



12745 N. Thornton Road
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LEC PPC Agenda

Date: May 5, 2021
Subject: May 10, 2021 Lodi Energy Center Project Participant Committee Meeting
Location: 651 Commerce Drive, Roseville, CA 95678 and/or via Teleconference
Time: 10:00 am

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

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In compliance with the Executive Department, State of California, Executive Order N-29-20, and the Brown Act, you may participate in the meeting via teleconference by:

<https://www.gotomeet.me/GenServicesAdmin>

Dial: 1-872-240-3412

Access Code: 439-093-085

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

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 April 12, 2021 Regular Meeting Minutes and May 3, 2021 Special Meeting Minutes

MONTHLY REPORTS

4. Operational Report for April 2021 – (Rafael Santana)

5. Monthly Asset Report for March 2021 – (Michael DeBortoli)

6. Bidding Strategies Report – Verbal Report and update regarding bidding strategies and regulation down revenues (Jesse Shields/Ken Goeke)

CONSENT CALENDAR

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

7. Treasurer's Report for March 2021 – Accept by all Participants

8. Financial Report for March 2021 – Approve by all Participants

9. 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.

- 10. Mesa Associates, Inc. MTPSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task Professional Services Agreement with Mesa Associates, Inc. for engineering consulting services, with a not to exceed of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
- 11. JEGO Systems First Amendment to MTCSA** – Staff is seeking a recommendation for approval of a First Amendment to the five-year Multi-Task Consulting Services Agreement with JEGO Systems for SCADA control systems and network integrator services, increasing the not to exceed from \$225,000 to \$1,000,000, for continued use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.
- 12. BBA USA, Inc. MTPSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task Professional Services Agreement with BBA USA, Inc. for NERC and WECC testing and consulting services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA and SCPPA Members.

Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

- 13. LEC Gas Turbine Starting Package Replacement Project** – Staff is seeking recommendation for approval of the LEC Gas Turbine Starting Package Replacement Project, for a total not to exceed \$1,060,000, to be funded by the FY22 budget.

INFORMATIONAL/ DISCUSSION ITEMS

- 14. Gas / Renewable Energy Supply Agreement Opportunity** – Staff and investment banker, RBC Capital Markets, will present a PPA structured opportunity that provides straightforward execution as a participant in a gas/energy supply contract (not as a direct issuer.) The transaction targets a discount in the range of 0.25-0.30/MMBtu and provides the ability over time to switch from natural gas to renewable energy in order to comply with California regulatory RPS requirements.
- 15. Additional Operational Updates** – Staff will provide an update on issues related to Operations.

ADJOURNMENT

Next Regular Meeting: June 7, 2021 at 10:00 am.

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.



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LEC PPC Meeting Minutes

Date: May 3, 2021

Time: 10:00 a.m.

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 10:03 a.m. by Chairman Basil Wong. He asked that roll be called for the Project Participants as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Robledo	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Sharma	Present	33.5000%
Gridley - Sanchez	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Main	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	8	86.5179%
Absent	5	13.4821%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	5/3/2021	

Public Forum

Chairman Wong 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.

INFORMATIONAL/DISCUSSION ITEMS

3. Hydrogen Underground Storage Concept

Mike DeBortoli summarized hydrogen's potential role in power supply. He reviewed the outstanding questions posed by the PPC in the previous meeting (B&V energy pricing, REC "sharing" availability, and pricing of hydrogen vs natural gas).

Mike reviewed the drivers that B&V used in modeling. He noted that B&V does not focus on revenues, and that they used a more conservative energy pricing for their models. Some Project Participants remarked that they were not comfortable with the use of inflation to estimate energy pricing, and would prefer to see cost of generating at Lodi with ancillary costs (fuel, operating costs, etc.) included to compare to market. Project Participants requested a more detailed analysis.

Mike acknowledged that REC sharing is a new concept, which has not been fully vetted or explored. It is clear that burning hydrogen should result in lower emissions, which should lower the amount of Greenhouse Gas Credits needed. Mike confirmed that REC sharing is not being accounted for in baseline model analysis, the potential impact in lower costs with REC sharing are being examined separately. NCPA is aware that REC sharing will require a market design change.

Mike reviewed current data regarding hydrogen cost parity. Assumptions factored into NCPA's pricing analysis were reviewed. Mike walked Project Participants through a series of graphs and charts regarding energy pricing.

Mike wrapped up the presentation by reviewing the current energy storage options with the PPC. Those options are above ground (which was included in the B&V Feasibility Study), underground, and via the current pipeline system (PG&E is currently studying this). NCPA staff are aware that storage is the limiting factor when it comes to hydrogen.

PPC Members wanted to know the status on NCPA's efforts to resolve outstanding political issues surrounding hydrogen energy technology. NCPA's L&R continue to have discussions at the State and Federal level surrounding this issue.

PPC Members also expressed a desire to have early retirement of the plant considered as an alternative, and requested the costs associated with that option also be presented as hydrogen talks move forward.

CLOSED SESSION ITEMS

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS –

The Committee went into Closed Session at 10:58 a.m. – Conference with Real Property Negotiators – Authority to conduct real property negotiations pursuant to Government Code Section 54956.8.

Property: APN # 055-070-07, APN # 055-070-08, APN # 055-080-02

Agency Negotiator: Joel Ledesma and Michael DeBortoli

Negotiating Parties: Patrick Ross, Sierra Stream, LLC

Under Negotiation: The instruction to negotiators will concern price and terms of payment.

The meeting reconvened to Open Session at 11:29 a.m. General Counsel Jane Luckhardt advised that no reportable action was taken during the Closed Session.

ADJOURNMENT

The next regular meeting of the PPC is scheduled for Monday, May 10, 2021 at 10:00 a.m.

The meeting was adjourned at 11:31 a.m.

Submitted by: MICHELLE SCHELLENTRAGER



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LEC PPC Meeting Minutes

Date: April 12, 2021

Time: 10:00 am

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 10:01 am by Chairman Basil Wong. He asked that roll be called for the Project Participants as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Robledo	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Sharma	Present	33.5000%
Gridley - Sanchez	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Main	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	8	86.5179%
Absent	5	13.4821%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	4/12/2021	

Public Forum

Chairman Wong 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 March 8, 2021 Regular Meeting and the March 31, 2021 Special Meeting were considered. The LEC PPC considered the following motion:

Date: 4/12/2021

Motion: The PPC approves the minutes from the March 8, 2021 regular LEC PPC meeting and the March 31, 2021 special LEC PPC meeting.

Moved by:

Lodi

Seconded by:

Biggs

Discussion: No further discussion

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Absent	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Yes	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%
Vote Summary		
Total Ayes	8	86.4001%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	13.5999%
Result:		Motion Passes

MONTHLY REPORTS

4. Operational Reports for March 2021

Rafael Santana presented the Operational Report for March. There were no OSHA recordable accidents, and no NERC/WECC or permit violations. There were two forced outages during the month; Rafael discussed each forced outage briefly. There are no changes to the 2021 outage schedule.

The operational report reflected monthly production of 104,722 MWH, 385 service hours, and equivalent operating availability of 80.8%. The report set for the Capacity Factor @ 302MW Pmax of 46.7%. There were 2 hot starts, 3 warm starts, and 2 cold starts during the month.

5. Market Data Report for April 2021

Zakary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 18 out of 31 available days. Most startups were for mid to long term runs, with eleven 24-hour runs in the month of April.

6. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for April 2021. Mike reported that overall it was a very favorable market for LEC. Mike noted that the Aux Pwr costs were higher than projected. Mike reviewed the monthly historical comparisons as well as the 12-month history.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for March 2021. Jesse reviewed bidding and calculating net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 8-19)

The consent calendar was considered. Chairman Wong 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: 4/12/2021

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: 8. Treasurer's Report for February 2021; 9. Financial Report for February 2021; 10. GHG Reports (excerpted from the Monthly ARB); 11. Southern Counties Lubricants, LLC First Amendment to MTGSA-EMS for oil analysis, oil filtration services, and purchase of miscellaneous lubricants, increasing the not to exceed from \$225,000 to \$1,500,000 and removing Members and SCPPA; 12. ActiveReservoir, LLC MTCSA for well-related consulting services, not to exceed \$1,000,000, for use at all NCPA facilities and Members/SCPPA; 13. K&A Engineering Consulting, P.C. MTPSA for engineering consulting services related to electrical power generation, not to exceed \$100,000, for use at all NCPA facilities and Members/SCPPA; 14. Syblon Reid MTGSA for routine, recurring, and usual general construction maintenance services, not to exceed \$5,000,000, for use at all NCPA facilities

and Members/SCPPA; 15. Delta Tech Service, Inc. MTGSA for inspection and cleaning, decontamination maintenance services, not to exceed \$1,000,000, for use at all NCPA facilities; 16. EvapTech, Inc. MTGSA-EMS for cooling tower services, not to exceed \$3,000,000, for use at all NCPA facilities and Members/SCPPA; 17. Quantum Spatial, Inc. dba NV5 Geospatial MTGSA for transmission and distribution line modeling and related services, not to exceed \$2,000,000, for use at all NCPA facilities and Members/SCPPA; 18. Black & Veatch Corporation First Amendment to MTPSA for consulting services related to project support and plant operations, extending agreement expiration date from May 26, 2021 to November 26, 2021, for continued use at all NCPA facilities and Members/SCPPA; 19. PMOA Schedule 6.00 revision to update the contact information for the City of Gridley.

Moved by: Biggs
Seconded by: SVP

Discussion: No further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Absent	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Yes	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%
Vote Summary		
Total Ayes	8	55.6858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	44.3142%
Result:	Motion Passes	

BUSINESS ACTION ITEMS

None.

INFORMATIONAL ITEMS

20. 2022 PG&E Rate Case Update

Joel Ledesma gave background on the upcoming 2022 PG&E Gas Rate Case. Outlined top issues as well as two tracks associated with the upcoming rate case. It was emphasized that this is important for all Members, not just LEC Project Participants.

Joel shared an overview of the search for consultant support in the upcoming rate case, including a list of desired attributes. NCPA plans to partner with NCGC as they have in the past; costs for consultant support will be shared with NCGC. Joel reviewed those estimated costs. Joel plans to bring this back to the LEC PPC at an upcoming meeting for approval. There were no Member questions.

21. Power Plant Concept Papers and Phasing

Mike presented Black & Veatch findings on a small hydrogen plant concept. This was prepared by B&V at the same time as the larger hydrogen feasibility study. Mike reviewed each of the three areas for implementation: Combustion Turbine, Production, and Storage.

NCPA already has some of the equipment/parts required for the Combustion Turbine portion. NCPA has applied for OPEN ARPA Grants for each portion of the project, all with a requested 80% : 20% split (Federal Government would pay 80% of costs and NCPA Members would pay the remaining 20%). Mike reviewed costs for each portion. If NCPA was to move forward, the Production portion would require a Shared Services

The Production portion was also reviewed. As with the Combustion Turbine, NCPA has applied for Grants with the same split as above. If NCPA was to move forward with this piece, a Shared Service Agreement would need to be established with CT2 Owners.

Mike also reviewed an underground storage option, including the potential storage volume and other specs. The underground storage comes with more uncertainty. It is not known when NCPA would be notified regarding the grant application for the underground storage (Members would likely have to move forward without knowing if the Grant would be approved). Joel gave a high-level summary.

Members requested more time to consider the proposal. Members also requested additional information regarding economical benefits (specifically when compared with escalating cost of emissions and carbon allowance credits), as well as more information regarding liability and risks (if any) associated with underground storage.

Members agreed a Special Meeting would be helpful in allowing a deep-dive into the underground storage option. Joel and Mike will work to gather additional information for Members prior to the Special Meeting. The Special Meeting will be scheduled for late in April or very early May.

20 Additional Operational Updates

There were no additional operational updates at this time.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, May 10, 2021 at 10:00 am.

The meeting was adjourned at 11:16 am.

Submitted by: MICHELLE SCHELLENTRAGER

DRAFT

Lodi Energy Center Project Participant Committee

Operational Report

Agenda Item No.: 4

Date: 5/10/2021

To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents.

Notice of Violations

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

Outage Summaries:

- 4/01 @ 00:00 - 4/30 @ 23:59; Annual Maintenance, OMS 9128237

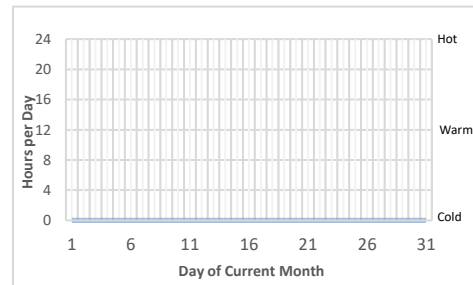
Planned Outage Summaries:

- March 1 – May 31, 2022; Steam turbine generator major inspection, gas turbine ULN installation

Generating Unit Statistics:**Date:**

4/1/2021

1. Monthly Production 0 MWh
2. Productivity Factor
- a. Service Hours 0 Hours
- b. Service Factor 0.0% %
- c. Capacity Factor @ 302MW Pmax 0.0 %
3. Equivalent Operating Availability (EOA) 0.0 %
4. Forced Outage Rate (FOR) #DIV/0! %



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	0	0.00%	0	\$0
Seg. 3 275 - 284	6971	0	0.00%	0	\$0
Seg. 4 250 - 275	7081	0	0.00%	0	\$0
Seg. 5 225 - 250	7130	0	0.00%	0	\$0
Seg. 6 200 - 225	7200	0	0.00%	0	\$0
Seg. 7 175 - 225	7450	0	0.00%	0	\$0
Seg. 8 165 - 175	7760	0	0.00%	0	\$0
	7,164	#DIV/0!	0.00%	0	\$0

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

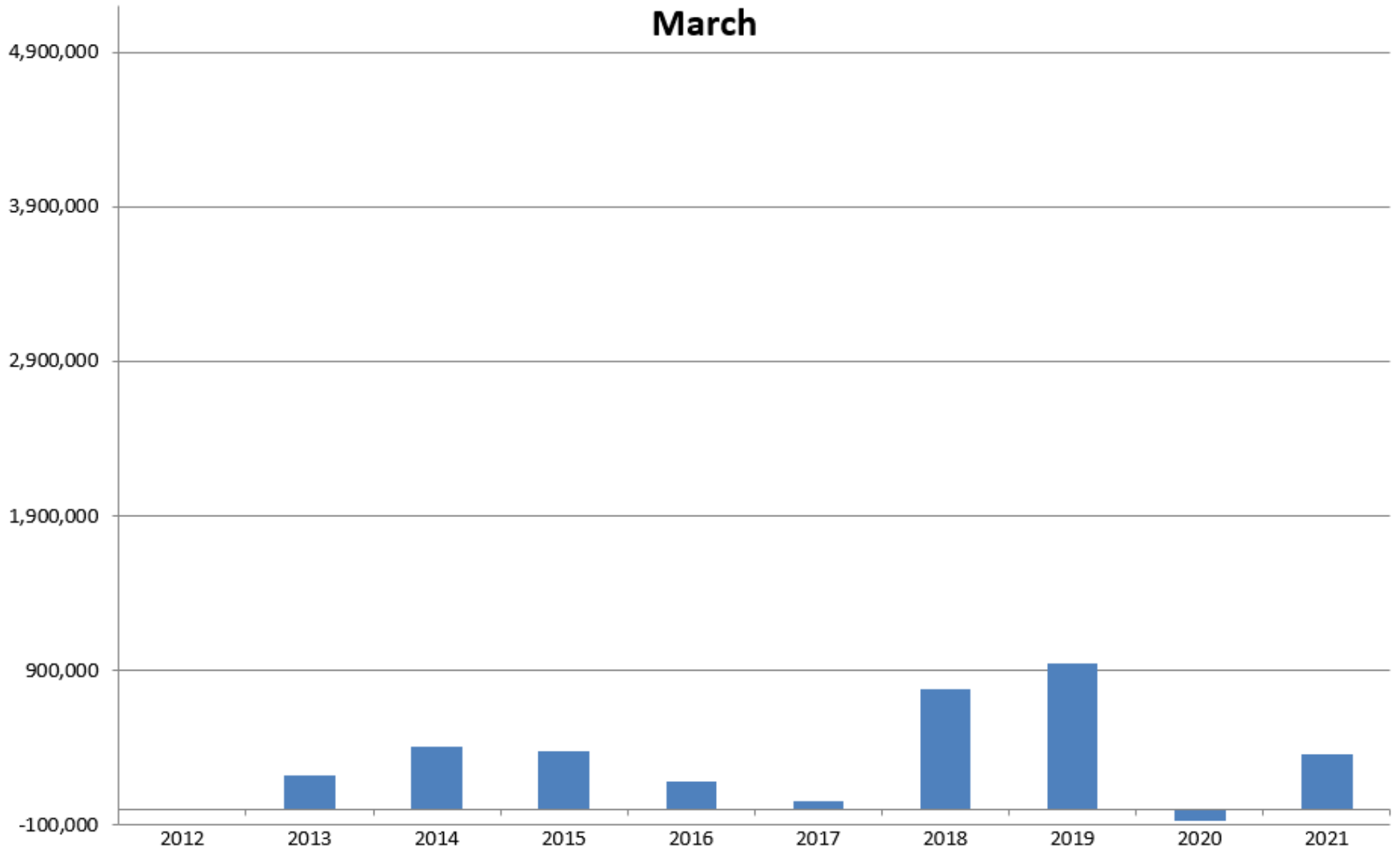
7. Starting Reliability

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	0	0	0
Start Time Benchmark (Minutes)	75	110	200
Start Time Actual (Average Minute)	0	0	0
Start Time Deviation (%)	0%	0%	0%
Start Fuel Benchmark PMOA (mmBTU)	1,300	1,800	3,500
Start Fuel Actual (Average mmBTU)	1,300	0	0
Fuel Deviation (%)	0%	-100%	0%
Costs of Fuel Deviations (\$)	\$0	\$0	\$0

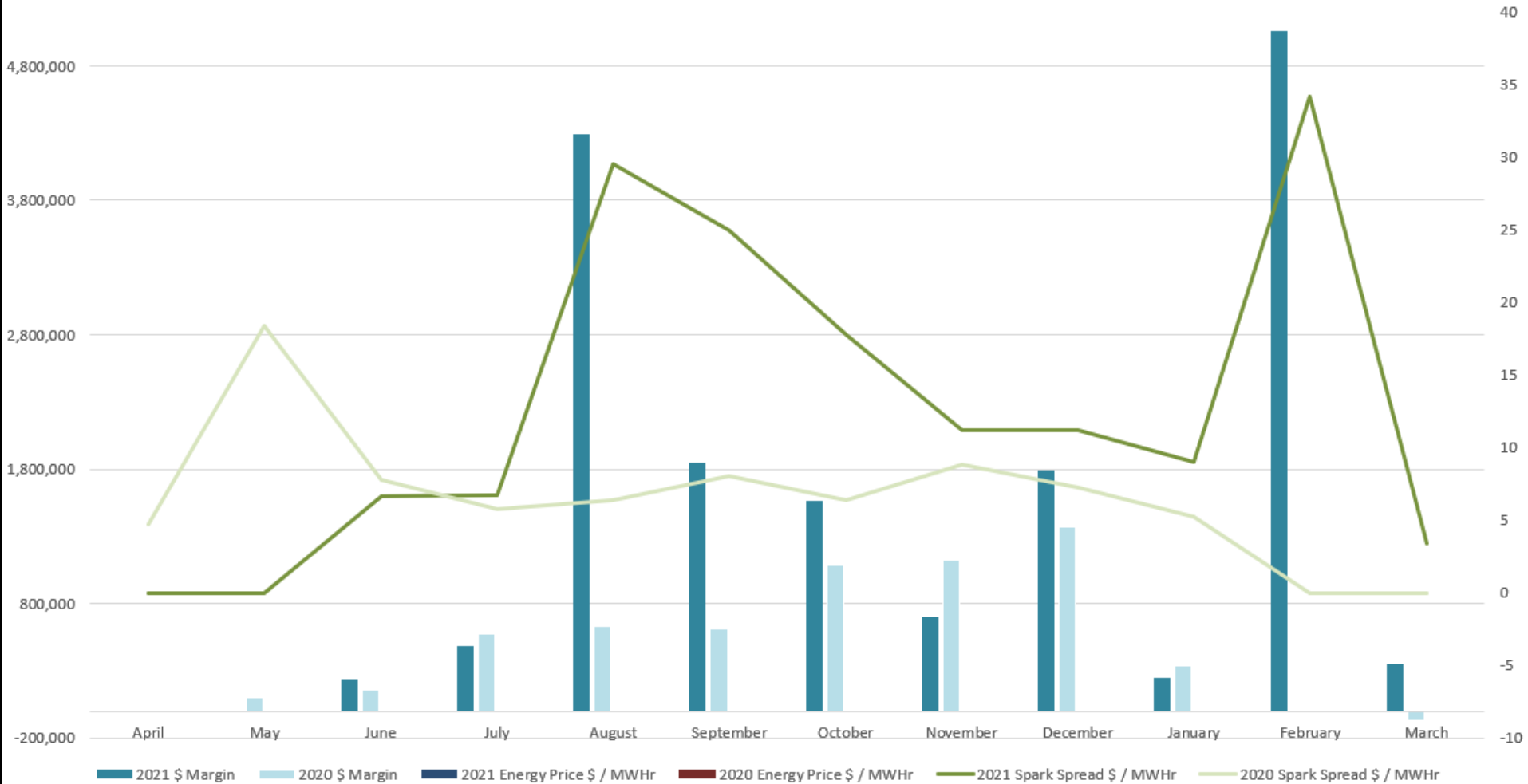
March Asset Report

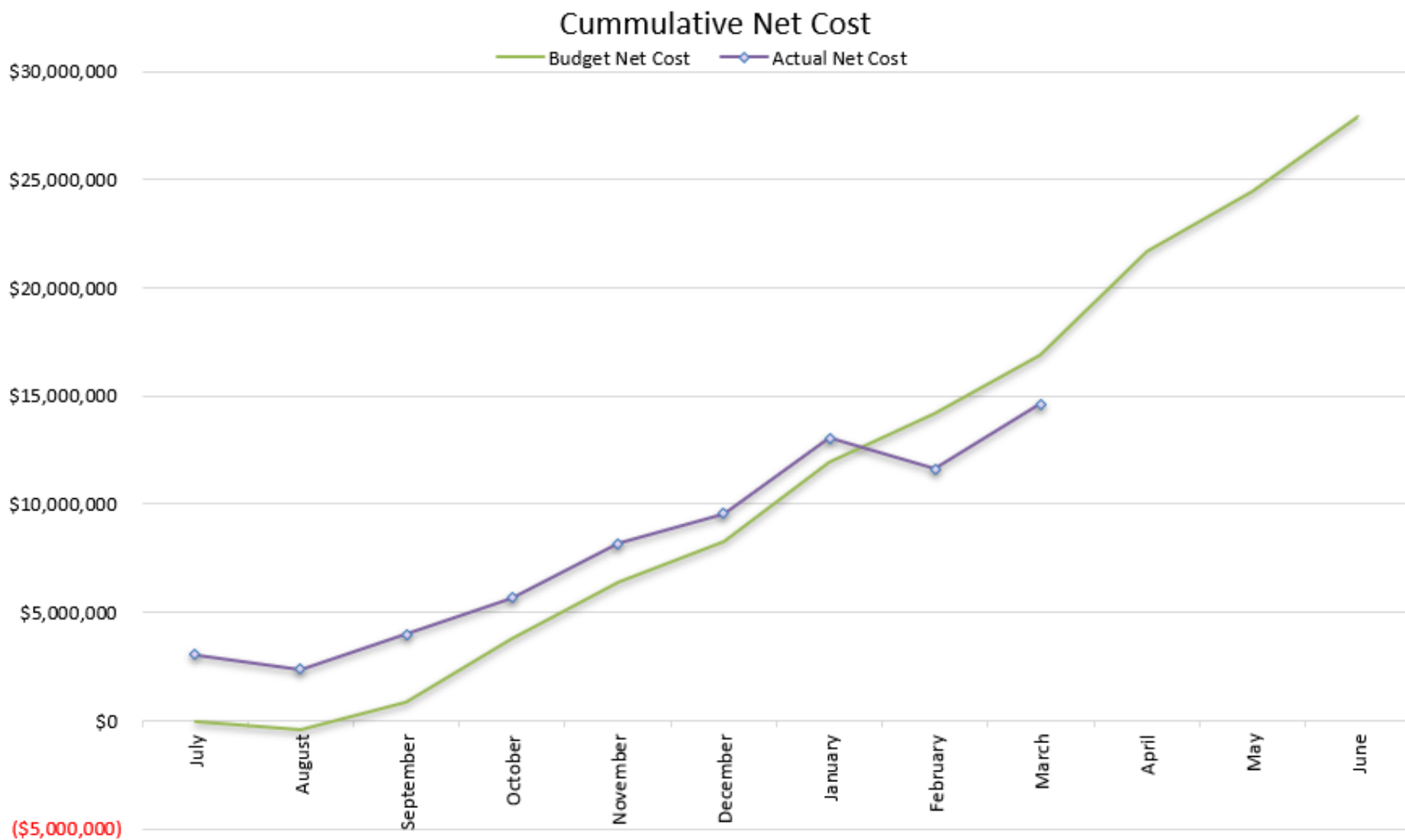
		Most Recent		Above / (below)	Percent Difference	
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	4,521,621	2,151,886	3,649,419	2,369,735	110%	
VOM	3,859,883	1,933,651	2,805,643	1,926,233	100%	
Fixed	925,523	916,957	842,096	8,566	1%	Ultrafilter, 1-time annual charges
Projects	360,895	278,194	278,194	82,701	30%	
A&G	185,910	222,637	222,637	(36,727)	-16%	
Debt	2,168,653	2,168,653	2,168,653	0	0.00%	
Net Cost	(2,979,243)	(3,368,206)	(2,667,804)	388,963	-12%	
Net Annual Cost		(26,350,544)	(27,923,503)	\$1,572,959		
				Below budget by 5.63%		

Historical Margins



Historical Monthly Comparison





Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 05/03/2021

	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY2021 Budget	Percent Used	Comments
VOM	2,100,250	4,745,364	2,926,963	3,423,662	4,150,637	5,609,717	1,176,767	6,735,536	3,859,883	939,058	3,507,913	6,098,226	45,273,975	50,918,015	88.9%	
Capacity Factor	32%	65%	65%	39%	29%	71%	12%	73%	47%	0%	36%	62%	44%	54%	82.4%	
Fuel Consumed (mmBTU, estimated)	553,447	1,035,000	548,358	637,443	459,993	1,147,877	206,311	1,049,925	736,400	0	547,925	920,133	7,842,811	9,021,368	86.9%	
Avg Fuel Cost (\$/mmBTU)	2.51	3.21	3.71	4.08	3.86	3.64	3.70	4.94	3.82	0.00	4.82	4.58	3.94	3.65	107.9%	
Power Produced (MWhr, estimated)	75,067	145,066	73,991	87,952	62,413	159,981	27,129	148,102	104,723	0	79,989	134,326	1,098,739	1,316,988	83.4%	
Avg Power Price (\$/MWhr)	37.12	64.43	64.82	58.46	51.97	48.53	49.83	79.07	42.71	0.00	27.58	20.92	50.63	49.94	101.4%	
Operations / Variable / LTSA	32,219	107,731	197,945	73,568	1,775,673	71,218	138,573	200,809	92,573	939,058	87,849	788,593	4,505,809	5,436,362	82.9%	
Fuel (estimated)	1,387,262	3,318,378	2,035,385	2,601,505	1,775,673	4,176,868	763,593	5,188,265	2,814,945	0	2,640,171	4,218,498	30,920,543	32,955,703	93.8%	
AB32 GHG Offset (estimated)	508,424	950,218	508,995	598,684	430,015	1,077,404	201,225	1,046,455	735,221	0	547,125	918,790	7,522,556	8,695,359	86.5%	
CA ISO Charges (estimated)	172,345	369,037	184,638	149,905	169,275	284,226	73,377	300,008	217,144	0	232,768	172,345	2,325,068	3,830,591	60.7%	
Routine O&M (Fixed)	1,026,632	1,427,542	964,942	882,496	909,320	1,016,038	1,113,313	990,118	925,523	979,970	1,061,957	1,116,957	12,414,809	11,555,680	107.4%	
Maintenance / Fixed	311,545	463,173	282,367	282,612	255,184	352,168	262,839	354,972	282,362	205,000	350,000	205,000	3,607,222	2,717,065	132.8%	Ultrafilter, 1-time annual charges
Administration	2,729	13,600	10,296	2,260	4,337	23,458	2,999	4,698	5,764	17,615	17,615	17,615	122,985	211,377	58.2%	
Mandatory Costs	36,623	190,530	25,662	9,311	7,960	4,761	41,827	18,314	11,839	33,614	33,614	33,614	447,668	309,455	144.7%	
Inventory Stock	0	0	7,434	50	0	0	31,226	20,049	0	0	0	0	58,759	-	0.0%	
Labor	482,419	566,447	439,117	393,381	435,435	438,819	578,046	381,019	432,157	513,013	450,000	650,000	5,759,853	5,789,039	99.5%	
Insurance	66,328	66,328	66,328	66,328	66,328	66,328	69,043	66,328	66,328	74,862	74,862	74,862	824,252	898,338	91.8%	
Power Management & Settlements	126,988	126,988	126,988	126,988	126,988	126,988	126,988	126,988	126,988	126,988	126,988	126,988	1,523,857	1,523,860	100.0%	
Other Costs	0	476	6,750	1,566	13,088	3,516	345	17,750	85	8,879	8,879	8,879	70,213	106,546	65.9%	
Projects	352,616	277,393	153,194	161,920	160,086	154,474	153,194	178,409	360,895	403,194	424,150	153,194	2,932,720	2,905,788	100.9%	
Maintenance Reserve	153,194	153,194	153,194	153,194	153,194	153,194	153,194	153,194	153,194	153,194	153,194	153,194	1,838,329	1,838,332	100.0%	
Operations & Maintenance Projects	-287,312	36,453	0	4,600	6,892	1,280	0	25,215	22,100	250,000	270,956	0	330,184	1,060,956	31.1%	
Capital Projects	486,734	87,746	0	4,126	0	0	0	0	185,601	0	0	0	764,207	6,500	11757.0%	
A&G	183,752	208,363	197,156	188,760	169,560	183,629	243,359	209,696	185,910	222,637	222,637	222,637	2,438,096	2,671,642	91.3%	
Administrative & General (Allocated)	160,659	198,558	152,153	153,613	145,154	155,505	208,059	182,073	161,021	193,161	193,161	193,161	2,096,278	2,317,930	90.4%	
Generation Services Shared	23,093	9,805	45,003	35,147	24,406	28,124	35,300	27,623	24,889	29,476	29,476	29,476	341,818	353,712	96.6%	
Total O&M Cost	3,663,250	6,658,662	4,242,255	4,656,838	5,389,603	6,963,858	2,686,633	8,113,759	5,332,211	2,544,859	5,216,657	7,591,014	63,059,599	68,051,125	92.7%	
Debt Service	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	2,168,653	26,023,836	26,023,835	100.0%	
Revenues	2,786,992	9,389,288	4,797,711	5,141,732	3,268,809	7,763,886	1,351,756	11,711,042	4,521,621	32,154	4,433,655	7,534,247	62,732,891	66,151,457	94.8%	
ISO Energy Sales (estimated)	2,786,450	9,346,750	4,796,399	5,141,732	3,243,809	7,763,886	1,351,756	11,711,042	4,473,171	0	4,401,501	7,502,093	62,518,588	65,765,612	95.1%	
Other Income	542	42,538	1,312	0	25,000	0	0	0	48,450	32,154	32,154	32,154	214,303	385,845		
Net	(\$3,044,911)	\$561,973	(\$1,613,197)	(\$1,683,759)	(\$4,289,447)	(\$1,368,624)	(\$3,503,530)	\$1,428,629	(\$2,979,243)	(\$4,681,359)	(\$2,951,655)	(\$2,225,421)	(\$26,350,544)	(\$27,923,503)	Below budget by 5.63%	



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LEC Treasurer's Report

AGENDA ITEM NO.: 7

Date: May 10, 2021

To: LEC Project Participant Committee

Subject: Treasurer's Report for the Month Ended March 31, 2021

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 \$321.

Investments - The carrying value of the LEC's investment portfolio totaled \$44,158,446 at month end. The current market value of the portfolio totaled \$44,181,131.

The overall portfolio had a combined weighted average interest rate of 0.610% with a bond equivalent yield (yield to maturity) of 0.504%. Investments with a maturity greater than one year totaled \$17,010,000. During the month \$7,623,772 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 decreased 2 basis points from 0.04% to 0.02% and rates on one year T-Bills decreased 1 basis point from 0.08% to 0.07%.

To the best of my knowledge and belief, all securities held by LEC as of March 31, 2021 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
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

MARCH 31, 2021

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DETAIL REPORT OF INVESTMENTS	APPENDIX

**Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash & Investment Balance
March 31, 2021**

	CASH	INVESTMENTS	TOTAL	PERCENT	INVESTMENTS at MARKET
MANDATORY FUNDS					
Debt Service Account	\$ 321	\$ 19,720,804	\$ 19,721,125	44.66%	\$ 19,721,994
Debt Service Reserve	-	12,673,986	12,673,986	28.70%	12,720,105
O & M Reserve	-	11,622,493	11,622,493	26.32%	11,597,869
	321	44,017,283	44,017,604	99.68%	44,039,968
ADDITIONAL PROJECT FUNDS					
GHG Cash Account	-	141,163	141,163	0.32%	141,163
Participant Deposit Account	-	-	-	-	-
	\$ 321	\$ 44,158,446	\$ 44,158,767	100.00%	\$ 44,181,131

NOTE A -Investment amounts shown at book carrying value.

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash Activity Summary
March 31, 2021

	RECEIPTS			EXPENDITURES			CASH INCREASE / (DECREASE)
	OPS/CONSTR	INTEREST (NOTE B)	INVESTMENTS (NOTE A)	OPS/CONSTR	INVESTMENTS (NOTE B)	INTER-COMPANY/ FUND TRANSFERS	
MANDATORY FUNDS							
Debt Service Account	\$ -	\$ -	\$ 484,892	\$ -	\$ (3,172,038)	\$ 2,686,756	\$ (390)
Debt Service Reserve	-	18	4,429,983	-	(4,430,001)	-	-
O & M Reserve	-	3,778	-	-	(3,778)	-	-
	-	3,796	4,914,875	-	(7,605,817)	2,686,756	(390)
ADDITIONAL PROJECT FUNDS							
GHG Cash Account	6,300	-	-	-	(17,955)	11,655	-
Participant Deposit Account	-	-	-	-	-	-	-
TOTAL	\$ 6,300	\$ 3,796	\$ 4,914,875	\$ -	\$ (7,623,772)	\$ 2,698,411	\$ (390)

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
March 31, 2021

			(NON-CASH)	(NON-CASH)	INVESTMENTS	
	PURCHASED	SOLD OR	DISC/(PREM)	GAIN/(LOSS)		INCREASE /
		MATURED	AMORT	ON SALE	TRANSFERS	(DECREASE)
MANDATORY FUNDS						
Debt Service Account	\$ 3,172,038	\$ (484,892)	\$ 845	\$ -	\$ -	\$ 2,687,991
Debt Service Reserve	4,430,001	(4,429,983)	(906)	-	-	(888)
O & M Reserve	3,778	-	(2,584)	-	-	1,194
	<u>7,605,817</u>	<u>(4,914,875)</u>	<u>(2,645)</u>	<u>-</u>	<u>-</u>	<u>2,688,297</u>
ADDITIONAL PROJECT FUNDS						
GHG Cash Account	17,955	-	-	-	-	17,955
Participant Deposit Acct.	-	-	-	-	-	-
TOTAL	<u>\$ 7,623,772</u>	<u>\$ (4,914,875)</u>	<u>\$ (2,645)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,706,252</u>

Less Non- Cash Activity

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

Net Change in Investment --Before Non-Cash Activity

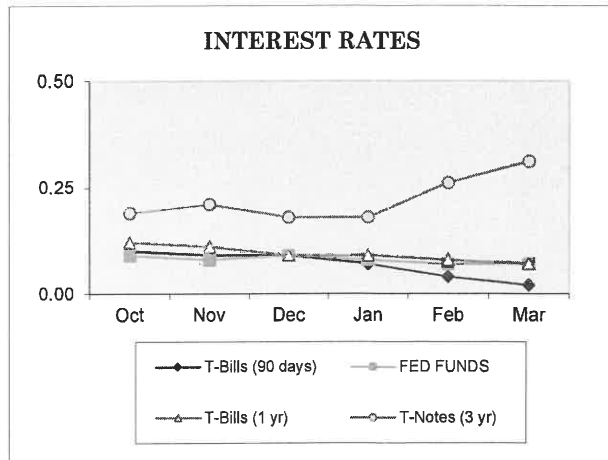
2,645
\$ 2,708,897

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
March 31, 2021**

	WEIGHTED AVERAGE INTEREST RATE	BOND EQUIVALENT YIELD
OVERALL COMBINED	0.610%	0.504%
Debt Service Account	0.051%	0.051%
Debt Service Reserve	1.017%	0.906%
O & M Reserve	1.113%	0.833%
GHG Cash Account	0.625%	0.625%

KEY INTEREST RATES		
	CURRENT	PRIOR YEAR
Fed Funds (Overnight)	0.07%	0.15%
T-Bills (90da.)	0.02%	0.01%
Agency Disc (90da.)	0.05%	0.06%
T-Bills (1yr.)	0.07%	0.17%
Agency Disc (1yr.)	0.06%	0.44%
T-Notes (3yr.)	0.31%	0.36%



**Lodi Energy Center
Total Portfolio
Investment Maturities Analysis
March 31, 2021**

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	\$ -	\$ 3,652	\$ 150	\$ -	\$ -	\$ 14,950	\$ -	\$ 18,752	42.52%
Corporate Bonds (MTN)	-	-	-	495	-	1,560	-	2,055	4.66%
Municipal Bonds	-	-	-	500	-	500	-	1,000	2.27%
US Bank Trust Money Market	3	-	-	-	-	-	-	3	0.01%
Commercial Paper	-	-	-	-	-	-	-	-	0.00%
Investment Trusts (LAIF)	1,690	-	-	-	-	-	-	1,690	3.83%
Investment Trusts (CAMP)	-	-	-	-	-	-	-	-	0.00%
U.S.Treasury Market Acct. *	59	-	-	-	-	-	-	59	0.13%
U.S.Treasury Bill/Note	-	17,417	3,128	-	-	-	-	20,545	46.58%
Certificates of Deposit	-	-	-	-	-	-	-	-	0.00%
Total Dollars	\$ 1,752	\$21,069	\$3,278	\$995	\$0	\$17,010	\$0	\$ 44,104	100.00%
Total Percents	3.97%	47.77%	7.43%	2.26%	0.00%	38.57%	0.00%	100.00%	

Investments are shown at Face Value, in thousands.

NORTHERN CALIFORNIA POWER AGENCY

Detail Report Of Investments

APPENDIX

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



Northern California Power Agency
Treasurer's Report

03/31/2021

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	723	0.600	07/01/2013	723		1	0.600	723	SYS79004	79004	723
U.S. Treasury	USBT	2,136,000	0.065	12/03/2020	2,135,325	05/27/2021	56	0.065	2,135,957	912796A33	27127	2,135,784
U.S. Treasury	USBT	1,561,000	0.007	03/26/2021	1,560,980	05/27/2021	56	0.007	1,560,969	912796A33	27210	1,560,982
Federal Home Loan Ba	USBT	1,076,000	0.050	01/26/2021	1,075,812	06/01/2021	61	0.050	1,075,968	313385GH3A	27156	1,075,909
U.S. Treasury	USBT	1,077,000	0.080	12/30/2020	1,076,634	06/01/2021	61	0.081	1,076,978	912796G37	27143	1,076,854
U.S. Treasury	USBT	591,000	0.019	02/25/2021	590,968	06/01/2021	61	0.020	590,988	912796G37	27188	590,980
Fund Total and Average		\$ 6,441,723	0.047		\$ 6,440,442		58	0.048	\$ 6,441,583			\$ 6,441,232

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	692	0.600	07/01/2013	692		1	0.600	692	SYS79012	79012	692
U.S. Treasury	USBT	3,858,000	0.065	12/03/2020	3,856,781	05/27/2021	56	0.065	3,857,923	912796A33	27128	3,857,610
U.S. Treasury	USBT	944,000	0.007	03/26/2021	943,988	05/27/2021	56	0.007	943,981	912796A33	27211	943,989
Federal Home Loan Ba	USBT	944,000	0.050	01/26/2021	943,835	06/01/2021	61	0.050	943,972	313385GH3A	27157	943,920
U.S. Treasury	USBT	945,000	0.080	12/30/2020	944,679	06/01/2021	61	0.081	944,981	912796G37	27144	944,872
U.S. Treasury	USBT	944,000	0.020	02/25/2021	943,950	06/01/2021	61	0.020	943,981	912796G37	27189	943,968
Fund Total and Average		\$ 7,635,692	0.052		\$ 7,633,925		58	0.053	\$ 7,635,530			\$ 7,635,051

LEC Issue#1 2017A DS Fund

U.S. Treasury	USBT	2,978,000	0.065	12/03/2020	2,977,059	05/27/2021	56	0.065	2,977,940	912796A33	27129	2,977,699
U.S. Treasury	USBT	667,000	0.007	03/26/2021	666,991	05/27/2021	56	0.007	666,987	912796A33	27212	666,992
Federal Home Loan Ba	USBT	667,000	0.050	01/26/2021	666,883	06/01/2021	61	0.050	666,980	313385GH3A	27158	666,943
U.S. Treasury	USBT	667,000	0.080	12/30/2020	666,773	06/01/2021	61	0.081	666,987	912796G37	27145	666,910
U.S. Treasury	USBT	666,000	0.019	02/25/2021	665,964	06/01/2021	61	0.020	665,987	912796G37	27190	665,977
Fund Total and Average		\$ 5,645,000	0.053		\$ 5,643,670		58	0.054	\$ 5,644,881			\$ 5,644,521
GRAND TOTALS:		\$ 19,722,415	0.051		\$ 19,718,037		58	0.051	\$ 19,721,994			\$ 19,720,804

*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 03/31/2021



Northern California Power Agency
Treasurer's Report

03/31/2021

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	424	0.600	07/01/2013	424		1	0.600	424	SYS79005	79005	424
Federal Home Loan Ba	USBT	465,000	0.050	01/26/2021	464,919	06/01/2021	61	0.050	464,986	313386GH3A	27159	464,961
Federal Home Loan Mt	USB	150,000	1.125	07/28/2017	146,648	08/12/2021	133	1.699	150,585	3137EAE09	26454	149,698
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	08/10/2022	435	1.760	4,197,498	313379Q69	26463	4,117,017
Federal Farm Credit	USBT	4,430,000	0.840	03/02/2021	4,430,000	03/02/2026	1,796	0.840	4,394,206	3133EMSK9	27199	4,430,000
Fund Total and Average		\$ 9,145,424	1.382		\$ 9,210,297		1069	1.227	\$ 9,207,699			\$ 9,162,100

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	804	0.600	07/01/2013	804		1	0.600	804	SYS79006	79006	804
U.S. Treasury	USBT	2,369,000	0.069	09/29/2020	2,367,669	07/15/2021	105	0.071	2,368,905	9127963S6	27099	2,368,516
Fund Total and Average		\$ 2,369,804	0.070		\$ 2,368,473		105	0.071	\$ 2,369,709			\$ 2,369,320

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	735	0.600	07/01/2013	735		1	0.600	735	SYS79013	79013	735
U.S. Treasury	USBT	383,000	0.019	02/25/2021	382,980	06/01/2021	61	0.020	382,992	912796G37	27193	382,987
U.S. Treasury	USBT	759,000	0.069	09/29/2020	758,573	07/15/2021	105	0.071	758,970	9127963S6	27100	758,845
Fund Total and Average		\$ 1,142,735	0.054		\$ 1,142,288		90	0.054	\$ 1,142,697			\$ 1,142,567
GRAND TOTALS:		\$ 12,657,963	1.017		\$ 12,721,058		801	0.906	\$ 12,720,105.			\$ 12,673,987

*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 03/31/2021

Callable Dates:

Inv # FFCB Anytime starting 6/2/2021
27199



Northern California Power Agency
Treasurer's Report
03/31/2021

LEC O & M Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		1,548,980	0.625	07/01/2013	1,548,980		1	0.625	1,548,980	SYS70047	70047	1,548,980
Union Bank of Califo	UBOC	58,731	0.002	07/18/2013	58,731		1	0.002	58,731	SYS70041	70041	58,731
Federal Farm Credit	UBOC	500,000	1.500	10/15/2019	498,335	04/15/2021	14	1.590	500,285	3133EKY83	26892	499,983
Toyota Motor Credit	UBOC	495,000	1.800	02/03/2020	496,995	10/07/2021	189	1.555	498,688	89236TGJ8	26953	495,614
Memphis Center City	UBOC	500,000	5.530	04/27/2020	533,880	11/01/2021	214	1.000	515,270	58607ECD4	26986	513,079
US Bank, N.A.	UBOC	595,000	2.650	05/31/2019	598,290	05/23/2022	417	2.456	609,845	90331HPC1	26822	596,265
Federal Home Loan Mt	UBOC	1,000,000	0.375	07/30/2020	1,000,000	07/28/2023	848	0.375	1,000,570	3134GMDL7	27046	1,000,000
Caterpillar Financia	UBOC	465,000	3.250	02/03/2020	496,569	12/01/2024	1,340	1.776	503,721	14912L6G1	26952	488,976
Nashville Met Gov	UBOC	500,000	0.610	02/18/2021	500,000	07/01/2025	1,552	0.610	500,130	592112UB0	27176	500,000
Federal National Mtg	UBOC	1,000,000	0.600	07/30/2020	1,001,000	07/29/2025	1,580	0.579	987,840	3136G4D75	27047	1,000,866
Federal Farm Credit	UBOC	2,000,000	0.670	08/04/2020	2,000,000	08/04/2025	1,586	0.670	2,000,060	3133EL2S2	27054	2,000,000
Federal National Mtg	UBOC	1,000,000	0.600	08/18/2020	1,000,000	08/18/2025	1,600	0.600	987,320	3136G4G72	27057	1,000,000
Federal Farm Credit	UBOC	750,000	0.530	09/29/2020	750,000	09/29/2025	1,642	0.530	738,780	3133EMBH4	27083	750,000
Federal Farm Credit	UBOC	670,000	0.530	09/29/2020	670,000	09/29/2025	1,642	0.530	657,364	3133EMBJ0	27084	670,000
Apple Inc.	UBOC	500,000	0.700	02/17/2021	500,000	02/08/2026	1,774	0.699	490,285	037833EB2	27170	500,000
Fund Total and Average		\$ 11,582,711	1.113		\$ 11,653,780		1069	0.833	\$ 11,597,869			\$ 11,622,494
GRAND TOTALS:		\$ 11,582,711	1.113		\$ 11,653,780		1069	0.833	\$ 11,597,869.			\$ 11,622,494

*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 03/31/2021

Callable Dates:

Inv #	USB	Anytime starting 4/22/2022
26822	FHLMC	7/28/2021 only
27046	FHLMC	Quarterly starting 7/29/2022
27047	FFCB	Anytime
27054	FNMA	Quarterly starting 8/18/2022
27057	FFCB	Anytime starting 9/29/2021
27083	FFCB	Anytime
27084	APPL	Anytime starting 1/8/2026
27170		



Northern California Power Agency
Treasurer's Report

03/31/2021

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		141,163	0.625	07/01/2013	141,163		1	0.625	141,163	SYS70046	70046	141,163
Fund Total and Average		\$ 141,163	0.625		\$ 141,163		1	0.625	\$ 141,163			\$ 141,163
GRAND TOTALS:		\$ 141,163	0.625		\$ 141,163		1	0.625	\$ 141,163.			\$ 141,163

*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 03/31/2021



Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO.: 8

Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: March 31, 2021 Financial Reports (Unaudited)

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

	March	
	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 141,163	\$ 105,100
Interest receivable	289	372
Inventory and supplies - at average cost	2,271,413	2,202,632
Prepaid insurance	1,159,421	617,546
Due from (to) Agency, net	19,106,486	20,668,294
TOTAL CURRENT ASSETS	22,678,772	23,593,944
RESTRICTED ASSETS		
Cash and cash equivalents	4,789,824	3,808,772
Investments	39,234,231	32,585,376
Interest receivable	78,404	100,627
TOTAL RESTRICTED ASSETS	44,102,459	36,494,775
ELECTRIC PLANT		
Electric plant in service	409,938,595	424,508,053
Less: accumulated depreciation	(105,481,196)	(105,924,643)
	304,457,399	318,583,410
Construction work-in-progress	-	182,398
TOTAL ELECTRIC PLANT	304,457,399	318,765,808
OTHER ASSETS		
Regulatory assets	28,226,060	25,493,072
TOTAL OTHER ASSETS	28,226,060	25,493,072
TOTAL ASSETS	399,464,690	404,347,599
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized excess cost on advance refunding of debt, net	1,265,764	1,612,376
Asset retirement obligations	186,311	181,239
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,452,075	1,793,615
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 400,916,765	\$ 406,141,214

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

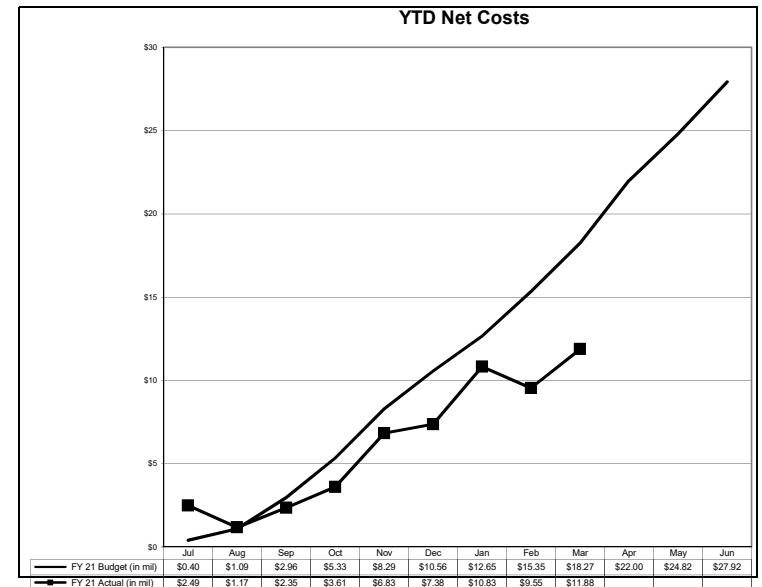
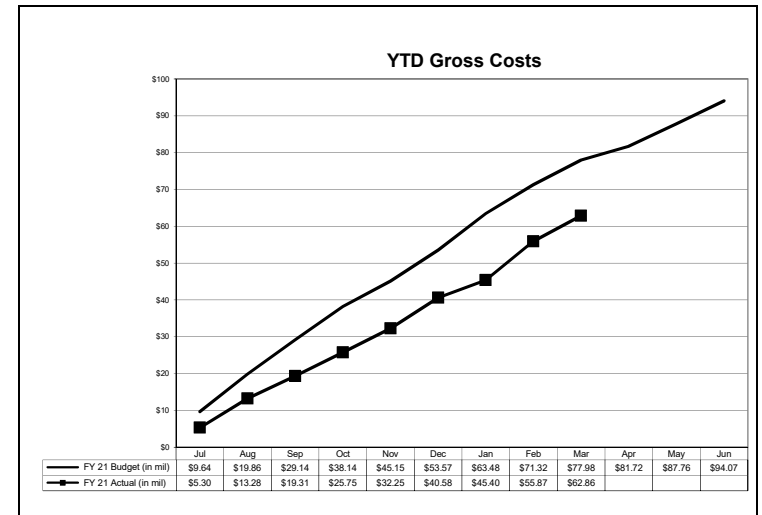
	March	
	2021	2020
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 2,820,070	\$ 688
Operating reserves	16,554,285	15,454,116
Current portion of long-term debt	12,515,000	12,040,000
Accrued interest payable	3,495,886	3,486,852
TOTAL CURRENT LIABILITIES	35,385,241	30,981,656
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	390,040	1,189,184
Asset retirement obligations	186,311	181,239
Long-term debt, net	306,535,000	319,050,000
TOTAL NON-CURRENT LIABILITIES	307,111,351	320,420,423
TOTAL LIABILITIES	342,496,592	351,402,079
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	38,480,480	38,231,892
NET POSITION		
Invested in capital assets, net of related debt	(9,100,922)	(7,936,080)
Restricted	27,931,614	20,477,440
Unrestricted	1,109,001	3,965,883
TOTAL NET POSITION	19,939,693	16,507,243
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 400,916,765	\$ 406,141,214

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

		Nine Months Ended March	
		2021	2020
SALES FOR RESALE			
Participants	\$	25,523,028	\$ 25,242,969
Other		50,656,547	35,719,733
TOTAL SALES FOR RESALE		76,179,575	60,962,702
OPERATING EXPENSES			
Operations		33,253,225	27,210,230
Depreciation		10,603,664	9,754,182
Purchased power		1,508,053	1,203,227
Maintenance		3,226,661	3,251,254
Administrative and general		3,767,489	3,011,885
Transmission		715,682	1,205,501
Intercompany (sales) purchases		296,680	251,612
TOTAL OPERATING EXPENSES		53,371,454	45,887,891
NET OPERATING REVENUES		22,808,121	15,074,811
OTHER REVENUES (EXPENSES)			
Interest expense		(10,350,425)	(9,526,562)
Interest income		93,613	667,420
Other		2,719,805	2,721,445
TOTAL OTHER REVENUES (EXPENSES)		(7,537,007)	(6,137,697)
FUTURE RECOVERABLE AMOUNTS		(899,454)	814,163
REFUNDS TO PARTICIPANTS		(91,904)	(745,743)
INCREASE IN NET POSITION		14,279,756	9,005,534
NET POSITION			
Beginning of year		5,659,937	7,501,709
End of period	\$	19,939,693	\$ 16,507,243

**Lodi Energy Center
FY 2021 Operating Costs
As of March 31, 2021**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
Routine O&M Costs					
Variable	\$ 5,436,362	\$ 2,915,274	\$ 2,521,088	46%	A
Fixed	2,717,065	2,847,223	(130,158)	0%	
Administration	211,377	70,142	141,235	67%	
Mandatory Costs	309,455	346,826	(37,371)	0%	B
Inventory Stock	-	58,759	(58,759)	0%	C
Routine O&M Costs without Labor	8,674,259	6,238,224	2,436,035	28%	
Labor	5,789,039	4,139,688	1,649,351	28%	
Total Routine O&M Cost	14,463,298	10,377,912	4,085,386	28%	
Other Costs					
Fuel	32,955,703	24,928,144	8,027,559	24%	D
GHG Allowance Costs	8,695,359	265,880	8,429,479	97%	
CA ISO Charges	780,841	715,682	65,159	8%	
CA ISO Purchased Energy	3,049,750	1,508,053	1,541,697	51%	
Debt Service	26,023,835	19,517,876	6,505,959	25%	
Insurance	898,338	599,663	298,675	33%	
Other Costs	106,546	43,574	62,972	59%	
Generation Services Shared	353,712	253,389	100,323	28%	
Administrative & General (Allocated)	2,317,930	1,516,795	801,135	35%	
Power Management Allocated Costs	1,523,860	1,142,895	380,965	25%	
Total O&M Cost	91,169,172	60,869,863	30,299,309	33%	
Projects					
Operations & Maintenance	1,060,956	(156,431)	1,217,387	115%	E
Capital	6,500	764,207	(757,707)	0%	
Maintenance Reserve	1,838,332	1,378,749	459,583	25%	
Total Projects	2,905,788	1,986,525	919,263	32%	F
Annual Cost	94,074,960	62,856,388	31,218,572	33%	
Less: Third Party Revenue					
Interest Income	385,845	205,711	180,134	47%	
ISO Energy Sales	55,590,251	48,217,442	7,372,809	13%	
Ancillary Services Sales	1,711,986	2,439,105	(727,119)	0%	
GHG Allowance Credits	8,463,375	-	8,463,375	100%	
Other Income	-	117,842	(117,842)	0%	
	66,151,457	50,980,100	15,171,357	23%	
Net Annual Cost to Participants	\$ 27,923,503	\$ 11,876,288	\$ 16,047,215	57%	
Total Variable Costs	50,918,015	30,067,153	20,850,862		
Total Fixed Costs	43,156,945	32,789,235	10,367,710		
	\$ 94,074,960	\$ 62,856,388	\$ 31,218,572		
Net Cumulative Generation (MWh)	1,316,988	884,437			
Total O&M Cost Per MWh	\$ 69.23	\$ 68.82			
Net Annual Cost Per MWh	\$ 21.20	\$ 13.43			



General - The plant ran 24 days during the month.

A - Slightly higher costs resulting from additional maintenance costs during annual outage.

B - Higher costs due to annual permit fees payment. Costs are expected to levelize for remainder of the year.

C - Non-budgeted costs for inventory and supplies for future use. Purchases made due to long lead time to get the parts.

D - Higher than expected CAISO costs due to unbudgeted resource adequacy settlement charges. Amount expected to levelize by end of the year.

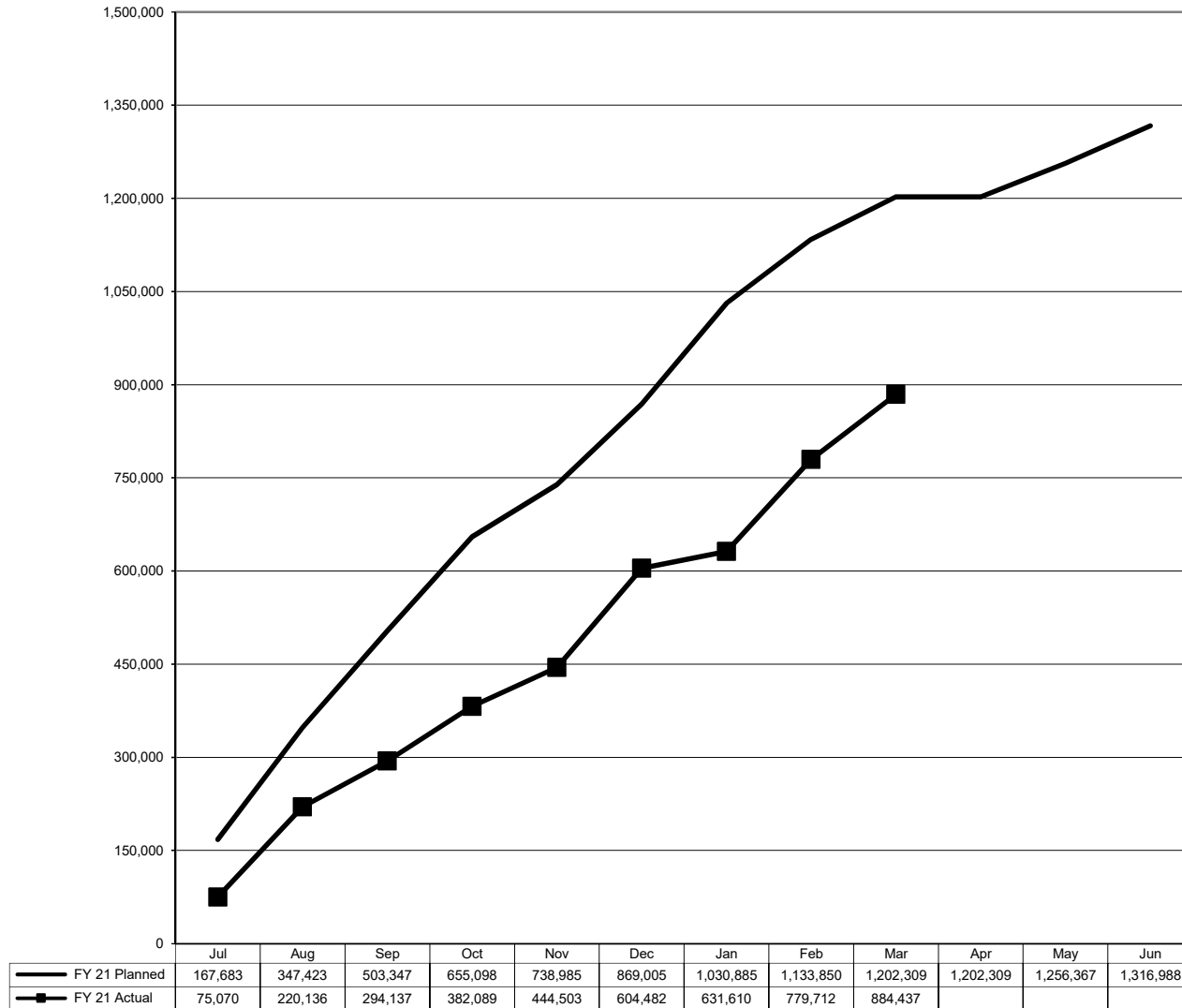
E - Amount includes prior year accrual reversal which will levelize when payments are made.

F - Additional unbudgeted costs to put Transformer in service.

Annual Budget LEC Generation Analysis Planned vs. Actual FY 2021

In MWh

Lodi Energy Center





Lodi Energy Center Project Participant Committee

LEC GHG Reports

AGENDA ITEM NO.: 9

Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: GHG Reports (excerpted from monthly ARB)

NCPA All Resources Bill Imports GHG Obligation Report (Cumulative)														
May 2021														
IDENTIFIER	AZU L&P	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas	PWR	SVP	Ukiah	Total
Allocation Percentages														
Generation Entitlement Share(%)	2.79%	6.60%	0.27%	33.50%	1.96%	1.64%	9.50%	2.04%	10.71%	0.79%	2.67%	25.75%	1.79%	100.00%
Obligation Accounts														
Current MT Compliance Obligation (MTO) Balance (MT)	30,693	72,722	2,954	369,103	21,641	18,102	104,542	22,397	118,045	8,658	29,395	283,714	19,673	1,101,639
Current MT Compliance Instrument Account (MTA) Balance (MT)	30,693	73,242	3,361	425,667	21,710	18,232	128,742	23,293	135,443	9,082	40,934	311,311	20,191	1,241,901
MTA Shortfall (MT)	0	(520)	(407)	(56,564)	(69)	(130)	(24,200)	(896)	(17,398)	(424)	(11,539)	(27,597)	(518)	(140,262)
Monthly GHG Price \$/MT	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02	21.02
GHG Minimum Cash Compliance Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current Month CCA Balance (\$)*	66,201	0	155	0	1,197	5,188	841	0	0	0	64,701	0	2,879	141,162
Net GHG Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

CY 2021 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for Lodi Energy Center														
IDENTIFIER	Actual			Estimated									CY 2021	Cumulative
	January	February	March	April	May	June	July	August	September	October	November	December	Total	Total
Energy (MWh)	27,128	148,103	104,725	0	52,115	79,228	0	0	0	0	0	0	411,299	9,069,206
Gas Schedule (MMBtu)	202,597	1,035,991	736,486	0	404,414	614,812	0	0	0	0	0	0	2,994,300	65,533,162
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)	10,933	55,907	39,744	0	21,824	33,178	0	0	0	0	0	0	161,586	3,544,547
Annual Cal e-GGRT/MT Obligation True Up (MTO)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative MT Obligation (MTO)	983,067	1,038,974	1,078,718	1,078,718	1,100,542	1,133,720	1,133,720	1,133,720	1,133,720	1,133,720	1,133,720	1,133,720	1,133,720	1,133,720
Compliance Instrument Participant Transfers														
Carryover Allowances	37,000	0	0	0	0	0	0	0	0	0	0	0	37,000	69,263
Auction Allowances	7,406	0	14,000	2,216	0	0	0	0	0	0	0	0	23,622	3,519,540
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)	44,406	0	14,000	2,216	0	0	0	0	0	0	0	0	60,622	3,588,803
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	2,405,361
Total Monthly Activity (MT)	44,406	0	14,000	2,216	0	0	0	0	0	0	0	0	60,622	3,635,125
Cumulative MT Account Balance (MTA)	1,214,226	1,214,226	1,228,226	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442	1,230,442
MTA Shortfall (MT)	(231,159)	(175,252)	(149,508)	(151,724)	(129,900)	(96,722)	(96,722)	(96,722)	(96,722)	(96,722)	(96,722)	(96,722)	(96,722)	(96,722)
Current Month CCA Balance (\$)	0	0	0	0	141,163	0	0	0	0	0	0	0	0	141,163
Monthly GHG Price	20.70	20.78	22.80	20.94	21.02	23.05	21.19	21.27	23.29	21.43	21.51	23.53		



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 10

Meeting Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: Mesa Associates, Inc. – 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

Proposal

Approve the Multi-Task Professional Services Agreement with Mesa Associates, Inc. for engineering consulting services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA members.

Background

Engineering consulting services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. Mesa Associates, Inc., 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 projects. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services. NCPA has agreements in place for similar services with GHD, Inc., Coffman Engineers, Inc., Veizades & Associates, Inc., Nor-Cal Controls ES, Inc., and Costa Engineers, 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 \$1,000,000 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Professional Services Agreement with Mesa Associates, Inc.



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
MESA ASSOCIATES, INC.**

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Mesa Associates, Inc, a corporation with its office located at 480 Production Avenue, Madison, Alabama 35758 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("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 ONE MILLION** dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

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

4.4 All Policies Requirements.

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

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

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

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

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

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify 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 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 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. In addition, Agency shall reimburse Consultant for any incremental or direct costs resulting from the termination.

- 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, subject to receipt by Consultant of full payment for all services relating to preparation of the aforementioned documents or materials, 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 and shall return or destroy all Deliverables and Agency data such as reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials specifications or material of any type and in any form provided to Consultant by Agency upon termination of this Agreement or completion of any Purchase Order.

Any and all deliverables are prepared specifically, and are intended to be used exclusively for the project and location contemplated under the Agreement. Any completion, extension, or modification of deliverables by Agency or others without participation of Consultant, or written authorization by Consultant, or any reuse by Agency of Consultant's deliverables or work product other than for the specific purpose intended will be at Agency's sole risk and without liability or legal exposure to Consultant. Consultant shall retain ownership of Consultant's prior developed intellectual property (including standard drawings and specifications, computer programs and models, copyrights, trade secrets,

patented, patent pending, or other patentable technology, processes, or business practices) as long as all of these materials were developed prior to the Services and developed without compensation from Agency.

- 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 confidence; and (b) shall take all reasonable steps necessary 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. Receiving 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.** Reserved.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

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

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

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

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

Kyle Gage
Project Manager
Mesa Associates, Inc.
3500 Douglas Blvd., suite 240
Roseville, CA 95661

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

MESA ASSOCIATES, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

TIM RAMSEY, Vice President, Power Generation

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF SERVICES

Mesa Associates, Inc., ("Consultant") shall provide engineering consulting 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 (SCPPA) or SCPPA Members:

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

- Project Development
- Technical Consulting Services
- Engineering And Design
- Control System Automation / Integration
- Project Management
- Start-Up commissioning
- Training
- Panel Fabrication (in pre-existing off site facility of Consultant)

No services that meet the definition of "construction" or "public works" as contained in California Labor Code Section 1720 including work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction shall be performed under this contract.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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



2021 Basis of Charges Fixed Rates by Labor Category

Classification	Minimum Qualification	Rate
Program Manager	Fifteen years minimum experience in design and engineering. Ten years minimum experience in project management.	\$180
Senior Project Manager	Fifteen years minimum experience in design and engineering. Five years minimum experience in project management.	\$172
Project Manager	Eight years minimum experience in design and engineering. Five years minimum experience in project management.	\$146
Associate Project Manager	Three years minimum experience in a specialized segment of project management.	\$111
Technical Specialist	Twenty years of experience in specialized field. Recognized Subject Matter Expert in the field.	\$232
Project Engineer	Eight years minimum experience in design and engineering. Leads multi-discipline team. PE and BS required.	\$165
Principal Engineer	Eight years minimum experience in design and engineering. PE and BS required. Provides technical direction to a department or a group of engineers.	\$160
Lead Engineer	Eight years minimum experience in design and engineering. Leads discipline specific design team. PE and BS required.	\$143
Senior Engineer	Eight years minimum experience in design and engineering. PE and BS required.	\$138
Engineer	Four years minimum experience in a specialized segment of design and engineering. PE and BS required.	\$122
Senior Engineering Specialist	Eight years minimum experience in design and engineering or systems integration/programming. BS required. No PE required.	\$133
Engineering Specialist	Four years minimum experience in a specialized segment of design and engineering or systems integration/programming. BS required. No PE required.	\$112
Engineering Associate	Up to four years minimum experience in a specialized segment of design and engineering or systems integration/programming. BS required.	\$91
Design Specialist	Fifteen years minimum experience in selecting and applying techniques and procedures and five years minimum experience responsible for design management.	\$143
Senior Designer*	Eight years minimum experience in selecting and applying techniques and procedures.	\$123
Designer*	Four years minimum experience in progressive responsible design.	\$94
Associate Designer*	Up to four years' experience in responsible design, and four years minimum work experience as senior level technician equivalent.	\$85
Senior Technician*	Eight years minimum experience preparing detail drawings.	\$79
Technician*	Up to five years' experience in preparing detail drawings/computer aided drafting.	\$61
Senior/DCS Programmer	Ten years minimum experience in control system programming.	\$160



2021 Basis of Charges

Fixed Rates by Labor Category

Classification	Minimum Qualification	Rate
Programmer (PLC)	Ten years minimum experience in PLC programming.	\$124
Senior Construction Manager	Twelve years minimum experience in construction of power generation or industrial projects.	\$180
Construction Manager	Eight years minimum experience in construction of power generation or industrial projects.	\$160
Senior Field Technician*	Ten years minimum experience as electrical field technician, including completion of IBEW or journeyman electrician.	\$111
Field Technician*	Four years minimum experience as electrical field technician, including completion of IBEW or journeyman electrician.	\$98
QA/Safety Manager	Ten years minimum experience in quality and/or safety management.	\$118
Scheduler*	Five years minimum experience in project scheduling.	\$111
Procurement Specialist*	Five years minimum experience in procurement.	\$75
Senior Project Controls Specialist	Fifteen years minimum experience in cost control/scheduling.	\$94
Project Controls Specialist*	Five years minimum experience in cost control/scheduling.	\$77
Document Control Technician*	Up to five years' experience in transmittal generation.	\$75
Senior Administrative Specialist	Ten years minimum experience in advanced project team support. BS/BA degree in related field in lieu of experience.	\$66
Administrative Specialist*	Five years minimum experience in office support to project team.	\$59
Administrative/Clerical Services Assistant*	Up to five years' experience in office support to project team.	\$53
Vehicles	Automobile mileage.	per IRS
Expenses/Travel	Billed at per diem in accordance with GSA CONUS, or actual expense, at customer direction. G&A fee is applied to all expenses, unless otherwise contractually noted.	
Non-Exempt*	Non-exempt employees are paid one and one-half times their hourly rate for all hours worked in excess of 40 hours per week. All overtime is billed to client at a regular, straight-time multiplier (no premium).	

Agency will not pay for standard overhead expenses including but not limited to accounting personnel or administrative assistant hourly charges.

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, _____

(Name of person signing affidavit)(Title)

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

(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.: 11

Meeting Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: JEGO Systems – First Amendment to Five Year Multi-Task Consulting 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

Proposal

Approve the First Amendment to Multi-Task Consulting Services Agreement with JEGO Systems for SCADA, control systems and network integrator services, with any non-substantial changes recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$225,000 to \$1,000,000, for continued use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

Background

SCADA, control systems and network integrator 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 Consulting Services Agreement with JEGO Systems executed by the NCPA General Manager on March 24, 2021 for an amount not to exceed \$225,000

The Geothermal Facility will be going out to bid for the Enterprise Management System (EMS) Upgrade which comprise the Effluent and Field Management Systems in FY22. To ensure sufficient funds are available for the remainder of the contract term, this amendment will increase the not to exceed amount from \$225,000 to \$1,000,000 for continued use at any facility owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members. NCPA has agreements in place for similar services with Tesco Controls, Nor-Cal Controls ES, Inc., and Trimark Associates, 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 not to exceed amount of the agreement will increase from \$225,000 to \$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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (2)

- Multi-Task Consulting Services Agreement with JEGO Systems
- First Amendment to Multi-Task Consulting Services Agreement between NCPA and JEGO Systems.



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND JEGO SYSTEMS

This Consulting 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 JEGO Systems, a corporation with its office located at 5098 Foothills Blvd., Suite 3-486, Roseville, CA 95747 ("Consultant") (together sometimes referred to as the "Parties") as of March 24, 2021 ("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) year 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 to perform the Requested Services. If Consultant agrees to perform the Requested Services or begins to perform the Requested Services, , 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 TWO HUNDRED TWENTY FIVE THOUSAND** dollars (\$225,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

2.4 Authorization to Perform Services. The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

2.5 Timing for Submittal of Final Invoice. Consultant shall have ninety (90) days after completion of its Services to submit its final invoice for the Requested Services. 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. Not Applicable

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, SCLPA, and/or SCLPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCLPA or SCLPA member.

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, 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 Consultant, 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 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 reasonable and necessary costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

8.5 **Options Upon Breach by Agency.** If Agency materially breaches any of the terms of this Agreement, Consultant's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Recover all sums for all Work provided to the Agency prior to the date of termination.

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 retain records of any charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, , 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.

9.4.5 Security Management. During the term of this Agreement, Consultant shall maintain and enforce a written security program or programs that (i) complies with Industry Recognized Standards¹; (ii) includes administrative, technical, cyber and physical safeguards reasonably designed to protect the confidentiality, integrity and availability of Agency's property, equipment and systems; (iii) is appropriate to the nature, size, and complexity of Consultant's business operations; and (iv) complies with any applicable laws and regulations that are applicable for the geographic regions in which Consultant does business.

9.4.6 Supply Chain Risk Management. Consultant shall establish, document, and implement risk management practices for supply chain delivery of hardware, software (including patches), and firmware provided under this Agreement from any of Consultant's suppliers consistent with Industry Recognized Standards. Such program shall consist of policies to protect software integrity and authenticity, Consultant remote access protections, information system planning, and Consultant risk management and procurement controls.

9.4.7 Logical Security. Consultant must employ logical security process such as access controls, review of such controls and secure remote access authentication to the Services and supporting networks used to provide the Services on which equipment is accessed, processed, stored, transferred or maintained. Consultant shall use internal operational processes to keep the equipment secure and accessible to only authenticated, authorized users of such equipment. Consultant shall also use security protocols and access parameters denying direct access to Agency equipment via direct file access and/or direct database access.

¹ Industry Recognized Standards means all applicable and leading practice industry security standards and rules and regulations relating to Consultant's Services and operations, its supply chain, facility, control center, equipment procurement and management, and all other property, including without limitation any relevant global industry recognized security standards.

- 9.4.8 Network and system Security.** Consultant shall use Industry Recognized Standards to secure network perimeters that will protect equipment from unauthorized access and ensure the confidentiality, integrity and availability of equipment on or accessed through Consultant's systems. This includes, but is not limited to, use of firewalls, firewall maintenance, firewall log management, network segmentation, intrusion detection and security information and event management capabilities.
- 9.4.9 Physical Security.** Consultant must use appropriate facility entry controls to limit, monitor, and log physical access that comply with Industry Recognized Standards for all locations.
- 9.4.10 Notification of Breach.** Consultant shall notify Agency, by telephone or email within twenty-four (24) hours whenever a security incident consisting of when: (i) Consultant knows or reasonably believes that Agency Confidential Information received from Agency has been disclosed or compromised; (ii) knows or reasonably believes Consultant's cybersecurity protections have been breached; or (iii) Consultant knows or reasonably believes Consultant's and potentially Agency's equipment has been compromised by any code, program, or sub-program whose known or intended purpose is to damage or interfere with the operation of computer system containing the code, program or sub-program, or to halt, disable or interfere with the operation of the software, code, program, or sub-program, itself, or (iv) knows or reasonably believes Consultant's and potentially Agency's equipment may be compromised through any device, method, or token that permits any person to circumvent the normal security of the software or the system or equipment.

Section 10. MISCELLANEOUS PROVISIONS.

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

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

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

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

- 10.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.
- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Web Jessup
Chief Executive Officer
JEGO Systems
5098 Foothills Blvd., Suite 3-486
Roseville, CA 95747

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

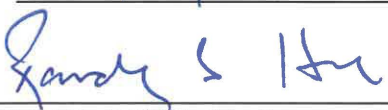
- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.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

Date 3/24/21


RANDY S. HOWARD, General Manager

JEGO SYSTEMS

Date 2021-03-23


WEB JESSUP, CEO

Attest:


Assistant Secretary of the Commission

Approved as to Form:

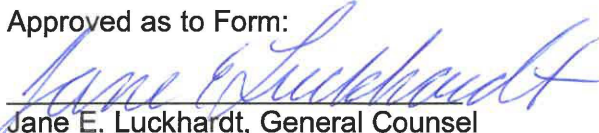

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

JEGO Systems ("Consultant") shall provide SCADA, control systems and network integrator 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 (SCPPA) or SCPPA Members.

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

- Cybersecurity Services
- System Integration
- Consulting Services
- Standards Development
- Technical Support
- Education & Training

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

- All services to be performed will be quoted at Fixed Price.

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Web Jessup, CEO
(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

JEGO Systems
(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]
(Signature of officer or agent)

Dated this 23 day of March, 20 21.

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.



FIRST AMENDMENT TO MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND JEGO SYSTEMS

This First Amendment (“Amendment”) to Multi-Task Consulting Services Agreement is entered into by and between the Northern California Power Agency (“Agency”) and JEGO Systems (“Consultant”) (collectively referred to as “the Parties”) as of _____, 2021.

WHEREAS, the Parties entered into a Multi-Task Consulting Services Agreement, dated effective March 24, 2021, (the “Agreement”) for JEGO Systems to provide SCADA, control systems and network integrator services, for use at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”), or by 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 \$225,000 to a NOT TO EXCEED amount of \$1,000,000; 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 Consultant an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000) 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.

The remainder of Section 2 of the Agreement is unchanged.

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

SIGNATURES ON FOLLOWING PAGE

///

///

Date:_____

NORTHERN CALIFORNIA POWER AGENCY

Date:_____

JEGO SYSTEMS

RANDY S. HOWARD,
General Manager

WEB JESSUP,
CEO

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.: 12

Meeting Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: BBA USA, Inc. – Five Year Multi-Task Professional Services Agreement;
Applicable to the following: All Northern California Power Agency (NCPA)
Facilities, NCPA Members, Southern California Public Power Authority (SCPPA),
and SCPPA Members

Proposal

Approve the Multi-Task Professional Services Agreement with BBA USA, Inc. for NERC and WECC testing and support, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at any facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and SCPPA Members.

Background

NERC and WECC testing and support 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. BBA USA, Inc. is a new vendor for NCPA. While BBA USA was not the winning bidder on a recent project, their bid was competitive and their bid proposal was comprehensive and detail oriented. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services. NCPA has agreements in place for similar services with Kestrel Power Engineers and General Electric (GE).

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 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Professional Services Agreement with BBA USA, Inc.



MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND BBA USA INC

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") BBA USA INC., 2801 Centerville Road, First floor, PMB 367, Wilmington, DE 19808-1609 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2021 ("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** one million dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

- 4.1 Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 Commercial General and Automobile Liability Insurance.**
- 4.2.1 Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2** Consultant shall obtain automobile liability insurance for non-owned automobiles covering any loss or liability, including the cost of defense of any action, insofar as the Consultant be traveling to any 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, 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 with respect to the performance of the Professional Services performed by the Consultant to the extent that they arise out of, pertain to, or relate to such claims, directly ("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.

Notwithstanding the foregoing in the event Consultant defends the Agency and it is ultimately determined or agreed to that the Consultant was either not negligent or was only partially negligent with respect to the loss, liability, claim, suit, action or damages, the Agency agrees that it shall promptly reimburse Consultant for such proportion of the Consultant's costs incurred in defending the Agency that is not attributable to the negligence of the Consultant.

- 5.3 Limitation.** In any event, Agency and Consultant agree that the aggregate liability of Consultant in respect to any Purchase Order is expressly limited to a total amount of \$2,000,000. This stated limitation of liability does not apply to personal injury including to Agency employees and property damage. For the purposes of Section 5, "Consultant" includes its representatives, consultants, subcontractors, directors, officers and employees.

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 either party materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, the non-defaulting party 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. Any and all deliverables are prepared specifically, and are intended to be used exclusively for the project and location contemplated under the Agreement. Any completion, extension, or modification of deliverables by Agency or others without participation of Consultant, or written authorization by

Consultant, or any reuse by Agency of Consultant's deliverables or work product other than for the specific purpose intended will be at Agency's sole risk and without liability or legal exposure to Consultant.

- 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.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confident; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation,

a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

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

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

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

9.4.4 **Handling of Confidential Information.** Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

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

10.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

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

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

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

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

Attention of François Vitez
BBA USA INC.
2801 Centerville Road, First Floor, PMB 367
Wilmington, DE 19808-1609
francois.vitez@bba.ca

With a copy to:

Normand Girard
General Counsel
normand.girard@bba.ca

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.

SIGNATURES ON FOLLOWING PAGE

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

NORTHERN CALIFORNIA POWER AGENCY

BBA USA INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

NEIL MASSEY, Client Account Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

BBA USA INC. ("Consultant") shall provide the following services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by the Agency, its Members, SCPPA, or SCPPA Members, including:

- Engineering Consulting;
- WECC / NERC Testing;
- Engineering support for excitation systems and upgrades;
- Power system studies and designs;
- Operational Technology Automation and Cybersecurity; and
- Other engineering support as needed.

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:



TABLE 4
2021 LIST OF HOURLY RATES

UNITED STATES

RATES in \$ US	
Engineering and Professional Services:	
▪ Level 1A	82
▪ Level 1B	97
▪ Level 2	117
▪ Level 3	137
▪ Level 4	155
▪ Level 5	175
▪ Level 6	197
Technical Services:	
Technician/Technologist/Designer/Draftsperson:	
▪ Level 1A	63
▪ Level 1B	76
▪ Level 2	89
▪ Level 3	106
▪ Level 4	119
▪ Level 5	134
▪ Level 6	148
Expert:	
▪ Expert Level	237
Support Services:	
▪ Clerical	60
▪ Project Support	73
Office direct costs on fees: 7.50%	

Note: NCPA will not pay for overhead charges such as clerical or accounting. Those overhead related charges are expressly not allowed. Consultant may revise the hourly rates each year upon the giving of 30 days' advance written notice to NCPA. If the parties cannot agree to revised hourly rates, NCPA may terminate the Agreement.

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, _____

(Name of person signing affidavit)(Title)

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

(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.: 13

Meeting Date: May 10, 2021

To: Lodi Energy Center Project Participant Committee

Subject: Lodi Energy Center (LEC) Gas Turbine Starting Package Replacement Project;
Applicable to the following: LEC Facility

Proposal

Approve the NCPA LEC Gas Turbine Starting Package Replacement Project and delegate authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed \$1,060,000.

Background

The gas turbine starting package provides the start sequence which includes initial purge sequence, acceleration to ignition speed, ignition and acceleration to CT self-sustained speed prior to synchronization and during outages for water washing the gas turbine. The Voith Torque Converter Type EL9YGTM4.0-86 was the last configuration built for Siemens prior to the change to Static Frequency Converters, in total nine of these were built worldwide and LEC has one since commissioning. The life expectancy is 6-8 years due to its heavy use, by purchasing a new Voith Torque converter it will help maintain LEC's availability and reliability during starts.

Selection Process

On March 22, 2021, NCPA put out a Request for Proposals for the LEC Gas Turbine Starting Package Replacement Project. A bid request went out to two available manufacturers, Voith Turbo, Inc. and Koenig Engineering, Inc. Bids were due on April 16, 2021. NCPA received two bids. LEC staff received and reviewed supplied bids, Voith's solution is a direct fit and were the OEM supplier. Koenig provides aftermarket parts which require a retrofit for starting packages. After careful review and evaluation, NCPA will award bid to Voith Turbo, Inc. due to direct fitment onto existing configuration.

Fiscal Impact

The total cost is anticipated not to exceed \$1,060,000. Funds for the project were included in the approved FY22 Lodi Energy Center 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.

Submitted by:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (0)



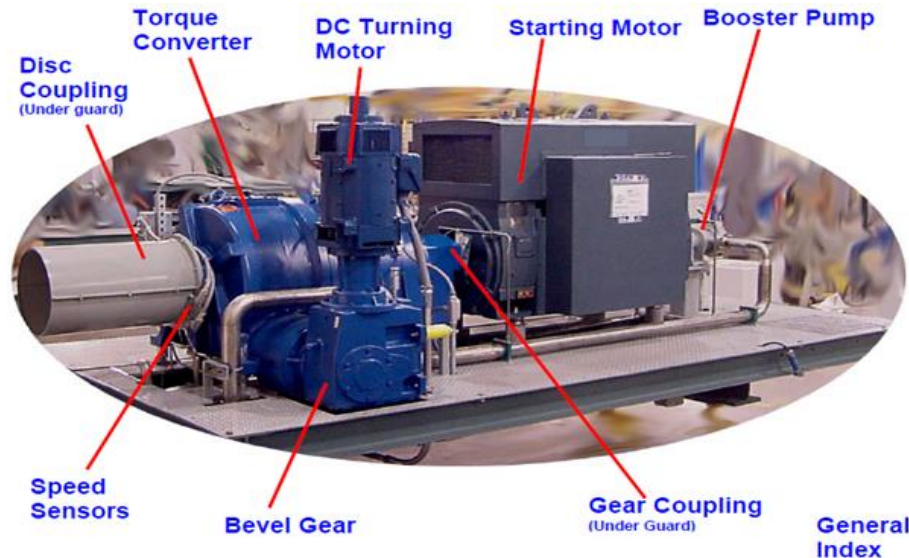
Lodi Energy Center Gas Turbine Starting Package Replacement Project

Rafael Santana
May 10, 2021

LEC Gas Turbine Starting Package

Background:

- The starting package provides the gas turbine start sequence which includes initial purge sequence, acceleration to ignition speed, ignition, and acceleration to CT self-sustained speed prior to synchronization and during outages for water washing the turbine. The starting motor has a continuous rating of 3000 hp, the motor is overloaded to 3900 hp during a complete turbine start sequence.



LEC Gas Turbine Starting Package

- 1 of 9 installed worldwide and one is installed on our LEC gas turbine.
- Torque Converters have been known to fail due to heavy cycling.
- Life expectancy of a starting package is 6-8 years between overhauls and long lead on parts >12+ months.
- Bids were requested from two manufacturers, Voith and Koenig.
- Voith is the OEM supplier and Koenig offers aftermarket retrofit solutions but not a direct fit.
- Budgeted as discretionary project FY-2022, total \$1.5M.
- Cost of new starting package is not to exceed \$1,060,000 including a 25% contingency and a TFA to oversee installation.
- Cost doesn't include installation or refurb of existing unit.
- It is recommended to place this item on consent calendar.

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.

Proposal

- Recommend approval of the NCPA Lodi Energy Center Gas Turbine Starting Package Replacement Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and procedures, without further approval by the Commission, for a total not to exceed \$1,060,000.
- Questions?

Minnesota Municipal Gas Agency (“MMGA”)

Gas Prepay Discussion Materials

April 22, 2021

STRICTLY PRIVATE AND CONFIDENTIAL



Opportunity to Participate in a Natural Gas Prepay Transaction

Being a Participant is simpler and easier than originating a transaction

- MMGA Minnesota Municipal Gas Agency (“MMGA” or “Issuer”)
 - Created in 2007, MMGA is a Minnesota joint action agency formed by a group of Minnesota cities for the purpose of acquiring, financing and managing supplies of natural gas for sale to member cities and other cities, joint action agencies, or gas authorities within or outside the State of Minnesota
- MMGA is inviting select municipal utilities to participate in a 30-year natural gas prepayment transaction targeting July/August pricing, with first gas deliveries commencing November 2021
- Key provisions include:
 - **Gas Supplier:** MMGA will resell gas under 30-year contracts after prepaying for the supply from Royal Bank of Canada (“RBC”)
 - **Power Provisions:** MMGA will allow participants to switch from gas deliveries to power deliveries to accommodate state mandates and integration of renewable power sources
 - **Commodity Swap Counterparty and Upstream Supplier:** MMGA will enter into a commodity swap with BP, resulting in discount to index pricing for participants
 - **Financing Structure:** Natural gas prepayment financed with tax-exempt municipal bonds
 - **Minimum Targeted Economics:**
 - Participants will receive the full economic benefit of the transaction (less administrative fees).
 - The targeted discount to Index for participants will be 25-30 cents/MMBtu for the first 5-7 years (depending on market conditions at the time of pricing); with subsequent repricings producing a discount of not less than 20¢/MMBtu (inclusive of management fees) in any bond reset period.
 - **If market conditions produce a higher gas discount, those additional savings will go the gas purchasers**
- Municipal bond offering of \$550,000,000 to \$675,000,000
 - Bond Counsel: McGrann Shea Carnival Straughn & Lamb
 - Issuer’s Gas Counsel: Counsel: McCarter & English, LLP
 - Special Tax Counsel: Orrick, Herrington & Sutcliffe
 - Issuer’s Gas Counsel: McCarter and English LLP
 - Financial Advisor: PFM Financial Advisors LLC
 - Underwriter: RBC Capital Markets, LLC
 - Gas Supplier: Royal Bank of Canada
 - Underwriter’s Counsel: Chapman and Cutler LLP

Overview: Energy Prepayment Transactions

A U.S. Municipal Utility can issue tax-exempt bonds to prepay for a supply of energy

- Municipal Utilities are permitted to issue tax-exempt bonds to prepay for natural gas
 - The prepayment size is equal to the present value of contracted gas deliveries, discounted at RBC's taxable cost of funds
 - The ability of a municipal utility to issue tax-exempt bonds to fund this prepayment results in a funding advantage that allows for the sale of energy at a discount to spot prices
- The Energy Discount is a function of the differential between taxable and tax-exempt borrowing costs, with wider spreads creating greater discounts
 - The spreads for a 5-7 year put bond structure (i.e. the spread between 5-7 year tax-exempt municipal bonds and 5-7 year taxable yields) are at the widest levels since the financial crisis
- The Energy Discount is locked for the initial 5-7 year period
 - After the initial period, the bonds will be remarketed and a new gas discount will be established
 - Upon remarketing, if a predetermined minimum gas discount cannot be achieved, a participant can elect to terminate its Energy Supply Contract
- Benefits of participating in MMGA's transaction include:
 - **Participation is simple and only requires that an Energy Supply Contract be executed between the Participant and MMGA**
 - **Participant is only required to pay for energy that has been delivered**
 - **Participant commits to purchase energy for the 30-year duration of the transaction**
 - Volumes can be shaped for seasonality or provide for increasing volumes
 - **Participants are not parties to the bond transaction**
 - There is no bondholder recourse to project participants
 - Disclosure is limited to operating information and summary of financial results

MMGA issues bonds

MMGA issues tax-exempt bonds to prepay for an energy supply from RBC

Financial benefit to Participants

While in gas mode:
Purchases natural gas at monthly index less the discount

While in power mode:
Purchase energy at a discount to day ahead index

Estimated discount

Current discount range is approximately 25 to over 30 cents depending on structure of prepaid volumes

Bonds are non-recourse to Issuer or Participants

Most active underwriter: Since 2012, RBC has been the most active underwriter and supplier in the prepaid gas market

RBC Energy Prepayment Structure

Section 1

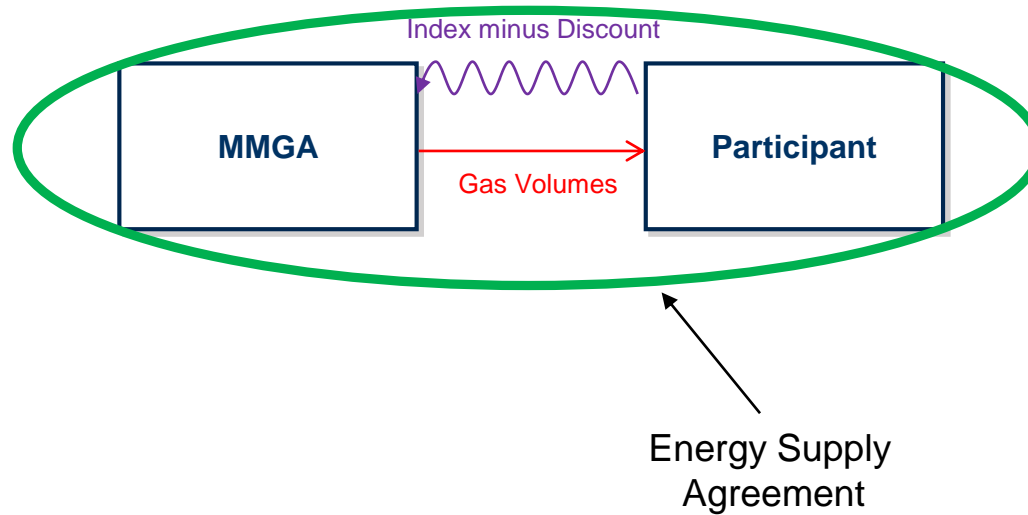


Capital
Markets

Prepaid Gas Transactions: As a Participant

Being a Participant is simpler and easier than originating a transaction

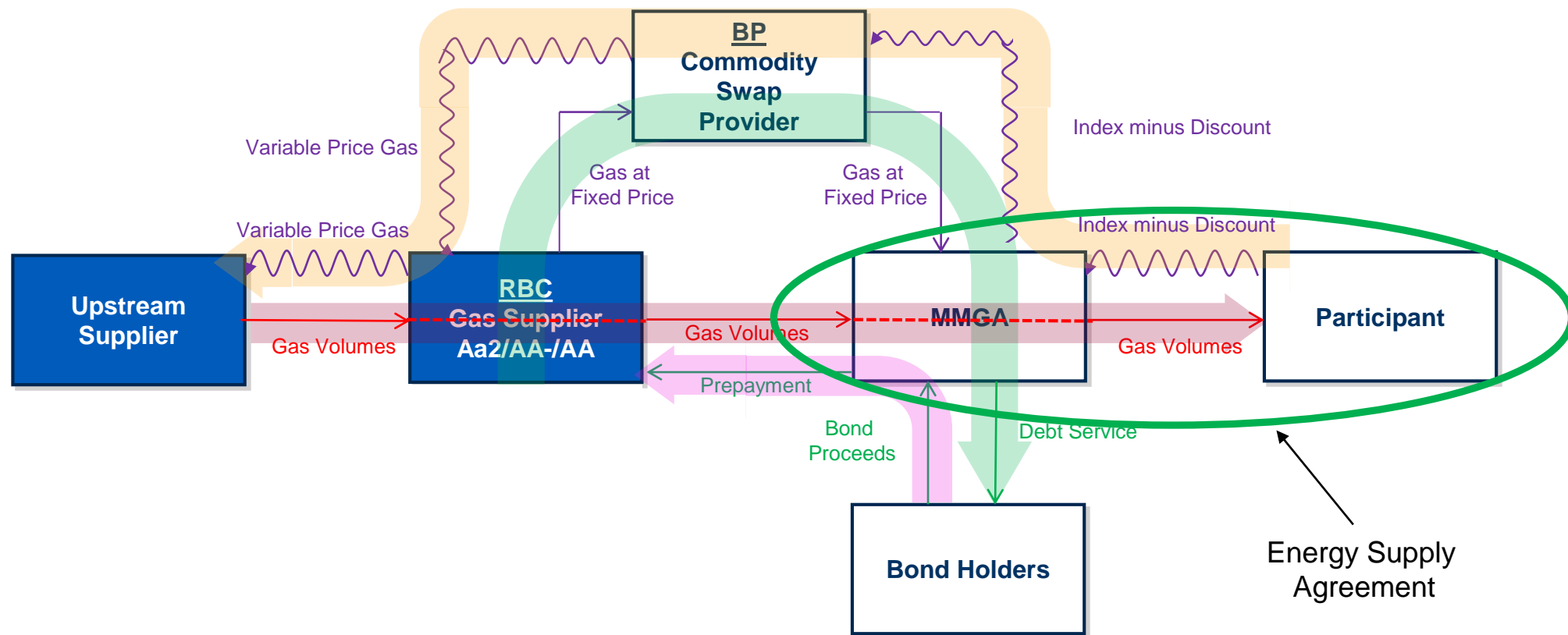
- A Participant's only obligation is to pay for energy delivered by MMGA



Prepaid Gas Transactions

The big picture - Flow of Funds

- **Participants' only obligation is to pay for energy delivered by MMGA under the Energy Supply Agreement**
- A prepaid energy transaction can be broken down into physical and financial flows
- Under conduit or participant structure, Participant's obligation is to purchase energy delivered to it by the issuing entity
- RBC Commodities manages the physical aspects of the Prepaid Energy Transaction
 - Scheduling
 - Nominations
 - Delivery



Conversion to Power

The MMGA transaction will allow participants to switch to deliveries of power at each reset date

- There is pending legislation that will allow MMGA to prepay for power as well as natural gas
 - This will permit recipients of prepaid natural gas to switch to deliveries of power
 - The legislation is expected to become effective in June/July 2021
- **Switching from gas to market power** is a relatively simple process as a pre-established Heat Rate is applied to convert participant initial gas volumes to a known power volume at the switch date
 - The gas discount per MMBtu will result in the same dollar value of gas savings for the participant
 - The energy will be delivered at a discount to the relevant “Day Ahead” Index

Switching from gas to market power

- Participant Gas Volumes = 5,000 MMBtu/Day
- Heat Rate = 10
- Gas Volumes / Heat Rate = MWh or 500MWh
- 500 MWh = 20.8 MW of power Around the Clock

- **Switching from gas to renewable power** will require the participant to novate a renewable Power Purchase Agreement (PPA) from the participant to RBC
- With a conversion to renewable power, the fixed price PPA reduces volumes under the Commodity Swap
 - The amount of power deemed prepaid is a function of the gas committed to the transaction at inception
 - The power will be delivered as per the terms of the original PPA
 - Only a portion of an individual PPA can be prepaid (P99 scenario)
 - The energy discount to the PPA fixed price will be the same dollar value of gas savings for the participant

Switching from gas to renewable power

- Participant Gas Volumes = 5,000 MMBtu/Day
- Fixed Gas Price for Commodity Swap = \$4.00/MMBtu
- Daily Value of Prepaid Renewable Power = \$20,000

Market Conditions for Prepays

Section 2



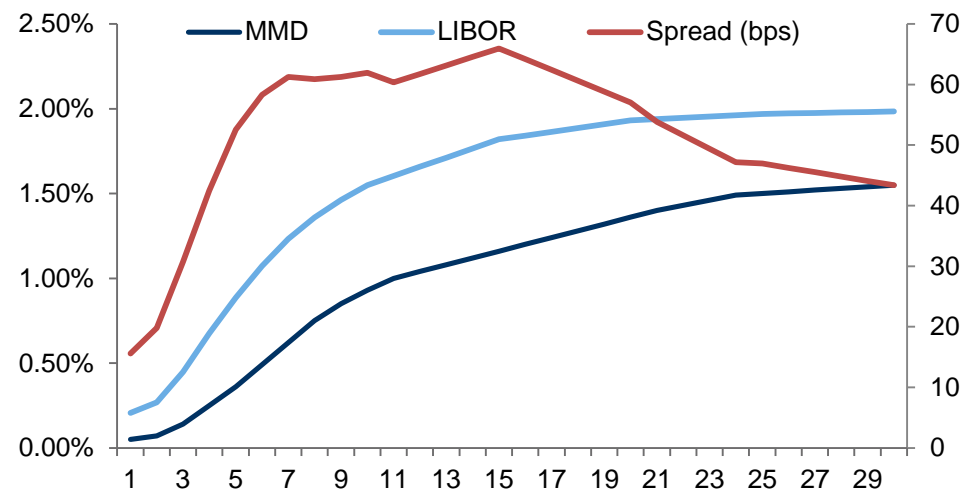
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Why Transact Now?

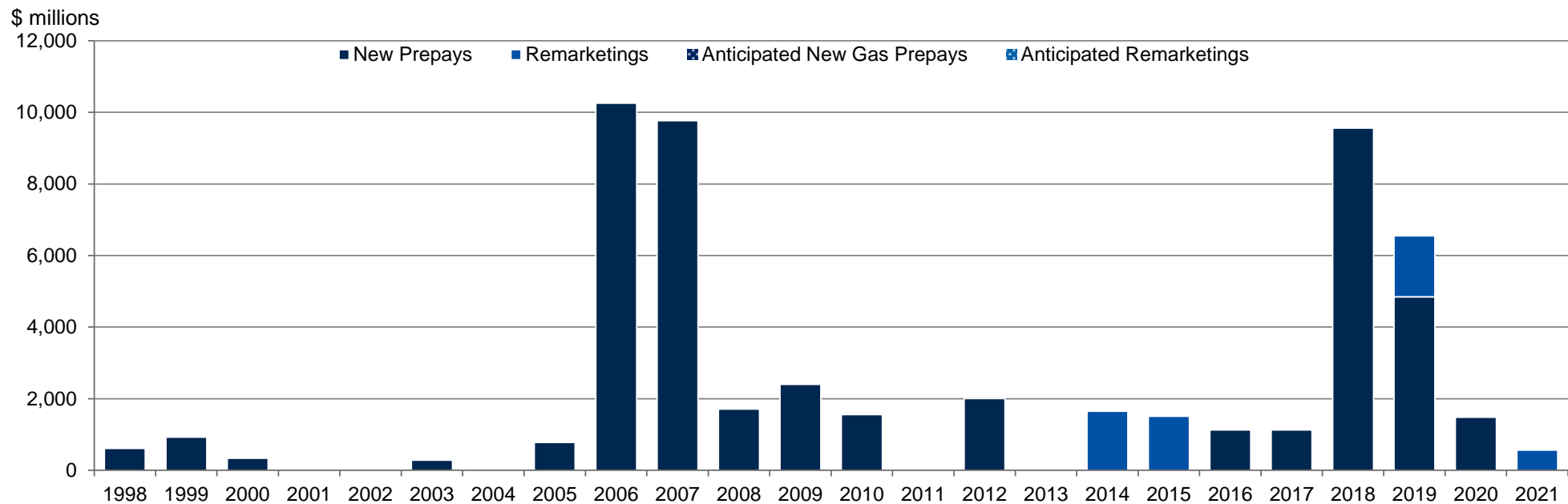
Interest rate relationships are favorable to under current market conditions

- Prepaid gas transactions rely on the relationship between the tax-exempt market and the taxable market (inclusive of credit spreads in each market) to provide benefits to both the municipal utility and the gas supplier
- Disruptions in rates, spreads and ratios has, at times, caused the prepaid gas market to go into hibernation
- Disruptions are unpredictable and can be caused by numerous events
 - Tax law changes
 - World economic events
 - Systemic credit events
 - Relationship between fixed income and equity markets

Tax-Exempt and Taxable Relationship



Par Amount of Gas Prepays Issued from 1998 to Present



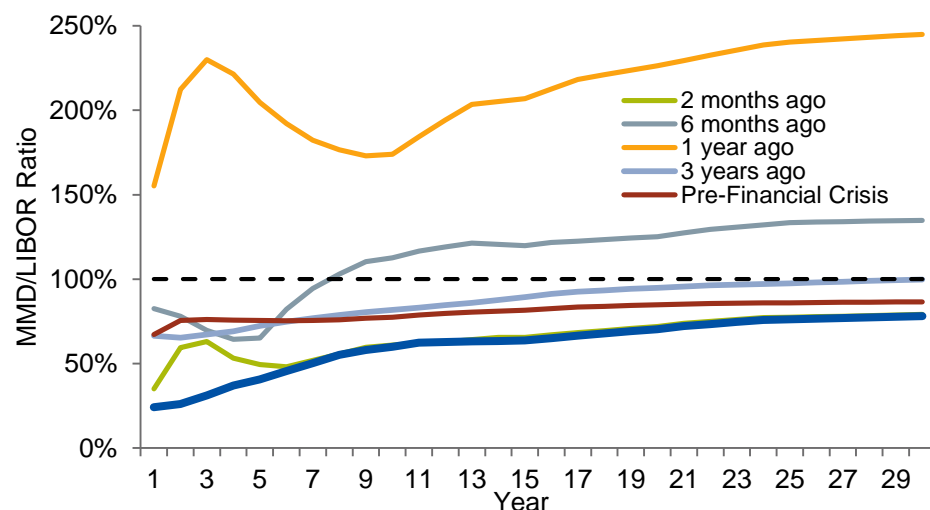
Source: Refinitiv TM3, Bloomberg

Structure Overview

Energy prepayment transactions are structured with 25-30 year tax-exempt bonds, subject to a mandatory put in 5-7 years

- Prepaid energy transactions provide the greatest energy discount when yield differentials in the taxable and tax-exempt markets (including credit spreads) are widest, generating the greatest arbitrage
 - This type of market is generally characterized by low MMD/LIBOR ratios
- Long-term (25-30 years) tax-exempt bonds with 5-6 year put structure maximizes Prepaid Energy Transaction economics
 - Energy Discount is locked in for initial period and is subject to reset at the mandatory put date
 - Provides 5-6 year term-funding for the Energy Supplier, which is refinanced on the mandatory put date
 - If a refinancing cannot produce adequate energy discount, the transaction is unwound on the mandatory put date and the unamortized prepayment is used to redeem the bonds, terminating the Prepaid Transaction
- The put structure developed by RBC is the current market standard for prepaid gas bonds
- RBC acted as Gas Supplier and Underwriter in \$5.7 billion of Prepaid Gas Bonds from 2018 to present**

MMD / ICE LIBOR Term Structure



MMD vs. Swap Yield Curves

Rates as of Market Close April 21, 2021

Term (Yrs)	MMD	LIBOR	Spread (bps)
1	0.05%	0.21%	16
2	0.07%	0.27%	20
3	0.14%	0.45%	31
4	0.25%	0.68%	43
5	0.36%	0.89%	53
7	0.62%	1.23%	61
10	0.93%	1.55%	62
15	1.16%	1.82%	66
20	1.36%	1.93%	57
25	1.50%	1.97%	47
30	1.55%	1.98%	43

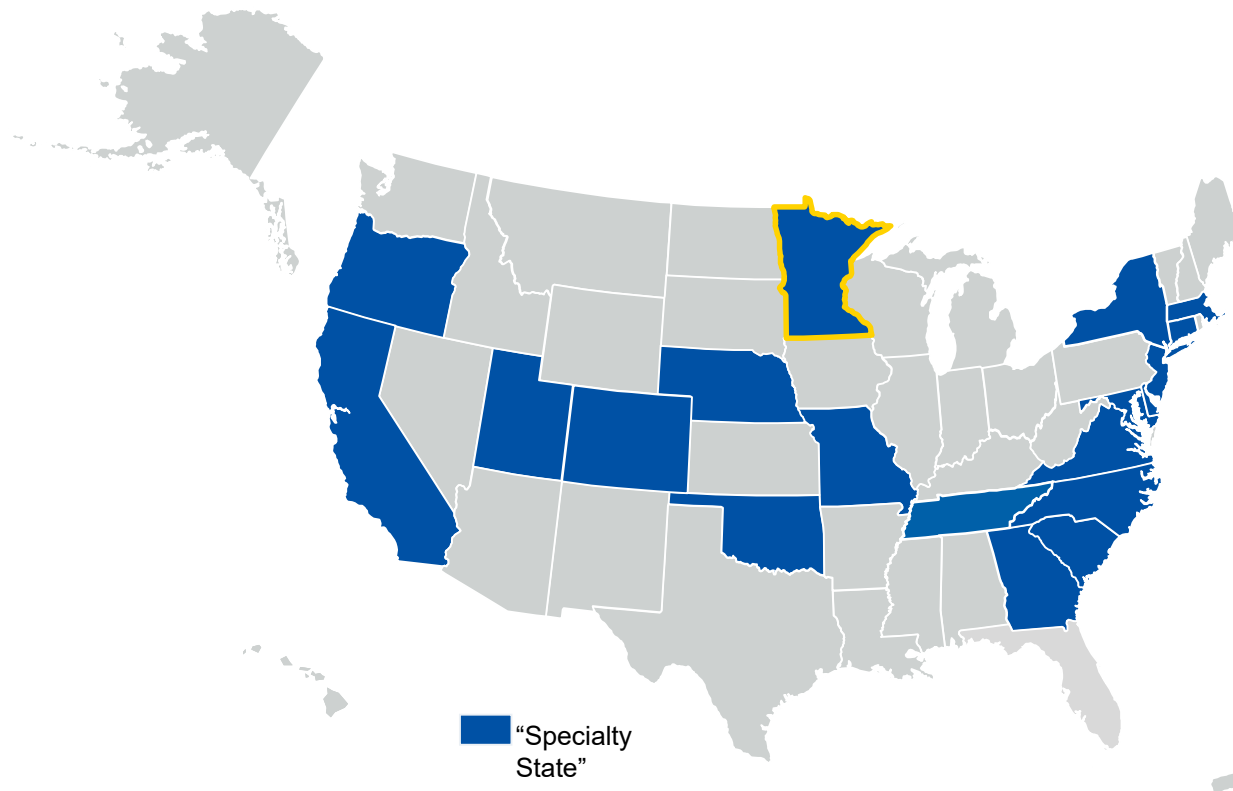
- Current Rate (04/21/2021): 5-year MMD: **0.36%**, 5-Year ICE LIBOR: **0.88%**, spread: **52 bps** | 10-year MMD: **0.93%**, 10-Year ICE LIBOR: **1.55%**, spread: **62 bps**
- Average Rate 2021: 5-year MMD: **0.38%**, 5-Year ICE LIBOR: **0.76%**, spread: **38 bps** | 10-year MMD: **0.93%**, 10-Year ICE LIBOR: **1.42%**, spread: **49 bps**

Source: Refinitiv TM3, Bloomberg as of April 21, 2021

Municipal Market Pricing Advantages

Bonds sold by Issuers in “specialty states” tend to price at lower yields, generating higher gas discounts

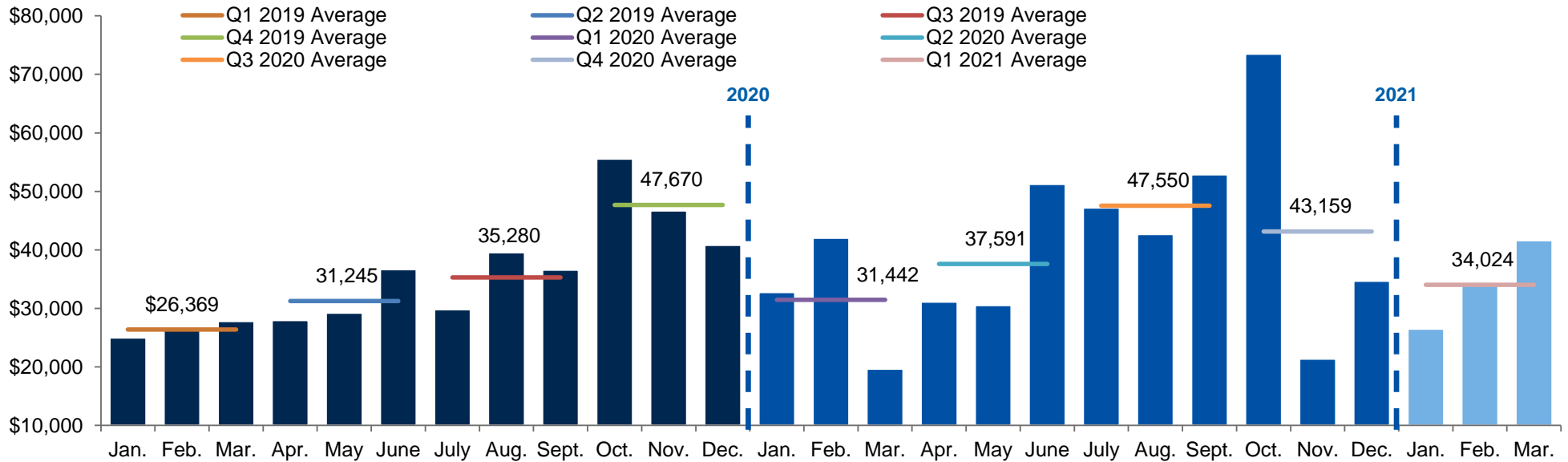
- “Specialty States” characteristics:
 - States with relevant income tax > 4.5%
 - High population density
 - High average income
 - State Specific Municipal Bond Funds
- The MMGA Prepaid Gas Bonds will be exempt from Minnesota State Income Tax
 - The Specialty State benefit is worth approximately 4-5 basis points in the current market
 - Additional savings expected to be 4-6 cents per MMBtu vs non-specialty state issuance



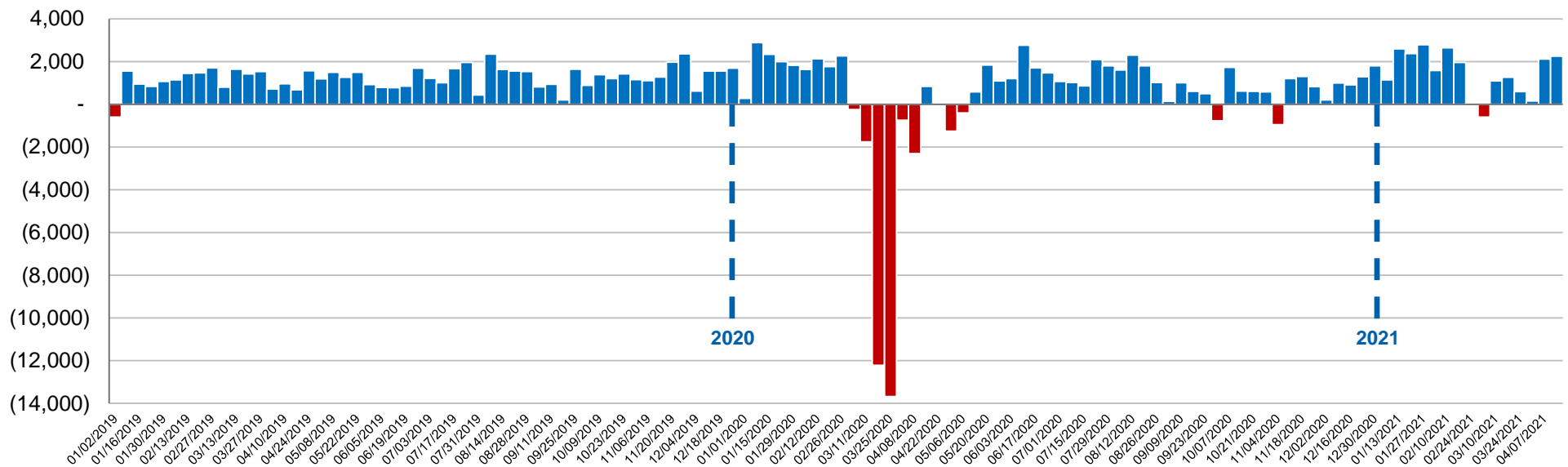
Designation not standardized and changes periodically

Market Conditions

Tax-Exempt Issuance (\$ millions)



Municipal Bond Fund Flows (\$ millions)



Source: Bond Buyer – A Decade of Bond Finance, Lipper

RBC is the Leader in Gas Prepay Transactions

Prepaid Energy Experience

- RBC is the leader in gas prepaid transactions, completing 20 of the last 47 prepaid gas transactions, totaling \$13.2 billion since 2008
- RBC is able to continue to structure and close these transactions by leveraging our strong balance sheet, exceptional ratings, and multiple product platforms to fill all the necessary roles
- In addition to serving as gas supplier, RBC has served as the commodity swap counterparty on 21 other gas prepaid transaction totaling nearly \$16.1 billion

Gas Prepay League Table (2014 to Present)

Underwriting Firm	Par Amount (US\$ mil)	Rank	Mkt. Share	Number of Issues
RBC Capital Markets	9,781.3	1	40.7	15
Goldman Sachs & Co	6,029.9	2	25.1	10
Morgan Stanley	5,682.5	3	23.6	8
JP Morgan	1,247.6	4	5.2	2
TD Securities	675.4	5	2.8	1
Citi	632.0	6	2.6	1
Top Five Total	\$ 24,048.6		100.0	37
Industry Total	\$ 24,048.6		100.0	37

Negotiated: True Economics to Book Runner

Includes refundings, restructurings, and remarketing transactions

Source: Refinitiv SDC Financial from January 1, 2014 to April 20, 2021

Select Gas Prepay Transaction Experience

 <p>\$560,310,000</p> <p>Gas Supply Revenue Bonds, Series 2021A</p> <p>Sole Manager Gas Supplier Liquidity Provider March 2021</p>	 <p>\$781,715,000</p> <p>Central Plains Energy Project Gas, Series 2019</p> <p>Sole Manager Gas Supplier Settlement Facility Provider November 2019</p>	<p>New Mexico Municipal Energy Acquisition Authority</p> <p>\$616,210,000</p> <p>Gas Supply Revenue Refunding and Acquisition Bonds, Series 2019</p> <p>Sole Manager Gas Supplier Settlement Facility Provider June 2019</p>	 <p>\$300,065,000</p> <p>Gas Supply Revenue Refunding Bonds, Series 2019</p> <p>Sole Manager Gas Supplier Settlement Facility Provider May 2019</p>	 <p>\$675,430,000</p> <p>Gas Supply Revenue Bonds, Series 2019</p> <p>Commodity Swap Counterparty April 2019</p>	 <p>\$695,595,000</p> <p>Gas Supply Revenue Bonds, Series 2019A</p> <p>Co-Commodity Swap Counterparty February 2019</p>	 <p>\$544,990,000</p> <p>Gas Supply Revenue Bonds, Series 2019A</p> <p>Sole Manager Gas Supplier Settlement Facility Provider February 2019</p>	 <p>\$539,615,000</p> <p>Commodity Supply Revenue Bonds, Series 2018</p> <p>Commodity Swap Counterparty December 2018</p>	 <p>\$535,235,000</p> <p>Central Plains Energy Project Gas Project #4, Series 2018</p> <p>Commodity Swap Counterparty November 2018</p>
 <p>\$996,000,000</p> <p>Gas Supply Revenue Bonds, 2018 Series B</p> <p>Commodity Swap Counterparty September 2018</p>	 <p>\$516,785,000</p> <p>Gas Project Revenue Bonds, Series 2018</p> <p>Commodity Swap Counterparty August 2018</p>	 <p>\$832,350,000</p> <p>Gas Supply Revenue Bonds, Series 2018AB</p> <p>Sole Manager Gas Supplier Interest Rate Swap Counterparty Settlement Facility Provider July 2018</p>	 <p>\$721,780,000</p> <p>Gas Prepay Revenue Bonds (Project No. 1), Series 2018ABC</p> <p>Commodity Swap Counterparty May 2018</p>	 <p>\$1,000,215,000</p> <p>Gas Supply Revenue Bonds, Series 2018CDE</p> <p>Sole Manager Gas Supplier Interest Rate Swap Counterparty Settlement Facility Provider April 2018</p>	 <p>\$686,885,000</p> <p>Gas Prepay Revenue Bonds (Project No. 3), Series 2018</p> <p>Commodity Swap Counterparty March 2018</p>	 <p>\$1,021,675,000</p> <p>Gas Supply Revenue Bonds, Series 2018AB</p> <p>Sole Manager Gas Supplier Interest Rate Swap Counterparty Settlement Facility Provider January 2018</p>	 <p>\$446,760,000</p> <p>Gas Supply Revenue Bonds, Series 2017A</p> <p>Sole Manager Gas Supplier Liquidity Provider June 2017</p>	 <p>\$523,675,000</p> <p>Gas Supply Revenue Bonds, Series 2016A</p> <p>Sole Manager Gas Supplier Liquidity Provider May 2016</p>

Gas supplier and sole managing underwriter

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