plant Projects	(1,825,000)	(890,000)	(2,620,000)	(1,612,551)	(936,974)	(865,658)	(1,257,531)	(851,677)	(1,892,662)	(1,369,075)	(2,147,262)
HRSG	(40,000)	(325,000)	(145,000)	(1,120,000)	(925,000)	(1,173,068)	(52,500)	(1,444,959)	(508,505)	-	(85,517)
<b>Total Projected Expenditures</b>	<b>(1,935,000)</b>	<b>(1,235,000)</b>	<b>(3,940,000)</b>	<b>(3,807,551)</b>	<b>(3,590,162)</b>	<b>(2,230,476)</b>	<b>(1,710,031)</b>	<b>(4,796,636)</b>	<b>(3,570,005)</b>	<b>(5,635,237)</b>	<b>(2,232,779)</b>
<b>Projected Reserve Funding -</b>											
Maintenance Contingency	-	-	-	-	-	-	-	-	-	-	-
Unit Overhaul	882,808	1,353,750	1,421,438	1,492,509	1,567,135	1,645,492	1,694,716	1,745,701	1,798,527	1,853,279	1,875,779
Combustion Turbine (overhaul)	385,766	505,055	530,307	556,823	584,664	613,897	644,592	676,822	710,663	746,196	783,506
Steam Turbine	154,098	261,803	274,893	288,638	303,070	318,223	334,134	350,841	368,383	386,802	406,142
Generators	13,712	14,398	15,118	15,874	16,667	17,501	18,376	19,295	20,259	21,272	22,336
HRSG	329,231	572,494	601,119	631,175	662,734	695,870	697,614	698,744	699,222	699,009	663,795
Plant Projects	1,286,256	1,415,640	1,431,035	1,445,536	1,459,052	1,471,482	1,515,767	1,561,096	1,607,474	1,654,902	1,737,647
<b>Total Projected Funding</b>	<b>2,169,063</b>	<b>2,769,390</b>	<b>2,852,472</b>	<b>2,938,046</b>	<b>3,026,187</b>	<b>3,116,973</b>	<b>3,210,483</b>	<b>3,306,797</b>	<b>3,406,001</b>	<b>3,508,181</b>	<b>3,613,426</b>
<b>Cumulative Balance</b>	<b>\$ 2,980,564</b>	<b>\$ 4,514,954</b>	<b>\$ 3,427,426</b>	<b>\$ 2,557,921</b>	<b>\$ 1,993,946</b>	<b>\$ 2,880,443</b>	<b>\$ 4,380,895</b>	<b>\$ 2,891,056</b>	<b>\$ 2,727,052</b>	<b>\$ 599,996</b>	<b>\$ 1,980,643</b>

## EXHIBIT 2

### VOM

The Variable Operation and Maintenance cost (VOM) shall be determined using the applicable budgeted variable cost line items, as listed in the table below, and the annual forecasted Project Energy in the then current Project Annual Budget or Mandatory Budget Amendment. The VOM shall be reviewed and revised annually in coordination with NCPA's Project Annual Budget cycle, or as otherwise determined by the PPC and NCPA.

**VOM (\$/MWH) = (Operation (\$) + Siemens LTSA (\$) + Maintenance Reserve (\$)) / forecasted annual Project Energy (MWH)**

### FY 2025 Project Annual Budget Line Items

<b>Variable Cost</b>	<b>\$</b>	<b>\$/MWH</b>
Routine O&M Costs Operation (Appendix I)	\$1,138,520	1.01
Routine O&M Costs Maintenance Siemens LTSA	\$2,863,210	2.54
Other Costs Maintenance Reserve (Appendix I)	\$247,995	0.22
<b>Total FY2025</b>	<b>\$4,249,725</b>	<b>3.77</b>

Forecast annual Project Energy (MWh)	1,127,248
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VOM = (\$1,138,520+\$2,863,210+\$247,995) / 1,127,248

VOM = 3.77 \$/MWh



# ***NCPA Proposed Budget***

## **Fiscal Year 2024-25**

Sondra Ainsworth  
April 8, 2024  
LEC PPC



## FY25 Budget *Changes* from March

- Decreases
  - PM allocated costs -\$168
- Increases
  - Gen Services Shared \$1k
  - Labor costs \$14k
  - A&G \$79k
- Revised O&M Reserve calculation

# LEC – FY25 *Proposed* Budget

	Approved FY 2024 Budget	Proposed FY 2025 Budget	Budget Increase/ (Decrease)	% Change
Labor	6,167,244	6,650,919	483,675	7.8%
O&M	9,250,523	10,228,795	978,272	10.6%
Fuel/LDC/CAISO	72,881,583	81,142,554	8,260,971	11.3%
Other Costs	30,353,333	31,305,532	952,199	3.1%
Insurance	1,751,712	1,849,532	97,820	5.6%
Projects	3,912,591	10,857,834	6,945,243	177.5%
GHG Allowance Costs	13,984,733	18,130,063	4,145,330	29.6%
<b>Total Annual Budget Cost</b>	<b>138,301,719</b>	<b>160,165,229</b>	<b>21,863,510</b>	<b>15.8%</b>
Less:				
Third Party Revenue	126,179,301	115,666,635	(10,512,666)	-8.3%
GHG Allowance Credits	13,611,634	17,646,370	4,034,736	29.6%
<b>Less Total Annual Revenue</b>	<b>139,790,935</b>	<b>133,313,005</b>	<b>(6,477,930)</b>	<b>-4.6%</b>
<b>Net Cost to Participants</b>	<b>(1,489,216)</b>	<b>26,852,224</b>	<b>28,341,440</b>	<b>1903.1%</b>
 <b>Net Annual Generation (MWh)</b>	 <b>1,303,566</b>	 <b>1,127,248</b>	 <b>(176,318)</b>	 <b>-13.5%</b>

## LEC – FY25 O&M Reserve Calculation

Total O&M Costs Subject to Reserve Calculation	<u>\$ 106,906,242</u>
Estimated Requirement	<u>17,573,629</u>
Projected O&M Reserve balance as of June 2024	<u>16,016,240</u>
Additional Reserve Collection	<u><u>\$ 1,557,389</u></u>



# FY2025 – LEC VOM Impact

PMOA Schedule 1 Exhibit 2

VOM Impact	Approved 2024 VOM	Proposed 2025 VOM	Percent Change
Variable Cost	(\$/MWhr)	(\$/MWhr)	
Operations	1.00	1.01	1.0%
LTSA-\$/MWhr	2.44	2.54	4.1%
Maintenance Reserve Variable	0.22	0.22	0.0%
Total	3.66	3.77	3.0%
LTSA-\$/Start		15,721	
Forecasted Starts		250.00	
Forecasted Generation (MWhr)	1,303,566	1,127,248	-13.5%

The Variable Costs are used in the bidding of the unit to CAISO and are approved in the PMOA. The table above represents the changes required to revise the PMOA Schedule for FY2025.

## Next Steps– FY25 *Proposed* Budget

- Commission approval (April 25<sup>th</sup>)

FY2025 Proposed Budget  
on *NCPA Connect*

# Questions

## Recommendation

- Staff recommends that the Lodi Energy Center Project Participant Committee approve and adopt the Lodi Energy Center (LEC) FY 2025 Annual Gross Budget in the amount of \$160,165,229 and approve modifications to the PMOA Schedule 1, Exhibit 2.