



12745 N. Thornton Road
Lodi, CA 95242

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LEC PPC Agenda

Date: October 6, 2016 **REVISED**

Subject: October 10, 2016 Lodi Energy Center Project Participant Committee Meeting

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

Time: 10:00 a.m.

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

NCPA 651 Commerce Drive Roseville, CA 95678	NCPA 12745 N. Thornton Road Lodi, CA 95241	CITY OF HEALDSBURG 401 Grove Street Healdsburg, CA 95448
BAY AREA RAPID TRANSIT 300 Lakeside Drive, 16 th Floor Oakland, CA 94612	CITY OF GRIDLEY 685 Kentucky Street Gridley, CA 95948	CITY OF LOMPOC 100 Civic Center Plaza Lompoc, CA 93438
CITY OF BIGGS 465 "C" Street Biggs, CA 95917	PLUMAS-SIERRA RURAL ELECTRIC COOP 73233 Highway 70 Portola, CA 96122	POWER & WATER RESOURCES POOLING AUTHORITY 418 32 Street Glenwood Springs, CO 81601
CALIFORNIA DEPARTMENT OF WATER RESOURCES 2135 Butano Drive, Suite 100 Room 125 Sacramento, CA 95825	SILICON VALLEY POWER/CITY OF SANTA CLARA 1500 Warburton Avenue, Santa Clara, CA 95050	CITY OF UKIAH 300 Seminary Avenue Ukiah, CA 95482
CITY OF AZUSA 729 N. Azusa Avenue Azusa, CA 91702		

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participant 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 written 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. 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.

2. Meeting Minutes - Approval of September 12, 2016, regular meeting minutes

MONTHLY REPORTS

3. Operational Report for September 2016 - (Jeremy Lawson)

4. Market Data Report for September 2016 – Verbal Report (Bob Caracristi)

5. Monthly Asset Report for August 2016 – (Michael DeBortoli)

6. Bidding Strategies Report - Verbal Report and update regarding bidding strategies and regulation down revenues (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 September 2016 - Accept by all Participants

8. Financial Report for September 2016 - 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 participant 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. **ACCO Engineered Systems, Inc. Agreement** – Staff seeking approval of a five year Multi-Task General Services Agreement with ACCO Engineered Systems, Inc. for an amount not to exceed \$750,000 for HVAC maintenance services at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.
11. **Hart High-Voltage Apparatus Repair & Testing Co., Inc. Agreement** – Staff seeking approval of a five year Multi-Task General Services Agreement with Hart High-Voltage Apparatus Repair & Testing Co., Inc. for an amount not to exceed \$700,000 for electrical services at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.
12. **Burns & McDonnell Agreement** – Staff seeking approval of a five year Multi-Task Professional Services Agreement with Burns & McDonnell for an amount not to exceed \$1,000,000 for consulting services related to project support and plant operations at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.
13. **LEC PPC Meeting Dates for 2017** – Staff seeking approval of regular meeting dates for 2017. *(Ken Speer)*
14. **LEC PMOA Schedule 1, Exhibit 8 – Settlement of CAISO Charge Codes and Allocations to Participants** – Staff seeking approval of revised Exhibit 8 to Schedule 1.00 to reflect updated CAISO settlement charge codes and to reflect retirement of the corresponding charge codes related to the existing Flexible Ramping Constraint and Resource Adequacy Standard Capacity Product. Changes are scheduled to be effective November 1, 2016. *(Bob Caracristi)*

Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

15. **SIEMENS ENERGY, INC. AMENDMENT** – Staff seeking approval of a First Amendment to the existing three year Multi-Task General Services Agreement with Siemens Energy, Inc., increasing the not to exceed amount from \$600,000 to \$1,050,000 for T3000 related services; and approve issuance of a Purchase Order in an amount not to exceed \$425,000 for a T3000 software upgrade at the Lodi Energy Center facility.

INFORMATIONAL/ DISCUSSION ITEMS

16. **FY16 Annual Billing Settlements** – Staff to present a draft of the FY16 Annual Billing Settlement for the period July 1, 2015 through June 30, 2016. *(Donna Stevener)*

17. Other New Business

ADJOURNMENT

Next Regular Meeting: November 14, 2016

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

Lodi Energy Center
Project Participant Committee Regular Meeting
September 12, 2016 - MEETING MINUTES
Location: Lodi Energy Center
12745 N. Thornton Rd, Lodi CA 95242
and by teleconference
10:00 A.M.

1. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:00 a.m. by Vice-Chairman Martin Caballero. He asked that roll be called for the Project Participants as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Morrow	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Forsythe	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Price	Present	9.5000%
Lompoc - Singh	Present	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	8	87.2215%
Absent	5	12.7785%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	September 12, 2016	

Public Forum

Vice-Chairman Caballero 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.

2. Meeting Minutes

The draft minutes of the regular meeting held on August 8, 2016 were considered. The LEC PPC considered the following motion:

Date: 9/12/2016

Motion: The PPC approves the minutes of the August 8, 2016 regular meeting as presented.

Moved by: Azusa

Seconded by: Lodi

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	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	87.2215%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	12.7785%
Result:	Motion passed.	

MONTHLY REPORTS

3. Operational Reports for July 2016

Jeremy Lawson presented the Operational Report for August. There were no OSHA recordable accidents, no permit violations and no NERC/WECC violations. The plant experienced an outage from August 19, 2016 13:00 to August 20, 2016 5:57 due to a water curtailment from the waste water treatment facility. The outage lasted 17 hours and ended once water was available for service.

The report reflected monthly production of 31,659 MWH, 135 service hours, and equivalent operating availability of 46.03%. The report set forth the Capacity Factor @ 280MW Pmax of 15.20% and @ 302MW Pmax of 14.09%. There were 11 hot starts, zero warm starts, and two cold starts during the month. Jeremy noted a 8.9% deviation for the actual hot starts time from the benchmark. The next scheduled outage continues to be planned for May 2017.

4. Market Data Report for August 2016

Bob Caracristi discussed the operating and financial settlement results for the month which dove-tailed with the Operational Report. There was some discussion on gas transport.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report and budget review for July. He said the month ended with overall costs above budget by 4.89%.

6. Bidding Strategies Report

Ken Goeke reported that in August the incremental bids were reduced for hour 24 to avoid shut down and cycling. No other special bidding strategies were utilized. There was discussion on gas prices going up and the forward curve not going up.

Consent Calendar (Items 7 – 9)

The consent calendar was considered. Vice-Chairman Caballero 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: 9/12/16

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. 7. Treasurer's Report for August 2016; 8. Financial Reports for August 2016; 9. GHG Reports excerpted from monthly ARB.

Moved by: Lodi

Seconded by: CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	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	87.2215%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	12.7785%
Result:	Motion passed.	

BUSINESS ACTION ITEMS

None

INFORMATIONAL ITEMS

10. Gas Connectivity Options

Ken Speer discussed gas connectivity options and that tying into the PG&E backbone is not an option. Calpine has gas fields in Rio Vista and he will be meeting with Calpine to discuss the options.

11. Other New Business

None

Adjournment

The next regular meeting of the PPC is scheduled for Monday, October 10, 2016. The meeting was adjourned at 10:48 a.m.

Submitted by: Tracy Kves



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Lodi Energy Center Project Participant Committee Operational Report

Agenda Item No.: 3

Date: 10/10/2016
To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents

Notice of Violations

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

Outage Summaries:

- **9/25/16 Fuel Gas Compressor** – LEC was 20 minutes late to start due to a fuel gas compressor failed start. The gas compressor was cleared and restarted after the 20 minute lock-out.

Planned Outage Summaries:

- 2017 May: Steam Turbine Limited Overhaul (Steam Turbine Bearing Inspection, Steam Turbine Valve Inspection, Alignments, etc.)

Generating Unit Statistics:

LEC

Report**Date:**

Start Date 9/1/2016

End Date 10/1/2016

1. Monthly Production 25,598 MWH

2. Productivity Factor

a. Service Hours 114 Hours

b. Service Factor 15.85 %

c. Capacity Factor @ 280MW Pmax 12.70 %

d. Capacity Factor @ 302MW Pmax 11.77 %

3. Equivalent Operating Availability (EOA) 99.98 %

4. Forced Outage Rate (FOR)

a. Combustion Turbine Generator 0.00 %

b. Steam Turbine Generator 0.00 %

5. Heat Rate Deviation (HRD)

a. Fuel Cost (Not Current Market Price) 4.00 \$/mmBTU

MW Range		Average HR BTU/kW-Hr	PMOA HR BTU/kW-Hr	Deviation %	Production MWH	Cost \$
Seg. 1	296 - 302	6,850	6850	0.00%	0	\$0
Seg. 2	284 - 296	6,942	6870	1.05%	470	\$135
Seg. 3	275 - 284	6,963	6971	-0.12%	10,011	-\$338
Seg. 4	250 - 275	7,005	7081	-1.07%	5,972	-\$1,805
Seg. 5	225 - 250	7,038	7130	-1.29%	3,083	-\$1,134
Seg. 6	200 - 225	7,126	7315	-2.58%	1,591	-\$1,200
Seg. 7	175 - 225	7,288	7711	-5.48%	1,633	-\$2,763
Seg. 8	165 - 175	7,698	7856	-2.00%	941	-\$593
					23,700	-\$7,697

6. AGC Control Deviation

MW Range		High Dev MWH	Low Dev MWH	Absolute Dev MWH	Cost \$
Seg. 1	296 - 302	0	0	0	\$0
Seg. 2	284 - 296	2	0	2	\$61
Seg. 3	275 - 284	9	-102	110	\$3,077
Seg. 4	250 - 275	27	-40	67	\$1,877
Seg. 5	225 - 250	22	-9	31	\$879
Seg. 6	200 - 225	14	-7	21	\$590
Seg. 7	175 - 225	11	-8	19	\$550
Seg. 8	165 - 175	6	-1	7	\$208
		90	-167	257	\$7,241

7. Starting Reliability

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	6	1	3
Start Time Benchmark (Minutes)	85	160	235
Start Time Actual (Average Minute)	81.5	155.0	174.0
Start Time Deviation (%)	-4.1%	-3.1%	-26.0%
Start Fuel Benchmark PMOA (mmBTU)	1,967	5,200	5,430
Start Fuel Actual (Average mmBTU)	1,518	3,079	3,381
Fuel Deviation	-22.9%	-40.8%	-37.7%
Costs of Fuel Deviations (\$)	-\$1,798	-\$8,484	-\$8,195

Definitions:

1. Monthly Production = Plant Net MWH's
2. Capacity Factor
 - a. Service Hours = In Production or in Service State
 - b. Service Factor = $SH / PH \times 100\%$
 - c. Capacity Factor = $Production / 302MW \times PH$
 - d. Capacity Factor = $Production / 280MW \times PH$
3. Monthly Equivalent Availability Factor (EAF) = $(AH - EPDH - EFDH) / PH \times 100\%$
4. Forced Outage Rate = $(FOH / (FOH + SH)) \times 100\%$
5. Heat Rate Deviation (HRD)
 - a. Fuel Cost = Cost of Fuel in \$/mmBTU
 - b. Average Heat Rate = The Average Heat Rate for the given Range
 - c. Heat Rate Deviation = $(Heat\ Rate\ Average - Heat\ Rate\ Expected) / Heat\ Rate\ Expected \times 100\%$
 - d. Production = The Sum of Production for the given Range
 - e. Costs of Heat Rate Deviations = $(Average\ Heat\ Rate - Expected\ Heat\ Rate) \times Production \times Cost\ of\ Fuel$
6. AGC Deviation-
 - a. MWH's = AGC Set Point Generation - LEC Actual Generation
 - b. Cost of Deviations = Fuel Cost x Heat Rate x Generation
7. Starting Reliability
 - a. Number of Starts = Start Count for Hot, Warm, and Cold
 - b. Start Time = Average Time from 0 Fuel Flow to Pmin
 - c. Start Fuel = Average Fuel Consumption to Pmin
 - d. Cost of Fuel Deviation = $(Actual\ Fuel\ Consumed - Expected\ Fuel) \times Cost\ of\ Fuel$

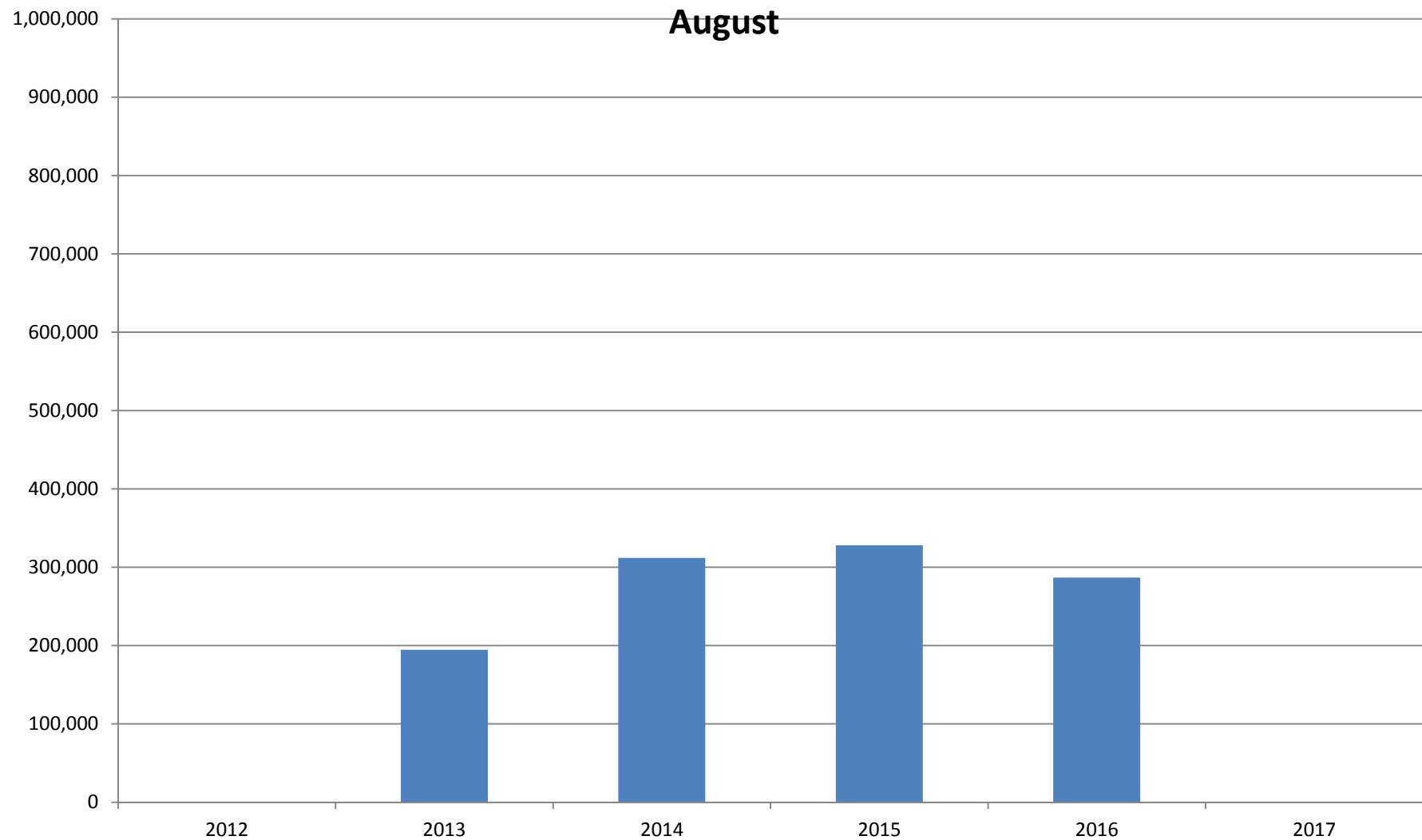


August Asset Report

	Most Recent			Above / (below)	Percent Difference	
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	1,560,351	3,201,817	6,678,743	(1,641,466)	-51%	
VOM	1,189,466	2,270,395	4,995,959	(1,080,929)	-48%	Extended Cycling
Fixed	760,849	760,849	924,030	0	0%	
Projects	228,984	228,984	233,750	0	0%	
A&G	111,701	111,701	200,538	0	0%	
Debt	2,199,759	2,203,105	2,203,105	(3,346)	-0.15%	
Net Cost	(2,930,408)	(2,373,217)	(1,878,639)	(557,191)	23%	
Net Annual Cost		(34,069,373)	(31,768,945)	(\$2,300,428)		
				Above budget by 7.24%		



Historical Margins



Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 10/03/2016

	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY 2017 Budget	Percent Used	Comments
VOM	2,309,456	1,310,062	1,903,885	1,595,569	1,712,203	2,737,164	3,166,242	2,372,346	174,454	366,347	0	1,010,332	18,658,060	57,881,217	32.2%	
Capacity Factor	36%	15%	27%	16%	23%	33%	35%	31%	2%	1%	0%	13%	19%	67%	28.7%	
Fuel Consumed (mmBTU, estimated)	552,311	236,335	369,414	225,872	311,682	475,431	495,426	412,555	30,517	16,104	0	174,922	3,300,568	11,341,990	29.1%	
Avg Fuel Cost (\$/mmBTU)	3.44	4.30	4.27	4.33	4.61	4.87	4.85	4.82	4.78	4.46	0.00	4.52	4.43	3.89	113.9%	
Power Produced (MWHr, estimated)	76,008	31,654	53,929	32,974	45,501	69,406	72,325	60,227	4,455	2,351	0	25,536	474,366	1,655,765	28.6%	
Avg Power Price (\$/MWHr)	39.13	49.26	46.52	47.46	52.21	53.05	51.25	50.14	52.71	45.57	0.00	48.41	48.42	41.58	116.5%	
Operations / Variable / LTSA	3,746	120,596	51,772	450,088	43,681	66,630	371,109	57,818	4,277	281,751	0	81,404	1,532,871	5,106,876	30.0%	Timing of Delivery, Extended Cycling
Fuel (estimated)	1,901,128	1,015,383	1,577,615	977,644	1,436,922	2,317,258	2,402,263	1,987,375	145,977	71,825	0	790,216	14,623,607	44,100,578	33.2%	
AB32 GHG Offset (estimated)	373,676	161,082	252,388	154,318	212,945	324,820	363,216	302,460	22,373	11,807	0	128,242	2,307,326	8,001,632	28.8%	
CA ISO Charges (estimated)	30,906	13,001	22,111	13,519	18,655	28,456	29,653	24,693	1,827	964	0	10,470	194,256	672,131	28.9%	
Routine O&M (Fixed)	726,101	760,849	727,695	827,695	1,343,886	1,482,695	827,695	727,695	727,695	827,695	1,439,886	827,695	11,247,283	11,088,367	101.4%	
Maintenance / Fixed	141,434	207,472	230,251	230,251	474,045	230,251	230,251	230,251	230,251	230,251	585,045	230,251	3,250,001	3,250,596	100.0%	
Administration	8,597	10,027	18,889	18,889	18,889	18,889	18,889	18,889	18,889	18,889	18,889	18,889	207,510	226,663	91.5%	
Mandatory Costs	33,146	1,783	25,643	25,643	25,643	25,643	25,643	25,643	25,643	25,643	25,643	25,643	291,357	291,357	100.0%	
Inventory Stock	0	0	0	100,000	0	0	100,000	0	0	100,000	0	100,000	400,000	400,000	100.0%	
Labor	359,440	330,374	337,541	337,541	694,937	337,541	337,541	337,541	337,541	337,541	694,937	337,541	4,780,012	4,765,279	100.3%	
Insurance	72,853	73,333	0	0	15,000	755,000	0	0	0	0	0	0	916,186	770,000	119.0%	
Power Management & Settlements	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	1,327,567	1,327,566	100.0%	
Other Costs	0	27,229	4,742	4,742	4,742	4,742	4,742	4,742	4,742	4,742	4,742	4,742	74,651	56,906	131.2%	
Projects	135,218	228,984	171,250	131,250	156,250	131,250	131,250	131,250	131,250	216,250	586,250	656,250	2,806,702	2,805,000	100.1%	
Maintenance Reserve	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	1,575,000	1,575,000	100.0%	
Operations & Maintenance Projects	3,968	0	0	0	0	0	0	0	0	0	30,000	0	33,968	30,000	113.2%	
Capital Projects	0	97,734	40,000	0	25,000	0	0	0	0	85,000	425,000	525,000	1,197,734	1,200,000	99.8%	
A&G	137,131	111,701	200,538	200,538	200,538	200,538	200,538	200,538	200,538	200,538	200,538	200,538	2,254,210	2,406,453	93.7%	
Administrative & General (Allocated)	122,215	97,959	171,920	171,920	171,920	171,920	171,920	171,920	171,920	171,920	171,920	171,920	1,939,373	2,063,039	94.0%	
Generation Services Shared	14,916	13,742	28,618	28,618	28,618	28,618	28,618	28,618	28,618	28,618	28,618	28,618	314,836	343,414	91.7%	
Total O&M Cost	3,307,906	2,411,596	3,003,368	2,755,052	3,412,876	4,551,647	4,325,725	3,431,829	1,233,937	1,610,830	2,226,674	2,694,815	34,966,255	74,181,037	47.1%	
Debt Service	2,203,105	2,199,759	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	26,433,915	26,437,261	100.0%	
Revenues	7,334,108	1,560,351	2,508,911	1,564,927	2,375,738	3,682,207	3,706,334	3,019,935	234,824	107,136	0	1,236,324	27,330,796	68,849,353	39.7%	
ISO Energy Sales (estimated)	2,974,197	1,559,271	2,508,911	1,564,927	2,375,738	3,682,207	3,706,334	3,019,935	234,824	107,136	0	1,236,324	22,969,805	68,846,223	33.4%	
Other Income	4,359,911	1,080	0	0	0	0	0	0	0	0	0	0	4,360,991	3,130		
Net	\$1,823,097	(\$3,051,004)	(\$2,697,562)	(\$3,393,230)	(\$3,240,244)	(\$3,072,545)	(\$2,822,496)	(\$2,614,999)	(\$3,202,217)	(\$3,706,799)	(\$4,429,779)	(\$3,661,596)	(\$34,069,373)	(\$31,768,945)	Above budget by 7.24%	



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LEC Treasurer's Report

AGENDA ITEM NO.: 7

Date: October 10, 2016
To: LEC Project Participant Committee
Subject: Treasurer's Report for the Month Ended September 30, 2016

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 \$42,152.

Investments - The carrying value of the LEC's investment portfolio totaled \$31,874,259 at month end. The current market value of the portfolio totaled \$31,911,663.

The overall portfolio had a combined weighted average interest rate of 0.823% with a bond equivalent yield (yield to maturity) of 0.778%. Investments with a maturity greater than one year totaled \$10,293,000. During the month \$2.2 million 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 by 4 basis points (from 0.31% to 0.27%) and rates on one year T-Bills remained unchanged at 0.59%.

To the best of my knowledge and belief, all securities held by LEC as of September 30, 2016 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,

DONNA STEVENER
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

SEPTEMBER 30, 2016

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Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash & Investment Balance
September 30, 2016

	CASH	INVESTMENTS	TOTAL	PERCENT	INVESTMENTS at MARKET
MANDATORY FUNDS					
Debt Service Account	-	8,808,549	8,808,549	27.60%	8,809,533
Debt Service Reserve	-	11,939,821	11,939,821	37.41%	11,957,615
O & M Reserve	-	11,054,577	11,054,577	34.64%	11,073,203
	-	31,802,947	31,802,947	99.64%	31,840,351
ADDITIONAL PROJECT FUNDS					
GHG Cash Account	-	71,311	71,311	0.22%	71,311
Transmission Upgrade Escrow ¹	42,152	-	42,152	0.13%	-
Participant Deposit Account	-	1	1	0.00%	1
	\$ 42,152	\$ 31,874,259	\$ 31,916,411	100.00%	\$ 31,911,663

NOTE A -Investment amounts shown at book carrying value.

¹ Amount held in escrow

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash Activity Summary
September 30, 2016

	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	\$ -	\$ 24	\$ -	\$ -	\$ (2,199,518)	\$ 2,199,494	\$ -
Debt Service Reserve	-	287	-	-	(287)	-	-
O & M Reserve	-	1	(1)	-	-	-	-
	-	312	(1)	-	(2,199,805)	2,199,494	-
ADDITIONAL PROJECT FUNDS							
GHG Cash Account	-	-	-	-	-	-	-
Transmission Upgrade Escrow ¹	-	4	-	-	-	-	4
Participant Deposit Account	-	-	-	-	-	-	-
TOTAL	\$ -	\$ 316	\$ (1)	\$ -	\$ (2,199,805)	\$ 2,199,494	\$ 4

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

¹ Amount held in escrow

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Investment Activity Summary
September 30, 2016

	PURCHASED	SOLD OR MATURED	(NON-CASH) DISC/(PREM) AMORT	(NON-CASH) GAIN/(LOSS) ON SALE	INVESTMENTS TRANSFERS	INCREASE / (DECREASE)
MANDATORY FUNDS						
Debt Service Account	2,199,518	-	1,873	-	-	2,201,391
Debt Service Reserve	287	-	(50)	-	-	237
O & M Reserve	-	1	(1,510)	-	-	(1,509)
	<u>2,199,805</u>	<u>1</u>	<u>313</u>	<u>-</u>	<u>-</u>	<u>2,200,119</u>
ADDITIONAL PROJECT FUNDS						
GHG Cash Account	-	-	-	-	-	-
Participant Deposit Acct.	\$ -	-	-	-	-	-
TOTAL	<u>\$ 2,199,805</u>	<u>\$ 1</u>	<u>\$ 313</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,200,119</u>

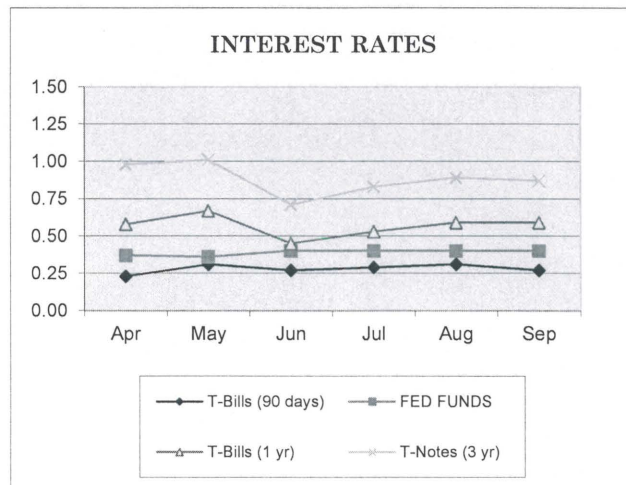
Less Non- Cash Activity	
Disc/(Prem) Amortization & Gain/(Loss) on Sale	(313)
Net Change in Investment --Before Non-Cash Activity	<u>\$ 2,199,806</u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
September 30, 2016**

	WEIGHTED AVERAGE INTEREST RATE	BOND EQUIVALENT YIELD
OVERALL COMBINED	0.823%	0.778%
Debt Service Account	0.280%	0.284%
Debt Service Reserve	0.940%	0.976%
O & M Reserve	1.130%	0.960%
GHG Cash Account	0.546%	0.546%

KEY INTEREST RATES		
	CURRENT	PRIOR YEAR
Fed Fds (Ovrnight)	0.40%	0.14%
T-Bills (90da.)	0.27%	0.01%
Agency Disc (90da.)	0.30%	0.18%
T-Bills (1yr.)	0.59%	0.34%
Agency Disc (1yr.)	0.60%	0.39%
T-Notes (3yr.)	0.87%	0.99%



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
September 30, 2016**

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		\$ 6,610		\$ 3,100	\$ 4,170	\$ 10,293		\$ 24,173	75.93%
US Bank Trust Money Market	5,612							5,612	17.63%
Commercial Paper								-	0.00%
Investment Trusts (LAIF)	2,040							2,040	6.41%
U.S.Treasury Market Acct.	9							9	0.03%
U.S.Treasury Bill									0.00%
Certificates of Deposit								-	0.00%
Total Dollars	\$ 7,661	\$6,610	\$0	\$3,100	\$4,170	\$10,293	\$0	\$ 31,834	100.00%
Total Percents	24.07%	20.76%	0.00%	9.74%	13.10%	32.33%	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
09/30/2016

LEC Issue#1 2010A 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	693,559	0.100	07/01/2013	693,559		1	0.100	693,559	SYS79003	79003	693,559
Federal Home Loan Ba	USBT	694,000	0.370	07/28/2016	693,101	12/01/2016	61	0.375	693,704	313384R68	26350	693,565
Federal Home Loan Ba	USBT	695,000	0.309	08/29/2016	694,437	12/01/2016	61	0.314	694,704	313384R68	26364	694,635
Federal National Mtg	USBT	694,000	0.340	07/11/2016	693,063	12/01/2016	61	0.345	693,702	313588R64	26342	693,600
Fund Total and Average		\$ 2,776,559	0.280		\$ 2,774,160		46	0.284	\$ 2,775,669			\$ 2,775,359

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	725,046	0.100	07/01/2013	725,046		1	0.100	725,046	SYS79004	79004	725,046
Federal Home Loan Ba	USBT	726,000	0.370	07/28/2016	725,060	12/01/2016	61	0.375	725,691	313384R68	26351	725,545
Federal Home Loan Ba	USBT	725,000	0.310	08/29/2016	724,413	12/01/2016	61	0.314	724,691	313384R68	26365	724,619
Federal National Mtg	USBT	727,000	0.339	07/11/2016	726,018	12/01/2016	61	0.345	726,687	313588R64	26343	726,581
Fund Total and Average		\$ 2,903,046	0.280		\$ 2,900,537		46	0.284	\$ 2,902,115			\$ 2,901,791

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	434,769	0.100	07/01/2013	434,769		1	0.100	434,769	SYS79011	79011	434,769
Federal Home Loan Ba	USBT	435,000	0.370	07/28/2016	434,437	12/01/2016	61	0.375	434,815	313384R68	26352	434,727
Federal Home Loan Ba	USBT	434,000	0.309	08/29/2016	433,649	12/01/2016	61	0.314	433,815	313384R68	26366	433,772
Federal National Mtg	USBT	434,000	0.340	07/11/2016	433,414	12/01/2016	61	0.345	433,813	313588R64	26344	433,750
Fund Total and Average		\$ 1,737,769	0.280		\$ 1,736,269		46	0.284	\$ 1,737,212			\$ 1,737,018

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	348,984	0.100	07/01/2013	348,984		1	0.100	348,984	SYS79012	79012	348,984
Federal Home Loan Ba	USBT	349,000	0.370	07/28/2016	348,548	12/01/2016	61	0.375	348,851	313384R68	26353	348,781
Federal Home Loan Ba	USBT	348,000	0.309	08/29/2016	347,718	12/01/2016	61	0.314	347,852	313384R68	26367	347,817
Federal National Mtg	USBT	349,000	0.340	07/11/2016	348,529	12/01/2016	61	0.345	348,850	313588R64	26345	348,799
Fund Total and Average		\$ 1,394,984	0.280		\$ 1,393,779		46	0.284	\$ 1,394,537			\$ 1,394,381

GRAND TOTALS:	\$ 8,812,358	0.280	\$ 8,804,745	46	0.284	\$ 8,809,533.	\$ 8,808,549
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*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 09/30/2016



Northern California Power Agency

Treasurer's Report

09/30/2016

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	59,077	0.100	07/01/2013	59,077		1	0.100	59,077	SYS79005	79005	59,077
Federal National Mtg	USB	4,170,000	0.875	05/30/2014	4,171,960	08/28/2017	331	0.977	4,177,923	3135GOMZ3	26136	4,170,549
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	1,697	1.659	4,370,420	3133EGBZ7	26337	4,360,000
Fund Total and Average		\$ 8,589,077	1.268		\$ 8,591,037		1022	1.318	\$ 8,607,420			\$ 8,589,626

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	2,262,845	0.100	07/01/2013	2,262,845		1	0.100	2,262,845	SYS79006	79006	2,262,845
Fund Total and Average		\$ 2,262,845	0.100		\$ 2,262,845		1	0.100	\$ 2,262,845			\$ 2,262,845

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	1,087,350	0.100	07/01/2013	1,087,350		1	0.100	1,087,350	SYS79013	79013	1,087,350
Fund Total and Average		\$ 1,087,350	0.100		\$ 1,087,350		1	0.100	\$ 1,087,350			\$ 1,087,350
GRAND TOTALS:		\$ 11,939,272	0.940		\$ 11,941,232		736	0.976	\$ 11,957,615.			\$ 11,939,821

*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 09/30/2016

Investment # 26337 – FFCB - Callable on 5/25/17, then any time.



Northern California Power Agency

Treasurer's Report

09/30/2016

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		1,968,824	0.545	07/01/2013	1,968,824		1	0.545	1,968,824	SYS70047	70047	1,968,824
Union Bank of Califo	UBOC	8,533	0.002	07/18/2013	8,533		1	0.002	8,533	SYS70041	70041	8,533
Federal Home Loan Ba	UBOC	3,100,000	0.625	06/27/2016	3,099,380	06/27/2017	269	0.645	3,099,783	3130A8LC5	26338	3,099,542
Federal National Mtg	UBOC	2,933,000	1.875	08/28/2015	2,998,142	02/19/2019	871	1.220	2,998,523	3135G0ZA4	26248	2,977,678
Federal National Mtg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	1,368	1.300	2,997,540	3136G3UJ2	26341	3,000,000
Fund Total and Average		\$ 11,010,357	1.130		\$ 11,074,879		681	0.960	\$ 11,073,203			\$ 11,054,577
GRAND TOTALS:		\$ 11,010,357	1.130		\$ 11,074,879		681	0.960	\$ 11,073,203.			\$ 11,054,577

*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 09/30/2016
Investment # 26341 – FNMA - Callable on 6/30/17 only.



Northern California Power Agency

Treasurer's Report

09/30/2016

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		71,311	0.545	07/01/2013	71,311		1	0.545	71,311	SYS70046	70046	71,311
Fund Total and Average		\$ 71,311	0.546		\$ 71,311		1	0.546	\$ 71,311			\$ 71,311
GRAND TOTALS:		\$ 71,311	0.546		\$ 71,311		1	0.546	\$ 71,311.			\$ 71,311

*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 09/30/2016



Northern California Power Agency

Treasurer's Report

09/30/2016

LEC Construction Revolving

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	0.254	07/01/2013	1		1	0.254	1	SYS70040	70040	1
Fund Total and Average		\$ 1	0.254		\$ 1		1	0.254	\$ 1			\$ 1
GRAND TOTALS:		\$ 1	0.254		\$ 1		1	0.254	\$ 1.			\$ 1

*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 09/30/2016



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LEC Financial Reports

AGENDA ITEM NO: 8

Date: October 10, 2016

Subject: September 30, 2016 Financial Reports (Unaudited)

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

	September	
	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,311	\$ 71,009
Accounts receivable		
Others	-	405
Interest receivable	24,789	9,487
Inventory and supplies - at average cost	1,848,960	1,527,727
Prepaid insurance	192,500	171,057
Due from (to) Agency, net	13,668,363	22,971,922
TOTAL CURRENT ASSETS	15,805,923	24,751,607
RESTRICTED ASSETS		
Cash and cash equivalents	7,631,136	9,268,186
Investments	24,213,960	24,175,810
Interest receivable	29,101	29,641
TOTAL RESTRICTED ASSETS	31,874,197	33,473,637
ELECTRIC PLANT		
Electric plant in service	423,558,733	423,411,601
Less: accumulated depreciation	(55,985,707)	(41,383,710)
	367,573,026	382,027,891
Construction work-in-progress	102,031	59,316
TOTAL ELECTRIC PLANT	367,675,057	382,087,207
OTHER ASSETS		
Regulatory assets	19,573,600	17,082,494
TOTAL OTHER ASSETS	19,573,600	17,082,494
TOTAL ASSETS	\$ 434,928,777	\$ 457,394,945

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

	September	
	2016	2015
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 875,632	\$ 3,170,958
Operating reserves	11,782,311	14,195,055
Current portion of long-term debt	9,950,000	9,480,000
Accrued interest payable	5,475,054	5,646,131
TOTAL CURRENT LIABILITIES	28,082,997	32,492,144
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	1,715,384	5,491,081
Long-term debt, net	351,665,435	362,258,985
TOTAL NON-CURRENT LIABILITIES	353,380,819	367,750,066
TOTAL LIABILITIES	381,463,816	400,242,210
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	43,128,444	44,058,159
NET POSITION		
Invested in capital assets, net of related debt	(5,555,401)	(4,802,677)
Restricted	12,743,938	10,511,667
Unrestricted	3,147,980	7,385,586
TOTAL NET POSITION	10,336,517	13,094,576
TOTAL LIABILITIES AND NET POSITION	\$ 434,928,777	\$ 457,394,945

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

	Three Months Ended September	
	2016	2015
SALES FOR RESALE		
Participants	\$ 10,138,033	\$ 13,072,762
Other	6,290,236	14,595,569
TOTAL SALES FOR RESALE	16,428,269	27,668,331
OPERATING EXPENSES		
Operations	4,899,707	10,426,002
Depreciation	3,651,283	3,650,097
Purchased power	621,513	1,038,358
Maintenance	955,989	983,786
Administrative and general	758,775	930,366
Transmission	60,197	163,552
Intercompany (sales) purchases	28,658	45,326
TOTAL OPERATING EXPENSES	10,976,122	17,237,487
NET OPERATING REVENUES	5,452,147	10,430,844
OTHER REVENUES (EXPENSES)		
Interest expense	(3,978,470)	(4,059,236)
Interest income	12,929	84,413
Other	5,466,662	1,414,833
TOTAL OTHER REVENUES (EXPENSES)	1,501,121	(2,559,990)
FUTURE RECOVERABLE AMOUNTS	415,771	691,778
REFUNDS TO PARTICIPANTS	(7)	(47)
INCREASE IN NET POSITION	7,369,032	8,562,585
NET POSITION		
Beginning of year	2,967,485	4,531,991
End of period	\$ 10,336,517	\$ 13,094,576

**Lodi Energy Center
FY 2017 Operating Costs
As of September 30, 2016**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
Routine O&M Costs					
Variable	\$ 5,106,876	\$ 168,046	\$ 4,938,830	97%	
Fixed	3,250,596	651,584	2,599,012	80%	
Administration	226,663	21,197	205,466	91%	
Mandatory Costs	291,357	111,223	180,134	62%	
Inventory Stock	400,000	-	400,000	100%	
Routine O&M Costs without Labor	9,275,492	952,050	8,323,442	90%	
Labor	4,765,279	1,023,920	3,741,359	79%	
Total Routine O&M Cost	14,040,771	1,975,970	12,064,801	86%	
Other Costs					
Fuel	44,100,578	3,601,003	40,499,575	92%	
CA ISO Charges	672,131	60,197	611,934	91%	
CA ISO Purchased Energy	1,702,141	621,513	1,080,628	63%	
Debt Service	26,437,261	6,599,278	19,837,983	75%	
Insurance	770,000	219,440	550,560	72%	
Other Costs	56,906	27,479	29,427	52%	
Generation Services Shared	343,414	44,158	299,256	87%	
Administrative & General (Allocated)	2,063,039	252,256	1,810,783	88%	
Power Management Allocated Costs	1,327,566	331,892	995,674	75%	
Total O&M Cost	91,513,807	13,733,186	77,780,621	85%	
Projects					
Operations & Maintenance	30,000	3,968	26,032	87%	
Capital	1,200,000	97,734	1,102,266	92%	
Maintenance Reserve	1,575,000	393,750	1,181,250	75%	
Total Projects	2,805,000	495,452	2,309,548	82%	
Annual Cost	94,318,807	14,228,638	80,090,169	85%	
Less: Third Party Revenue					
Interest Income	44,489	44,912	(423)	0%	
ISO Energy Sales	68,846,223	6,178,196	62,668,027	91%	
Ancillary Services Sales	1,302,829	112,040	1,190,789	91%	
Other Income	3,130	4,360,991	(4,357,861)	0%	
	70,196,671	10,696,139	59,500,532	85%	
Net Annual Cost to Participants	\$ 24,122,136	\$ 3,532,499	\$ 20,589,637	85%	
Total Variable Costs	51,581,726	3,829,246	47,752,480		
Total Fixed Costs	42,737,081	10,399,392	32,337,689		
	\$ 94,318,807	\$ 14,228,638	\$ 80,090,169		

Net Cumulative Generation (MWh)		1,655,765		133,279
Total O&M Cost Per MWh	\$	55.27	\$	103.04
Net Annual Cost Per MWh	\$	14.57	\$	26.50

Footnotes:

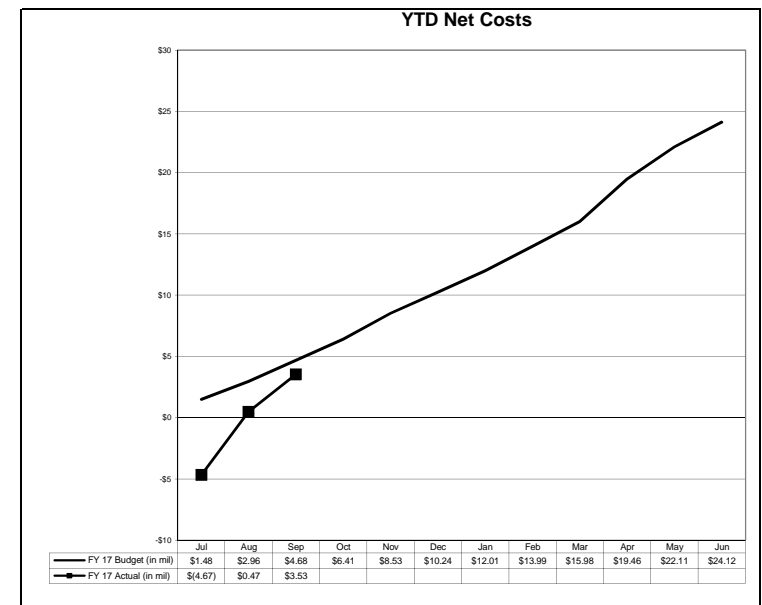
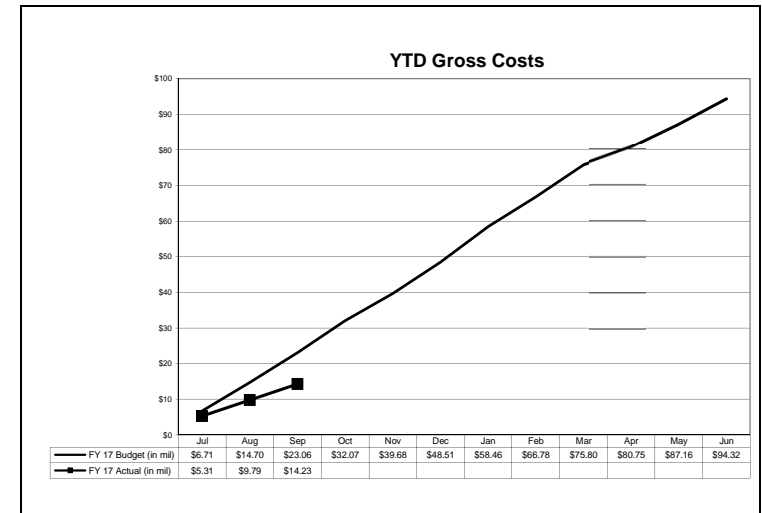
General - September month end payroll adjustment, Generation Services and Administrative & General costs have been estimated.

A - Higher than budgeted costs due to CA ISO real time settlement resulting in additional market purchases by NCPA and for Participants purchasing energy from CA ISO using LEC as the SC.

B - Other Income includes PG&E mandated CPUC refund.

C - Payments for annual bank trust fees.

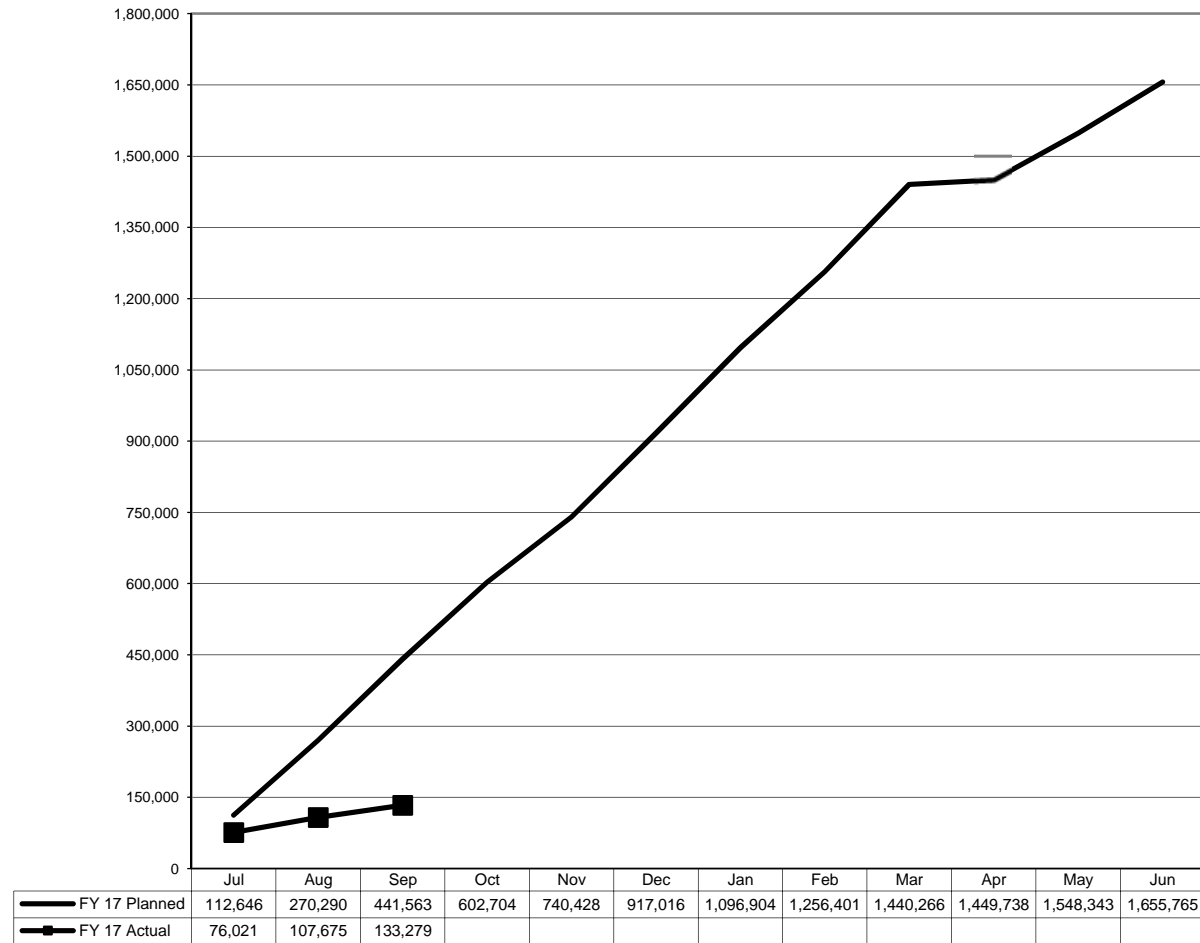
D - Payment for annual permit fees at Air Resources Board.



**Annual Budget
LEC Generation Analysis
Planned vs. Actual
FY 2017**

In MWh

Lodi Energy Center





651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
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LEC GHG Reports

AGENDA ITEM NO.: 9

Date: October 10, 2016

Subject: GHG Reports (excerpted from monthly ARB)

2013 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center														
IDENTIFIER	Actual													Compliance Year 2013
	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	0	82,787	101,925	128,167	134,284	32,545	80,153	122,492	94,615	92,091	98,739	105,078	138,068	1,210,944
Gas Schedule (MMBtu)	0	593,484	723,038	894,657	952,529	229,724	579,650	870,331	673,965	650,250	692,396	738,008	965,292	8,563,324
Emissions Factor (MT/MMBtu)	0	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)													86,000	
Monthly MT Emissions (MT)	0	32,027	39,019	48,280	51,403	12,397	31,281	46,967	36,371	35,091	37,365	39,827	52,178	462,206
Cumulative MT Obligation (MT)	0	32,027	71,046	119,326	170,730	183,127	214,407	261,375	297,745	332,836	370,201	410,028	462,206	462,206
Compliance Instrument Participant Transfers (to LEC)														
Auction Allowances	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
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)	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
NCPA Compliance Instrument Purchases (for LEC)														
Auction Purchases	47,000	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
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	47,000	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Monthly Activity (MT)	139,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	507,633
Cumulative MT Account Balance [MTA] (MT)	139,695	145,045	145,045	158,689	263,689	314,321	344,949	346,549	448,749	461,343	461,343	461,343	507,633	507,633
MTA Shortfall (MT)	(139,695)	(113,018)	(73,999)	(39,363)	(92,959)	(131,194)	(130,542)	(85,174)	(151,004)	(128,507)	(91,142)	(51,315)	(45,427)	(45,427)

2014 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center													
IDENTIFIER	Actual												Compliance Year 2014 Total
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
Energy (MWh)	136,604	156,089	120,489	55,378	71,210	51,037	118,473	69,006	178,831	197,715	51,636	106,338	1,312,806
Gas Schedule (MMBtu)	951,700	1,092,730	858,805	391,272	512,068	371,695	836,762	496,327	1,251,547	1,371,546	372,826	759,691	9,266,969
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)												173.000	
Monthly MT Emissions (MT)	51,358	58,969	46,345	21,115	27,634	20,059	45,156	26,784	67,540	74,015	20,120	41,170	500,265
Cumulative MT Obligation (MT)	513,564	572,533	618,879	639,994	667,628	687,686	732,842	759,626	827,166	901,181	782,385	823,555	823,555
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Secondary Market Allowances	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
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	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
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	138,916	0	138,916
Total Monthly Activity (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Cumulative MT Account Balance [MTA] (MT)	609,980	659,980	708,046	733,046	734,336	872,784	872,784	872,784	886,370	936,890	898,324	898,674	898,674
MTA Shortfall (MT)	(96,416)	(87,447)	(89,167)	(93,052)	(66,708)	(185,098)	(139,942)	(113,158)	(59,204)	(35,709)	(115,939)	(75,119)	(75,119)

	2015 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												
	Actual												Compliance Year 2015
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	196,019	151,600	184,507	181,244	91,067	142,275	103,883	137,266	131,608	165,737	75,231	131,779	1,692,216
Gas Schedule (MMBtu)	1,368,474	1,073,330	1,299,294	1,269,481	646,027	1,009,450	740,553	971,283	927,730	1,171,129	541,136	940,340	11,958,227
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)													
Monthly MT Emissions (MT)	73,850	57,922	70,116	68,508	34,863	54,475	39,964	52,415	50,065	63,200	29,202	50,745	645,326
Cumulative MT Obligation (MT)	897,404	955,327	1,025,443	1,093,951	1,128,814	1,183,288	1,223,252	1,275,668	1,325,733	1,388,933	592,071	642,816	642,816
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
Secondary Market Allowances	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
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	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
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	826,064	0	826,064
Total Monthly Activity (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
Cumulative MT Account Balance [MTA] (MT)	940,016	940,266	1,190,366	1,205,366	1,291,366	1,398,693	1,502,693	1,502,693	1,502,693	1,560,894	735,205	735,405	735,405
MTA Shortfall (MT)	(42,612)	15,061	(164,923)	(111,415)	(162,552)	(215,405)	(279,441)	(227,025)	(176,960)	(171,961)	(143,134)	(92,589)	(92,589)

2016 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center														
IDENTIFIER	Actual								Estimated				Compliance Year 2016 Total	Cumulative Totals Total
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER		
Energy (MWh)	97,230	27,160	91,578	45,437	3,423	66,596	76,008	31,653	125,569	147,191	100,989	167,038	979,872	5,195,839
Gas Schedule (MMBtu)	695,120	194,179	678,033	339,504	27,754	485,792	547,510	234,782	904,099	1,059,774	727,123	1,202,676	7,096,346	36,884,866
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)														
Monthly MT Emissions (MT)	37,512	10,479	36,590	18,321	1,498	26,216	29,546	12,670	48,790	57,191	39,239	64,902	382,954	1,990,751
Cumulative MT Obligation (MT)	680,329	690,807	727,398	745,719	747,217	773,432	802,979	815,649	864,439	921,629	960,868	1,025,771	1,025,771	1,025,771
Compliance Instrument Participant Transfers (to LEC)														
Auction Allowances	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	1,995,966
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)	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	1,995,966
NCPA Compliance Instrument Purchases (for LEC)														
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
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	964,980
Total Monthly Activity (MT)	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	2,042,966
Cumulative MT Account Balance [MTA] (MT)	946,886	946,886	944,386	913,386	913,386	872,386	872,386	815,786	815,786	815,786	815,786	815,786	815,786	815,786
MTA Shortfall (MT)	(266,557)	(256,079)	(216,988)	(167,667)	(166,169)	(98,954)	(69,407)	(137)	48,653	105,843	145,082	209,985	209,985	209,985

Forecast has been updated through December 2016

NCPA All Resources Bill LEC GHG Obligation Detail Report (Cumulative) October 2016																
IDENTIFIER	AZUSA	BART	BIGGS	CDWR	GRI	HEA	LOD	LOM	MID	PLU	PWRPA	SNCL	UKI	TOTAL	Charge Code	Source
Allocation Percentages																
Generation Entitlement Share %	2.7857%	6.6000%	0.2679%	33.5000%	1.9643%	1.6428%	9.5000%	2.0357%	10.7143%	0.7857%	2.6679%	25.7500%	1.7857%	100%		MARS
Obligation Accounts																
Current MT Compliance Obligation (MTO) Balance (MT)	25,736	60,976	2,475	309,499	18,148	15,178	86,778	18,759	98,987	7,258	24,648	237,899	18,979	925,320		derived
Current MT Compliance Instrument Account (MTA) Balance (MT)	29,969	70,754	3,643	333,572	24,694	20,383	112,691	32,078	114,878	7,782	28,609	274,215	22,990	1,076,258		derived
MTA Shortfall (MT)	(4,233)	(9,778)	(1,167)	(24,073)	(6,546)	(5,205)	(25,913)	(13,320)	(15,891)	(524)	(3,961)	(36,316)	(4,011)	(150,938)	MTA SHORTFALL	Derived
Monthly GHG Price \$/MT	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	12.94	MTA SHORTFALL	ICE Index
GHG Minimum Cash Compliance Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MTA SHORTFALL	Derived
Current Month CCA Balance (\$)*	60,991	0	143	0	1,103	4,780	755	0	0	0	0	0	2,652	70,424	CCA BALANCE	Accounting
Net GHG Obligation (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NET GHG OBLIG	Derived

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



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 10

Date: August 31, 2016

Meeting Date: October 10, 2016

To: Lodi Energy Center Project Participant Committee

Subject: ACCO Engineered Systems, Inc. – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Recommendation

NCPA staff recommends that the PPC approve the Multi-Task General Services Agreement with ACCO Engineered Systems, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$750,000 over five years for HVAC maintenance services at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Background

Miscellaneous HVAC maintenance services are required at various NCPA locations as well as member facilities for the operation of the plants. ACCO Engineered Systems, Inc. is a provider of these services.

NCPA has an additional agreement in place for similar services with Johnson Controls.

Selection Process

This five year contract does not commit NCPA to any expenditure of funds. When these services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Total cost of the agreement is not-to-exceed \$750,000 over five years to be used out of NCPA approved budgets as services are rendered. 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 of the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with ACCO Engineered Systems, Inc.



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
ACCO ENGINEERED SYSTEMS, INC.**

This agreement for general services ("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 Acco Engineered Systems, Inc., a corporation with its office located at 6265 San Fernando Road, Glendale, CA 91201 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2016 ("Effective Date") in Roseville, California.

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

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

the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND** dollars (\$750,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

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

4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

- 4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
- 4.3 **Professional Liability Insurance.** [Intentionally omitted]
- 4.4 **Pollution Insurance.** [Intentionally omitted]
- 4.5 **All Policies Requirements.**
- 4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
- 4.7 **Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by

the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

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

Section 6. STATUS OF CONTRACTOR.

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

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and

interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

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

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

Section 7. LEGAL REQUIREMENTS.

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

California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

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

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by 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 Contractor shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

- 8.4.1 Immediately terminate the Agreement;
- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
- 8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such

copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

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

Section 11. WARRANTY.

- 11.1 **Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.
- 11.2 **Deficiencies in Work.** In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.
- 11.3 **Assignment of Warranties.** Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

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

- 12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-

compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

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

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, 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.
- 13.8 **Notices.** Any written notice to Contractor shall be sent to:

ACCO Engineered Systems, Inc.
Attention: Stephen Alwan
9290 Beatty Drive
Sacramento, CA 95826

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:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

- 13.9 **Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 **Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 13.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 13.11.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 13.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be

commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

13.11.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

13.11.6 The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

ACCO ENGINEERED SYSTEMS, INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

MICHAEL POTTS,
Service Branch Manager

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

EXHIBIT A

SCOPE OF WORK

ACCO Engineered Systems, Inc. ("Contractor") shall provide HVAC maintenance 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:

- HVAC maintenance
- Swamp Cooler maintenance
- Chiller maintenance

Preventative maintenance services specific to CT facilities to include:

GENERAL

General Operation & condition
Unusual noise & vibration

REFRIGERATION SYSTEM ☒

Align & adjust drives, belts, couplings
Record refrigerant & oil pressures
Check refrigerant charge & controls
Inspect shaft seals & packing
Operation of capacity & safety controls

CENTRIFUGAL CHILLER ☐

Chilled & condenser water circuits
Purge system
Oil system – level, pressure & proper operation of oil cooler & differential
Operating pressures, temps. & vacuum
Capacity & safety controls, flow j
switches, full load test chiller, check for proper starter operation

WATER TREATMENT ☐

Closed loop(s) only ☐
Water analysis
Add chemicals
Adjust bleed rate
Drain, flush & clean sumps

AIR HANDLING SYSTEMS ☒

Lubricate fan bearings
Check fan belts & drive alignment
Check/clean drip pans and drains
Check expansion valves & bulb clamps
Check condition of fans, scrolls & coils

HEATING SYSTEM ☒

Condition of heat exchangers
Heating coils, traps, strainers & valves
Electric resistance heaters
Operating & safety controls
Condensate return pump
Burner operation and flue stack
Expansion tank

WATER PUMPS

Condenser ☐ Chilled ☐ Hot ☐
Lubricate pump bearings
Check operating pressures
Check drive alignment
Check seals and packing glands
Purge air from pumps

CENTRAL CONTROLS ☐

Check/calibrate thermostats, humidistats
Check automatic control valves, damper & vane operators & central control panels

CONTROL AIR COMPRESSOR ☐

Check drive belt tension & alignment
Compressor oil level
Drain condensate from receiver
Operation & adjustment of pressure switch/valve

ELECTRICAL ☒

Record voltage & motor amperage
Lubricate motor bearings
Magnetic starter connections
Control box covers

CONDENSING MEDIUM

Tower ☐ Evaporative ☒ Air Cooled ☐
Lubricate fan bearings
Check condenser coil for leaks & scale
Clean air intake screens
Operating & safety controls
Check sumps, chemicals & algae
Dampers, damper motors & linkage
Eliminators & spray nozzles

SERVICE PROGRAMS

☐ **ACCOGUARD:** ACCO will regularly & systematically examine, adjust & lubricate your system as required; and, as conditions warrant, will repair or replace moving parts to keep your system operating. The ACCO GUARD agreement includes normal maintenance & emergency service labor, parts & repairs.

☒ **ACCOCARE:** ACCO will regularly and systematically examine, adjust & lubricate your system as required. Under an ACCOCARE agreement all other service calls, including labor & replacement parts, will be done on proper NORTHERN CALIFORNIA POWER AGENCY authorization and billed as extra.

☐ **ACCOSERVE:** ACCO will regularly & systematically examine, adjust & lubricate your system as required. The ACCOSERVE contract includes labor portion of normal maintenance, emergency service and cost of labor for repairs. All parts and materials will be billed extra.

☐ **ACCOAUDIT:** ACCO will, at regular intervals, supervise your employees or make an inspection of your system and report findings in writing. ACCOAUDIT Agreement cost is based on estimated time spent, or fixed fee.

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:

Standard Hourly Rate (East Bay): \$149.00 (3% annual increase)

Standard Hourly Rate (Sacramento): \$135.00 (3% annual increase)

Overtime Hourly Rate (East Bay): 1.5 x standard rate

Overtime Hourly Rate (Sacramento): 1.5 x standard rate

Pricing specific for CT facilities preventative maintenance services mentioned in Exhibit A:

- Annual price (Year 1): \$13,875.00, invoiced quarterly at \$3,468.75
- Annual Price (Year 2): \$14,291.25, invoiced quarterly at \$3,572.81
- Annual Price (Year 3): \$14,719.99, invoiced quarterly at \$3,680.00
- Annual Price (Year 4): \$15,161.59, invoiced quarterly at \$3,790.40
- Annual Price (Year 5): \$15,616.44, invoiced quarterly at \$3,904.11

Pricing for services to be performed at other NCPA facilities, NCPA Member or SPCPA locations will be quoted at the time services are requested.

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Stephen Alwan, Service Sales Manager

(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

ACCO Engineered Systems, Inc.

(Company name)

for contract work at

Lodi Energy Center, 12745 N. Thornton Road, Lodi, CA 95242

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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

NOT APPLICABLE - EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

EXHIBIT E

ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 11

Date: August 26, 2016

Meeting Date: October 10, 2016

To: Lodi Energy Center Project Participant Committee

Subject: Hart High-Voltage Apparatus Repair & Testing Co., Inc. – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Recommendation

NCPA staff recommends that the PPC approve the Multi-Task General Services Agreement with Hart High-Voltage Apparatus Repair & Testing Co., Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$700,000 over five years for electrical services at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Background

Electrical services are needed at various NCPA locations as well as member facilities for the operation of the plants. Hart High-Voltage Repair & Testing Co., Inc. is a supplier of these services.

Selection Process

This five year contract does not commit NCPA to any expenditure of funds. When these services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has agreements in place with Eaton Electrical Services, Electrical Maintenance Consultants and 3D Technical Services for similar services. NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Total cost of the agreement is not-to-exceed \$700,000 over five years to be used out of NCPA approved budgets as services are rendered. 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 of the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with Hart High-Voltage Apparatus Repair & Testing Co., Inc.



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
HART HIGH-VOLTAGE APPARATUS REPAIR AND TESTING CO., INC.**

This agreement for general services ("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 Hart High-Voltage Apparatus Repair & Testing Co., Inc., a corporation, with its office located at 1612 Poole Blvd., Yuba City, CA 95993 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2016 ("Effective Date") in Roseville, California.

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

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

the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SEVEN HUNDRED THOUSAND** dollars (\$700,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

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

4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 **Automobile Liability.** Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

- 4.2.3 **General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.
- 4.3 **Professional Liability Insurance.** Intentionally left blank.
- 4.5 **All Policies Requirements.**
- 4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
- 4.7 **Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees,

agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

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

Section 6. STATUS OF CONTRACTOR.

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

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to

Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

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

- 6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. LEGAL REQUIREMENTS.

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

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

Contractor shall be required to submit to the Agency during the contract period, copies of Public Works payroll reporting information per California Department of Industrial Relations, Form A- 1-131 (New 2-80) concerning work performed under this Agreement.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$50.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by 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 Contractor shall survive the termination of this Agreement.

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

- 8.4.1 Immediately terminate the Agreement;

- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
- 8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or
- 8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

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

prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

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

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

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

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

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

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

Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

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

Section 11. WARRANTY.

- 11.1 **Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in design and workmanship, and that Contractor shall perform all Work in accordance with applicable

federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

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

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

- 12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.
- 12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.
- 12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this

Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

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

Section 13 MISCELLANEOUS PROVISIONS.

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.

- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

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

- 13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, 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.
- 13.8 **Notices.** Any written notice to Contractor shall be sent to:

Hart High-Voltage Apparatus Repairs & Testing Co., Inc.
Attention: Jim Wolfgram
P.O. Box 3389
Yuba City, CA 95992

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:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

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

periods for filing a claim or action specified by Government Code §§ 900
et seq.

- 13.12 **Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.
- 13.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 13.14 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 13.15 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

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

NORTHERN CALIFORNIA POWER AGENCY

HART HIGH-VOLTAGE APPARATUS
REPAIRS & TESTING CO., INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

JIM WOLFGRAM,
President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

EXHIBIT A

SCOPE OF WORK

Hart High-Voltage Apparatus Repairs & Testing Co., Inc. ("Contractor") shall provide specialized electrical 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:

Core testing performed as follows:

- Microprocessor, solid state and electro-mechanical protective relays (setting, programming etc.)
- Current transformers
- Potential transformers
- Current circuit verification
- Potential circuit verification
- Control circuit verification
- Open air disconnect switch
- Circuit breaker
- Transformer
- Generator
- Grounding

Typical substation tests performed as follows:

- Protective relays: Perform automated and manual testing using 3Ø voltage and 3Ø current test sets, verify logic.
- Current transformers: Ratio, saturation, power factor, insulation resistance.
- Potential transformers: Ratio, power factor, insulation resistance.
- Current circuit: Burden, circuit verification per drawings.
- Potential circuit: Burden, circuit verification per drawings.
- Control circuit: Circuit verification per drawings.
- Open air disconnect: Contact resistance, insulation resistance, operational.
- Circuit breaker: Contact resistance, insulation resistance, time travel, power factor, insulation resistance, operational.
- Transformer: Power factor, excitation, turns ratio, wdg resistance, insulation resistance, dielectric, sweep frequency response, operational.
- Generator: Insulation resistance, wdg resistance, power factor.
- Grounding: Resistance to remote earth, point-to-point.

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:

Billing Rates	Straight Time*	Overtime**	Double-time***
Field Technicians	\$155.00/Hour	\$232.50/Hour	\$310.00/Hour

* Straight time rates apply to all work or travel during a normal eight hour workday, Monday–Friday, excluding Holidays.

** Overtime rates apply to all work or travel time other than that qualifying as straight time.

*** Double-time rates apply to all nationally recognized holidays, Sundays, and after 12 hours.

<u>Minimum Billing</u>	<u>0 - 4/hrs Billed @ 4.0hrs + Exp</u>
	<u>4 - 8/hrs Billed @ 8.0hrs + Exp</u>

Equipment Charges (Partial List)

Doble Power Factor Test Set M-4000	\$500.00/Day
AVO MPRT	\$120.00/Day
Multi-Amp PS 9160 High Current Test Set	\$100.00/Day
Multi-Amp CB 845 High Current Test Set	\$ 50.00/Day
Multi-Amp CTER 91 Current Transformer Test Set	\$ 60.00/Day
Multi-Amp Pulsar Relay Test Set	\$ 80.00/Day
Multi-Amp SR 90 Relay Test Set	\$ 60.00/Day
Vanguard Transformer Ohmmeter	\$ 50.00/Day
Vanguard Time Travel Analyzer	\$ 50.00/Day
Biddle 5 KV Motorized Meggar	\$ 50.00/Day
Biddle DLRO Ductor	\$ 25.00/Day
Biddle TTR Test Set	\$ 25.00/Day
Hipotronics 80 KV HiPot	\$ 50.00/Day
Biddle DET 2/2 Earth Tester	\$ 50.00/Day

Expenses

Living Expenses	\$220.00/Per Diem/Per Man
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Miscellaneous expenses such as equipment rental, parking, telephone, bridge tolls, automobile rentals, and expendable materials will be billed at cost plus 30% plus applicable tax and freight charges.

Mileage

Under 1 Ton	\$ 1.46/Mile Portal – To – Portal
1 Ton and Over	\$ 1.66/Mile Portal – To – Portal

Pricing excludes any bonds, fees, permits, and/or owner controlled insurance programs that are project related. If an OCIP is required, a separate proposal will be submitted to cover the additional insurance costs.

All rates subject to annual adjustment upon 30 days' written notice to Agency.

Invoices not paid per terms will be subject to a 1-½% per month service charge.

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 Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

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

HART HIGH-VOLTAGE APPARATUS REPAIRS & TESTING CO., INC.

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

EXHIBIT D – NOT APPLICABLE

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

EXHIBIT E – NOT APPLICABLE

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

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

The undersigned hereby certifies and agrees that:

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

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 12

Date: September 29, 2016

Meeting Date: October 10, 2016

To: Lodi Energy Center Project Participant Committee

Subject: Burns & McDonnell – Five Year Multi-Task Professional Services Agreement;
Applicable to the following projects: All NCPA Locations, Members, SCPPA,
and SCPPA Members

Recommendation

NCPA staff recommends that the PPC approve the Multi-Task Professional Services Agreement with Burns & McDonnell with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for consulting services related to project support and plant operations, at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Background

Consulting services related to project support and plant operations are needed at various NCPA facility locations as well as member facilities for the operation of plants. Burns & McDonnell is a provider of these services.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place three other enabling agreements for similar services with Black & Veatch Construction, In., IEC Corporation, and Worley Parsons. NCPA will seek bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. 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 of the California Environmental Quality Act. No environmental review is necessary.

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Professional Services Agreement with Burns & McDonnell



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
BURNS & MCDONNELL ENGINEERING COMPANY, INC.**

This agreement for professional services ("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 Burns & McDonnell Engineering Company, Inc., a Missouri corporation, with its office located at 9400 Ward Parkway, Kansas City, MO 64114 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2016 ("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 Work attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified in the appropriate Purchase Order.

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end five (5) years from the date this Agreement was signed by Agency; provided that if Services due under a Purchase Order are still outstanding at that time, the Agreement shall end upon completion of such Services.
- 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 in the same geographical location and for which Consultant is providing the Services ("Standard of Care"). Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein. If Consultant fails to meet the foregoing Standard of Care, Consultant will re-perform at its own cost, and without reimbursement from the Agency, the Services necessary to correct negligent errors and omissions which are caused by Consultant's failure to comply with the above standards and practices, and which are reported to Consultant within one year from the completion of such Services. This obligation to re-perform the Services necessary to correct negligent errors and omissions which are caused by Consultant's failure to comply with the above Standard of Care is Consultant's sole obligation and Agency's sole and exclusive remedy with respect to defects in the quality of the Services.
- 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 business 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 fails to respond within such time and agree to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement, and its Exhibits, the Purchase Order is deemed rejected and Agency shall not be bound by the Purchase Order issued to Consultant.

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 one million dollars (\$1,000,000) per accident, each employee by disease, and policy limit by disease.
- 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 loss or liability, including the cost of defense of a claim, for bodily injury, death, personal injury and broad form property damage which may be caused by the operations of Consultant. The policy shall provide a limit of \$1,000,000 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 Commercial General Liability. No endorsement shall be attached limiting coverage which is materially related to the Scope of Work under this Agreement.

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering a loss or liability, including the cost of defense of an action, caused by 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 limit of \$1,000,000 per each accident. 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 or Excess Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella/excess 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 of one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. 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 Cancellation of Coverage. Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount below the

amounts required herein, cancellation, or modification adverse to Agency making Consultant non-compliant with the requirements herein of the policies referenced in Section 4.

4.4.3 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or 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.

4.5 Waiver of Subrogation. 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.

4.6 Consultant's Obligation. Consultant shall be solely responsible for requiring 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 require that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims for bodily injury (including death) or property damage to the extent caused by 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 that 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, recklessness, 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.

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 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 insured in all respects commensurate with the size of the subcontract.
- 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, including any written waivers and releases, 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 deliverable 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 is 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 DELIVERABLES.

- 9.1 **Deliverables Created as Part of Consultant's Performance.** All deliverables in electronic or any other form, that Consultant prepares pursuant to this Agreement and that relate to the matters covered hereunder shall become the property of the Agency upon full payment of all amounts properly due hereunder. 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 intended to be utilized exclusively for the project and location contemplated under the Agreement. Any completion, extension, or modification of deliverables by Agency or others without participation by 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).

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. In no event shall Agency be entitled to audit the composition of any agreed upon fixed rates or percentage multipliers nor shall it be entitled to audit any rates, charges, costs, hours worked or expenses related to work performed on a lump sum or fixed price basis. Notwithstanding the preceding sentence, Consultant understands and agrees that Agency can make no representations or promises concerning the scope or extent of an audit by the State Auditor.

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"). During the term of this Agreement and five (5) years thereafter, the Receiving Party shall: (a) hold the Disclosing Party's Confidential Information in confidence; (b) take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential

Information; and (c) return or destroy all Confidential Information (including all copies thereof) within thirty (30) days of receipt of a written request from the Disclosing Party.

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 Ken Speer, Assistant General Manager, or his 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:

Burns & McDonnell
Attn. Mr. Adam Young, PE, Project Manager
9400 Ward Parkway
Kansas City, MO 64114

With a copy sent to:
Burns & McDonnell
Attn: General Counsel
9400 Ward Parkway,
Kansas City, MO 64114

Any written notice to Agency shall be sent to:

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

With a copy to:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

- 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.
- 10.16 **Agency Provided Information.** Consultant shall have no liability for defects in the Services attributable to Consultant's reliance upon or use of data, design criteria, drawings, specifications, or other information furnished by Agency or third parties not under contract to Consultant (collectively, for purposes of this Section 10.16, "Third Party Information"); provided, however, that: (1) this provision shall not excuse Consultant's failure to perform the Services to the Standard of Care in Section 1.2 of this Agreement; and (2) where the scope of services includes checking or verifying the accuracy of Third Party Information, this provision shall not excuse Consultant from performing such checking or verifying to the Standard of Care in Section 1.2.

10.17 Contractor Safety. Consultant shall be responsible for the safety of its own employees at all times during the performance of any Services. Consultant's safety program shall include all requisite components required under Federal, state and local regulations and, if applicable, shall comply with all Agency or project site programs.

10.17.1 Consultant shall not be responsible for: (a) construction means, methods, techniques, sequences, procedures, or safety precautions and programs in connection with work related to the Services; (b) the failure of any of Agency's other contractors or consultants or their respective employees, subcontractors, vendors, or other project participants, not under contract to Consultant, to fulfill contractual responsibilities to Agency or to comply with federal, state, or local laws, regulations, and codes; or (c) procuring permits, certificates, and licenses required for any construction; provided, however, that this Section 10.17.1 shall not apply where the Services specified in a Purchase Order specifically include these responsibilities.

10.17.2 Consultant shall not have the authority to direct, control or stop the work of Agency's contractors or consultants or their respective employees, subcontractors or vendors; provided, however, that this Section 10.17.2 shall not apply where the Services specified in a Purchase Order specifically include these responsibilities.

10.18 Cost Estimates. Estimates and projections prepared by Consultant relating to construction costs and schedules, operation and maintenance costs, equipment characteristics and performance, and operating results are based on Consultant's experience, qualifications, and judgment as a design professional. Since Consultant has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractors' procedures and methods, unavoidable delays, construction contractors' methods of determining prices, economic conditions, competitive bidding or market conditions, and other factors affecting such cost opinions or projections, Consultant does not guarantee that actual rates, costs, performance, schedules, and related items will not vary from cost estimates and projections prepared by Consultant.

10.19 Contractor Liability. In no event shall either Party or its subcontractors or subconsultants, of any tier, be liable in contract, tort, strict liability, warranty or otherwise, for any special, incidental, exemplary or consequential damages, such as, but not limited to, delay, disruption, loss of product, loss of anticipated profits or revenue, loss of use of the equipment or system, non-operation or increased expense of operation of other equipment or systems, cost of capital, or cost of purchase or replacement equipment, systems or power. In addition, to the fullest extent permissible by law, and notwithstanding any other provision of this Agreement or any Purchase Order, the total liability, in the aggregate, of Consultant, its officers, directors, shareholders, employees, agents, subcontractors and subconsultants, and any of them, to Agency and anyone claiming by,

through or under Agency, for any and all claims, losses, liabilities, costs or damages whatsoever arising out of, resulting from or in any way related to the Services or this Agreement or any Purchase Order from any claim, including, but not limited to, tort claims, claims of negligence (of any degree), professional errors or omissions, breach of contract, breach of warranty, indemnity claims and strict liability of Consultant, its officers, directors, shareholders, employees, agents, subcontractors and subconsultants, and any of them, shall not exceed Two Million dollars (\$2,000,000.00).

- 10.20 Hazardous Materials.** "Hazardous Waste" means any toxic or radioactive substance so defined under applicable federal, state or local laws or regulations. "Pre-Existing Contamination" is any Hazardous Waste present at the job site that was not brought onto such site by Consultant or at the direction of Consultant. Notwithstanding anything in this Agreement to the contrary, title to, ownership of, and legal responsibility and liability for Pre-Existing Contamination shall at all times remain with Agency. Agency agrees to release, defend, indemnify, and hold Consultant harmless from and against any and all liability and claims, including attorneys' fees, that may in any manner arise in any way directly or indirectly from such Pre-Existing Contamination. This indemnification obligation shall survive the completion or termination of the Agreement.

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

NORTHERN CALIFORNIA POWER AGENCY

BURNS & MCDONNELL ENGINEERING
COMPANY, INC.

Date_____

Date_____

Randy S. Howard, General Manager

Jeff Greig, Senior Vice President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

EXHIBIT A

SCOPE OF SERVICES

Burns & McDonnell ("Consultant") shall provide the Northern California Power Agency ("Agency") and, pursuant to Section 1.4 of the Agreement, Agency members, the Southern California Public Power Authority ("SCPPA"), and SCPPA members, with consulting services related to project support and plant operations as needed. The scope of the Consulting services performed under the Agreement will be defined on an individual Purchase Order basis.

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

- Feasibility Studies
- Business Model Development
- Forecasting and Resource Planning
- Transmission & Distribution Planning
- Technology Assessments
- Power Project Development
- Renewable Resource Development
- Valuations and Appraisals
- Cost of Service and Rate Studies
- Engineer of Record
- NERC Compliance
- Environmental Studies & Permitting
- Conceptual Design
- Cost Estimating
- Contract Planning
- Engineering Services (preliminary and detailed)
- Engineering Studies
- Execution Planning
- Operations and Maintenance Evaluation and Support
- Vendor Quality Assurance
- Construction Management
- Start-up and Commissioning Service
- Customer Information System Services
- Meter Data Management System Services
- Advanced Metering Infrastructure Services
- Smart Grid Solutions
- Technology Advisory Services
- Project Management Services
- Smart Grid Consulting Services

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 of the Agreement. Consultant may increase the rates once per calendar year by an amount not to exceed three percent (3%) per year after the first year of the Agreement. Consultant shall notify Agency of any rate increase in writing at least thirty (30) calendar days prior to the effective date of the increase. The hourly rates for providing professional services and method of expense reimbursement is included on the following page within Exhibit B.

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.

Schedule of Hourly Professional Service Billing Rates

Position Classification	Classification Level	Hourly Billing Rate
General Office *	5	\$62.00
Technician *	6	76.00
Assistant *	7	87.00
	8	119.00
	9	139.00
Staff *	10	157.00
	11	171.00
Senior	12	189.00
	13	209.00
Associate	14	218.00
	15	231.00
	16	235.00
	17	240.00

NOTES:

1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Associate", "Senior", etc., refer to such positions as "Associate Engineer", "Senior Architect", etc.
2. For any nonexempt personnel in positions marked with an asterisk (*), overtime will be billed at 1.5 times the hourly labor billing rates shown.
3. Project time spent by corporate officers will be billed at the Level 17 rate plus 25 percent.
4. For outside expenses incurred by Burns & McDonnell, such as authorized travel and subsistence, and for services rendered by others such as subcontractors, the client shall pay the cost to Burns & McDonnell plus 10%.
5. A technology charge of \$9.95 per labor hour will be billed for normal computer usage, computer aided drafting (CAD) long distance telephone, fax, photocopy and mail services. Specialty items (such as web and video conferencing) are not included in the technology charge.
6. Monthly invoices will be submitted for payment covering services and expenses during the preceding month. Invoices are due upon receipt. A late payment charge of 1.5% per month will be added to all amounts not paid within 30 days of the invoice date.
7. The services of contract/agency and/or any personnel of a Burns & McDonnell subsidiary or affiliate shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.
8. The rates shown above are effective for services through December 31, 2016, and are subject to revision thereafter.

Form BMR1016

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:

BURNS & McDONNELL ENGINEERING COMPANY, INC.
(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. Thornton Road, Lodi, CA 95242

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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

2676668.10



PROPOSED
**LEC PROJECT PARTICIPANT COMMITTEE
MEETING SCHEDULE 2017**

January 9

February 13

March 13

April 10

May 8

June 12

July 10

August 14

September 11

October 9 (Columbus Day)

November 13

December 11

These dates are the second Monday of each month.



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 14

Date: October 10, 2016

To: Lodi Energy Center Project Participant Committee

Subject: Approval of updated Exhibit 8 of PMOA Agreement Schedule 1.00

Proposal

Staff is seeking approval of the revised Exhibit 8 to Schedule 1.00 of the PMOA to reflect updated CAISO settlement charge codes and to reflect retirement of the corresponding charge codes related to the existing Flexible Ramping Constraint and Resource Adequacy Standard Capacity Product.

Background

NCPA and the LEC Project Participants executed the Lodi Energy Center Project Management and Operations Agreement (PMOA), which became effective on August 1, 2010. The PMOA contains multiple Schedules, which provide procedures and protocols, and guidelines regarding Project operations. Pursuant to the PMOA, Schedules can be revised, deleted or added from time to time based on then existing operating or market conditions, and subject to the approval of the Project Participant Committee (PPC), and with regard to certain Schedules, approval additionally by the NCPA Commission when such Schedules "...could be reasonably viewed as having an impact on other NCPA projects." (PMOA, Article 10).

Staff is recommending changes to Exhibit 8 of PMOA Agreement Schedule 1.00, which identifies CAISO settlement charge codes that are applicable to the LEC Project and their respective allocation basis to Project Participants. A completed "marked" version of the proposed Exhibit 8 is attached to this staff report reflecting the specific changes staff is recommending.

These changes to Exhibit 8 are necessary to reflect the addition of new settlement charge codes associated with the CAISO's Flexible Ramping Product and Resource Adequacy Availability Incentive Mechanism that are scheduled to become effective November 1, 2016. In addition, Exhibit 8 has been modified to indicate a number of existing, related settlement charge codes that are scheduled to be retired by the CAISO effective October 31, 2016.

Fiscal Impact

No significant costs will be incurred to implement the changes to the PMOA Schedules and funds are available in the NCPA budget to support the work associated with these contract updates.

Environmental Analysis

This activity 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.

Recommendation

NCPA staff recommends that the PPC pass a motion approving changes to Exhibit 8 of PMOA Schedule 1.00 as attached to this staff report and described herein.

Respectfully submitted,



DONNA STEVENER
Assistant General Manager/CFO

Prepared by:



ROBERT CARACRISTI
Manager, Information Services and
Power Settlements

Attachments

- Redline copy of Exhibit 8 of PMOA Agreement Schedule 1.00

EXHIBIT 8

Settlement of CAISO Charge Codes and Allocations to Participants

The Project will utilize NCPA's current CAISO SCID. The CAISO Settlement Charges shall be determined by the CAISO Tariff and is typically available on the CAISO's website as "ISO Market Charge Codes Matrix" that the CAISO updates periodically. Below is a subset of CAISO Market Charge Codes that apply to the Project.

Charge Code	Charge Code Name	Short Description	Allocation Basis
4512	GMC Inter-Scheduling Coordinator Trade Transaction Fee	Accounts for Inter-SC Trade (IST) Schedules in both the Day Ahead and Real Time Markets.	Allocated to the Project Participant/s who initiated the Trade based on unique scheduling SC IST name
4515	GMC Bid Transaction Fee	Accounts for the CAISO fee per bid segment for each Resource's final Clean Bids, Self Schedules, and Self Provisions.	Generation Entitlement Share
4560	GMC Market Services Charge	Designed to recover costs the CAISO incurs for implementing and running the Markets.	Generation Entitlement Share
4561	GMC System Operations Charge	Designed to recover costs the CAISO incurs for running the Grid in Real Time.	Generation Entitlement Share
6124	No Pay Spinning Reserve Settlement	Rescinds payments for Day Ahead, HASP, and Real Time Spinning Reserve Awards in the event the Resource does not fulfill the requirements associated with that payment.	Generation Entitlement Share
6486	Real Time Excess Cost for Instructed Energy Allocation	Allocates the excess cost payments to Scheduling Coordinators.	Generation Entitlement Share
6524	No Pay Regulation Up Settlement	Rescinds payments for Day Ahead, HASP, and Real Time Regulation Up Awards in the event the Resource does not fulfill the requirements associated with that payment.	Generation Entitlement Share
6624	No Pay Regulation Down Settlement	Rescinds payments for Day Ahead, HASP, and Real Time Regulation Down Awards in the event the Resource does not fulfill the requirements associated with that payment.	Generation Entitlement Share

Exhibit 8 to Agreement Schedule 1.00

LEC Project Management and Operations Agreement

Approved PPC ~~4-13-2015~~

Approved Commission and Effective ~~4-23-2015~~

Charge Code	Charge Code Name	Short Description	Allocation Basis
7056	Daily Flexible Ramp Cost Allocation	Accounts for the costs associated with the payments to Resources that resolve the flexible ramping constraint.	Generation Entitlement Share
7058	Monthly Flexible Ramp Cost Allocation	Reallocates the monthly total flexible ramp supply costs reversed in charge code 7057 to suppliers based upon monthly gross negative supply deviations.	Generation Entitlement Share
<u>7077</u>	<u>Daily Flexible Ramp Up Uncertainty Allocation</u>	<u>Allocates Flexible Ramp Up Uncertainty amounts to resources based on the negative sum of the resource's Uncertainty Movement and Uninstructed Imbalance Energy</u>	<u>Generation Entitlement Share</u>
<u>7078</u>	<u>DailyMonthly Flexible Ramp Up Uncertainty Allocation</u>	<u>Allocates Flexible Ramp Up Uncertainty amounts to resources based on the negative sum of the resource's Uncertainty Movement and Uninstructed Imbalance Energy</u>	<u>Generation Entitlement Share</u>
<u>7087</u>	<u>Daily Flexible Ramp Down Uncertainty Allocation</u>	<u>Allocates Flexible Ramp Down Uncertainty amounts to resources based on the positive sum of the resource's Uncertainty Movement and Uninstructed Imbalance Energy</u>	<u>Generation Entitlement Share</u>
<u>7088</u>	<u>Monthly Flexible Ramp Down Uncertainty Allocation</u>	<u>Allocates Flexible Ramp Down Uncertainty amounts to resources based on the positive sum of the resource's Uncertainty Movement and Uninstructed Imbalance Energy</u>	<u>Generation Entitlement Share</u>
7999	Invoice Deviation Interest Allocation	Accounts for interest charges to Scheduling Coordinators for time value of money between CAISO Invoices.	ESP Invoice Deviation Amount deltas
<u>8830</u>	<u>Resource Adequacy Availability Incentive Mechanism AllocationSettlement</u>	<u>Represents a charge to any RA Resource that failed to meet the monthly Availability Standard minus the tolerance band of 2%.</u>	<u>Pro-rata assessment to LEC Project Participants who claim LEC for RA Capacity for the applicable month</u>
8824	Monthly Resource Adequacy Standard Capacity Product Non-Availability Charge	Accounts for the CAISO's non-availability charges to any Resource Adequacy Resource which fails to meet the CAISO-defined Availability Standard.	Pro-rata assessment to LEC Participants who claim LEC for RA Capacity for applicable month

- CC 7078 and 8830 Charge Code Names revised and updated on 10/6/2016

Exhibit 8 to Agreement Schedule 1.00
LEC Project Management and Operations Agreement
Approved PPC ~~4-13-2015~~
Approved Commission and Effective ~~4-23-2015~~

LEC ISO Net Energy Sales Charge Codes

Charge Code	Charge Code Name	Short Description	Allocation Basis
6011	Day Ahead Energy, Congestion, and Losses Settlement	Settles Day Ahead Schedules by paying for Supply and charging for Demand based upon the LMP at Resource Locations for each hour.	Generation Entitlement Share
6100	Day Ahead Spinning Reserve Capacity Settlement	Pays Scheduling Coordinators for awarded Spinning Reserve in the Day Ahead Market.	Generation Entitlement Share
6170	Real Time Spinning Reserve Capacity Settlement	Pays Scheduling Coordinators for awarded Spinning Reserve in the Real Time Market.	Generation Entitlement Share
6301	Day Ahead Inter-SC Trades Settlement Physical and Converted Physical Trades	Accounts for Energy Trades between Scheduling Coordinators in the Day Ahead Market. The “From” SC is charged the product of the valid quantity and the LMP. The “To” SC is paid the product of the valid quantity and the LMP. This could be a cost or revenue.	Allocated to the Project Participant/s who initiated the Trade based on unique scheduling SC IST name
6371	FMM Inter-SC Trades Settlements	Accounts for Energy Trades between Scheduling Coordinators during the Fifteen Minute Market (FMM). The “From” SC is charged the product of the valid quantity and the LMP. The “To” SC is paid the product of the valid quantity and the LMP. This could be a cost or revenue.	Allocated to the Project Participant/s who initiated the Trade based on unique scheduling SC IST name
6460	FMM IIE	FMM Instructed Imbalance Energy is the incremental or decremental energy to the Day Ahead Schedule. This could be a cost or revenue.	Generation Entitlement Share

Exhibit 8 to Agreement Schedule 1.00

LEC Project Management and Operations Agreement

Approved PPC ~~4-13-2015~~

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Charge Code	Charge Code Name	Short Description	Allocation Basis
6470	RTD IIE	Based upon the calculated energy expected to be produced or consumed as a result of responding to Real Time Dispatch Instructions. This could be a cost or revenue.	Generation Entitlement Share
6475	Real Time Uninstructed Imbalance Energy	Accounts for deviations from a Resource's Instructed Imbalance Energy and Day Ahead Schedule. This could be a cost or revenue.	Generation Entitlement Share
6488	Exceptional Dispatch Uplift Settlement	Accounts for the Excess Cost Payment (Uplift) above the RT LMP to a Resource's Bid Price for exceptional dispatches that are used to mitigate or resolve congestion as a result of transmission-related modeling limitations in the Full Network Model.	Generation Entitlement Share
6500	Day Ahead Regulation Up Capacity Settlement	Pays Scheduling Coordinators for awarded Regulation Up in the Day Ahead Market.	Generation Entitlement Share
6570	Real Time Regulation Up Capacity Settlement	Pays Scheduling Coordinators for awarded Regulation Up in the Real Time Market.	Generation Entitlement Share
6600	Day Ahead Regulation Down Capacity Settlement	Pays Scheduling Coordinators for awarded Regulation Down in the Day Ahead Market.	Generation Entitlement Share
6620	Real Time Bid Cost Recovery Settlement	Pays Scheduling Coordinators an uplift to ensure start up costs, bid costs, and minimum load costs are able to be recovered related to Real Time Market.	Generation Entitlement Share
6630	Day Ahead Bid Cost Recovery	Pays Scheduling Coordinators an uplift to ensure start up costs, bid costs, and minimum load costs are able to be recovered related to Day Ahead Market.	Generation Entitlement Share
6670	Real Time Regulation Down Capacity Settlement	Pays Scheduling Coordinators for awarded Regulation Down in the Real Time Market.	Generation Entitlement Share
<u>7070</u>	<u>Flexible Ramp Forecasted Movement</u>	<u>Pays or charges Scheduling Coordinators for the flexible ramp forecasted movement assessment inclusive of rescission</u> <u>This could be a cost or revenue.</u>	<u>Generation Entitlement Share</u>

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LEC Project Management and Operations Agreement

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Charge Code	Charge Code Name	Short Description	Allocation Basis
7071	Flexible Ramp Up Uncertainty Settlement	Pays Scheduling Coordinators for Flexible Ramp Up Uncertainty capability to resolve the Uncertainty Requirement	Generation Entitlement Share
7081	Flexible Ramp Down Uncertainty Settlement	Pays Scheduling Coordinators for Flexible Ramp Down Uncertainty capability to resolve the Uncertainty Requirement	Generation Entitlement Share
7050	Flexible Ramp Up Capacity Payment	Provides a payment to Resources that resolve the flexible ramping constraint and have been awarded Flexible Ramping Capacity.	Generation Entitlement Share
7057	Monthly Flex Ramp Up Supply Cost Allocation Reversal	Sums the daily Flexible Ramp Supply Costs in charge code 7056 to a monthly total and reverses them. They are then reallocated in charge code 7058.	Generation Entitlement Share
7251	Regulation Up Mileage Settlement	Settles the quantity of frequency Regulation Up service provided by a Resource when accurately following a control signal from the CAISO.	Generation Entitlement Share
7261	Regulation Down Mileage Settlement	Settles the quantity of frequency Regulation Down service provided by a Resource when accurately following a control signal from the CAISO.	Generation Entitlement Share
7989	Invoice Deviation Interest Settlement	Accounts for interest payments to Scheduling Coordinators.	ESP Invoice Deviation Amount
8526	Generator Interconnection Process (GIP) Forfeited Deposit Allocation	This charge code is associated with the forfeited deposit amounts collected by the CAISO throughout the various stages of the GIP, which are then allocated to Scheduling Coordinators in proportion to their respective share of assessed Grid Management Charges (GMC) during the defined calendar year, consistent with CAISO Tariff section 37.9.4.	For the applicable defined calendar year, an LEC Participant's allocated CC 8526 amount is its ratio of assessed GMC amounts attributable to the Project and the total GMC amounts assessed to NCPA.

Exhibit 8 to Agreement Schedule 1.00

LEC Project Management and Operations Agreement

Approved PPC ~~4-13-2015~~

Approved Commission and Effective ~~4-23-2015~~

Charge Code	Charge Code Name	Short Description	Allocation Basis
<u>8831</u>	<u>Resource Adequacy Availability Incentive Mechanism Settlement Allocation</u>	<u>Represents a payment to any RA Resource that exceeds the monthly Availability Standard plus the tolerance band of 2.0%</u>	<u>Pro-rata assessment to LEC Project Participants who claim LEC for RA Capacity for the applicable month.</u>
<u>8820</u>	<u>Monthly Resource Adequacy Standard Capacity Product Non-Availability Allocation</u>	<u>Accounts for the CAISO's allocation of non-availability charges collected from Resource Adequacy Resources which fail to meet the CAISO-defined Availability Standard.</u>	<u>Pro-rata assessment to LEC Participants who claim LEC for RA Capacity for applicable month.</u>

- CC 8831 Charge Code Name revised and updated on 10/6/2016

Retired CAISO Charge Codes

<u>Charge Code</u>	<u>Charge Code Name</u>	<u>Short Description</u>	<u>Allocation Basis</u>	<u>Effective Retirement Date</u>
<u>7050</u>	<u>Flexible Ramp Up Capacity Payment</u>	<u>Provides a payment to Resources that resolve the flexible ramping constraint and have been awarded Flexible Ramping Capacity.</u>	<u>Generation Entitlement Share</u>	<u>10/31/2016</u>
<u>7057</u>	<u>Monthly Flex Ramp Up Supply Cost Allocation Reversal</u>	<u>Sums the daily Flexible Ramp Supply Costs in charge code 7056 to a monthly total and reverses them. They are then reallocated in charge code 7058.</u>	<u>Generation Entitlement Share</u>	<u>10/31/2016</u>
<u>7056</u>	<u>Daily Flexible Ramp Cost Allocation</u>	<u>Accounts for the costs associated with the payments to Resources that resolve the flexible ramping constraint.</u>	<u>Generation Entitlement Share</u>	<u>10/31/2016</u>
<u>7058</u>	<u>Monthly Flexible Ramp Cost Allocation</u>	<u>Reallocates the monthly total flexible ramp supply costs reversed in charge code 7057 to suppliers based upon monthly gross negative supply deviations.</u>	<u>Generation Entitlement Share</u>	<u>10/31/2016</u>

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<u>Charge Code</u>	<u>Charge Code Name</u>	<u>Short Description</u>	<u>Allocation Basis</u>	<u>Effective Retirement Date</u>
<u>8820</u>	<u>Monthly Resource Adequacy Standard Capacity Product Availability Incentive Payment</u>	<u>Accounts for the CAISO's distribution of availability incentive payment for qualifying resources.</u>	<u>Pro-rata assessment to LEC Participants who claim LEC for RA Capacity for applicable month</u>	<u>10/31/2016</u>
<u>8824</u>	<u>Monthly Resource Adequacy Standard Capacity Product Non-Availability Charge</u>	<u>Accounts for the CAISO's non availability charges to any Resource Adequacy Resource which fails to meet the CAISO-defined Availability Standard.</u>	<u>Pro-rata assessment to LEC Participants who claim LEC for RA Capacity for applicable month</u>	<u>10/31/2016</u>

Exhibit 8 to Agreement Schedule 1.00
LEC Project Management and Operations Agreement
Approved PPC ~~4-13-2015~~
Approved Commission and Effective ~~4-23-2015~~



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 15

Date: October 6, 2016

Meeting Date: October 10, 2016

To: Lodi Energy Center Project Participant Committee

Subject: Siemens Energy, Inc. – First Amendment to Three Year Multi-Task General Services Agreement for T3000 Services; Applicable to the following projects: NCPA Geothermal and Lodi Energy Center Facility Locations

Recommendation

NCPA staff recommends that the PPC approve a First Amendment to the Multi-Task General Services Agreement with Siemens Energy, Inc. for SPPA-T3000 Control System related services at the Lodi Energy Center and Geothermal facilities, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,050,000 over three years, and to approve issuance of a purchase order to Siemens Energy, Inc. in an amount not to exceed \$425,000 for a T3000 software upgrade at the Lodi Energy Center facility.

Background

On December 12, 2014, NCPA and Siemens Energy, Inc. entered into a three year Multi-Task General Services Agreement for T3000 Control System maintenance and support at the Geothermal and Lodi Energy Center facilities. Siemens recently conducted a Life Cycle planning document and it was determined that a software upgrade was required for the Lodi Energy Center. This upgrade is needed in order to keep the plant up-to-date with the latest security and anti-virus protocols as well as technological advances in software and hardware, ensuring that components can be updated without a complete system replacement. This amendment seeks to increase the dollar amount of the agreement from not to exceed \$600,000 to not to exceed \$1,050,000, modify Exhibit A, Scope of Work, and modify Exhibit B, Compensation Schedule and Hourly Fees.

Selection Process

Agency recommends approval of a sole source purchase of these software upgrade services since Siemens Energy, Inc. is the original equipment manufacturer (OEM) and can provide knowledge and support unavailable to other vendors as a non-OEM authorized supplier. The software contains proprietary code regarding the control algorithms for the plant's operation.

Fiscal Impact

Total cost of the agreement is not to exceed \$1,050,000 over the three year term to be used out of NCPA approved budgets as services are rendered. The LEC upgrade project is included in the current fiscal year budget. Funds are available in the Lodi Energy Center Capital Projects Software account to fund this project.

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:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (3)

- First Amendment to Multi-Task General Services Agreement with Siemens Energy, Inc.
- Multi-Task General Services Agreement with Siemens Energy, Inc. dated December 12, 2014



**FIRST AMENDMENT TO MULTI-TASK GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND SIEMENS ENERGY, INC.**

This First Amendment ("Amendment") to Multi-Task Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Siemens Energy, Inc. ("Contractor") (collectively referred to as "the Parties") as of _____, 2016.

WHEREAS, the Parties entered into a Multi-Task Services Agreement dated effective December 12, 2014, (the "Agreement") for Contractor to provide SPPA-T3000 Control System maintenance and support at the NCPA Lodi Energy Center and Geothermal facilities; 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 \$600,000.00 to a 'NOT TO EXCEED' amount of \$1,050,000.00; and

WHEREAS, the Agency now desires to amend the Description of Work set forth in Exhibit A to the Agreement to add upgrades and integration services as may be requested by the Agency; and

WHEREAS, the Agency now desires to amend the Compensation Schedule set forth in Exhibit B to the agreement for these additional services; and

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

WHEREAS, in accordance with Section 8.3 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

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

Agency hereby agrees to pay Contractor an amount NOT TO EXCEED ONE MILLION FIFTY THOUSAND dollars (\$1,050,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

2. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.

3. Exhibit B – COMPENSATION SCHEDULE is amended and restated to read in full as set forth in the Attached Exhibit B.
4. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date:_____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date:_____

SIEMENS ENERGY, INC.

Authorized signatory

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

EXHIBIT A

Siemens Energy, Inc. ("Contractor") shall provide T3000 Long Term Service Plan services, upgrade services and integration services as requested by the Northern California Power Agency ("Agency").

Long Term Service Plan services to include, but not be limited to the following:

Plan Management and Support

The foundation of the Long Term Service Plan is the philosophy by which it is managed and supported. The Service team's goal is customer care. The Plan Management and Support structure includes:

- A dedicated, regional LTSP Manager (Service Project Lead)
- Central office support (Alpharetta, GA), leveraging cumulative process knowledge and product experience derived from direct field engineering on Siemens SPPA systems

SPPA-View Access

Included in Plan Management and Support is access to SPPA-View. SPPA-View is a powerful tool for presenting SPPA-T3000 engineering information. A licensed user with a secure internet connection has the ability to view the DCS logic diagrams using MS Internet Explorer. Access to project data is password-protected on an individual or group level. Administrative privileges versus General User privileges are fully configurable by the Buyer for each licensed user.

I&C Customer Portal

Siemens' I&C Customer Portal is included as a component of Plan Management and Support. It is a service that provides single-point access to Buyer's plant service and support history. It serves as a secure means for electronic data storage, eliminating the need for hardcopies and delays associated with delivering a hardcopy.

Remote Expert Center (REC) Hotline Support

Siemens provides telephone and online support, available through the Siemens Remote Expert Center (REC) 24 hours a day, 7 days a week to assist plant operations and maintenance staff with emergent events and schedule activities through the ability to logon, view and monitor the SPPA on request.

Siemens' REC "logs in" with Buyer's permission using a dedicated, Buyer-supplied broadband line and a Siemens-supplied router installed on site. The support package is offered with both limited or unlimited hours and a set number of high-priority cases, chosen by the Buyer. The following support packages are offered:

In the case of limited support hours, the time required to resolve the case will be measured by the Hotline. It will only include time the Hotline Experts actively worked to resolve the case and is rounded up to the nearest half hour. The pre-purchased hours will be debited by this amount.

Example:

An initial call takes 5 minutes to discuss the problem AND the Hotline Experts need 5 minutes to prepare a solution AND they need 10 minutes connected to the TXP system to fix the problem AND another 3 minutes to inform the operators about the solution THEN 23 minutes were required to resolve this case but 30 minutes are deducted from the existing balance.

In the case of limited hours, if the required hours for case resolution exceed the amount of hours included in the LTSP or the remaining balance after prior case debiting, billing for those hours will be at the LTSP discounted rate by case priority according to the rates specified under Plant Management and Support. If the pre-purchased hours are exhausted before the end of the LTSP year additional hours can be purchased upon customer request.

Remote Expert Center priority response times are defined as follows:

High Priority:	Within two (2) hours (Emergency issues needing immediate action)
Medium Priority:	Within one (1) business day (Issues needing a timely response)
Low Priority:	No promised response time, typically addressed within five (5) business days (Issues or questions not needing a timely response)

Siemens assumes a LAN-modem for the broadband line is already installed on site. If the modem is not installed, Siemens will install the modem upon customer request.

General consulting and engineering support for changes or control system extensions are not covered by this option but can be provided separately.

General process support is not covered by this option but can be provided separately.

A phone line must be dedicated or made available to the Hotline. The Hotline will only dial in with permission from the customer.

Included in this service is a twenty percent (20%) discount from published rates for Hotline Support. These discounted rates are used if the pre-purchased case hours in the Hotline Support Package are exhausted before the end of the LTSP year and support is rendered on a time and material basis. Also these rates will govern the purchase of additional case hours.

For Limited Hotline support, any remaining support time at the end of the LTSP year cannot be rolled over into the next year.

Remote System Administration and Diagnostic Services

Siemens' I&C Remote Expert Center (REC) maintains system expertise for performing system administrative tasks and system checks to proactively identify potential problems before they arise and to eliminate them. Siemens' REC representative "logs in" with Buyer's permission using a dedicated, Buyer-supplied broadband line and a Siemens-supplied router installed on site. The following system components are checked under this service:

SPPA-T3000 Automation System / ET200

Check communications with the Automation Server

- Check for errors on the Automation Server
- Check current time capacity of the Automation Server
- Check communication of CM module serial links
- Check capacity of CM module disk space
- Check status of ET200 bus lines and I/O cards

SPPA-T3000 Application Server

- Check capacity of hard disk and free up space as required
- Check that virus and malware protection is current
- Check operating system logs
- Check FT Server hardware
- Check SPPA-T3000 logs
- Check SPPA-T3000 processes

SPPA-T3000 Thin Clients (Swap Server)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs
- Check swapping area

SPPA-T3000 Thin Clients (Operating Station)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs

SPPA-T3000 System

- Check time synchronization on Servers and Thin Clients
- Check SPPA-T3000 diagnostic files
- Check data archiving

On-site Field Service

Siemens' Onsite Field Service maintains tools, applications and system expertise for assisting plant operations and maintenance staff with emergent events and scheduled activities. If a failure arises in the control system that limits power output or causes a forced outage and on-site support is required for this emergent event, Field Services will respond upon customer request by dispatching a service engineer to resolve the problem. This dispatch occurs within twenty-four (24) hours of the request. If on-site support is required for an emergent event that does not limit power output or cause a forced outage, the response time to the request is seventy-two (72) hours. Pre-purchased Onsite Field Service hours can also be used toward scheduled or unscheduled maintenance visits, back-office technical support or toward other services, as requested. The twenty-four and seventy-two

hour response times are defined as the time interval between the initial request for on-site support and the moment the service engineer is dispatched to travel.

Siemens assumes the cost for travel and expenses for each service call executed under this agreement.

A limited number of hours per LTSP year are provided. This limited support is defined as a set number of pre-purchased service hours available in a given LTSP year for on-site or back-office support and assistance. The time required resolving the issue or providing the service plus any associated travel time will be deducted from the pre-purchased hours.

Hours for service resolution plus travel that exceed the amount of hours included in the LTSP or the remaining balance after prior services will be billed at the LTSP discounted rate.

If the pre-purchased hours are exhausted before the end of the LTSP year, additional hours can be purchased upon customer request.

General engineering and on-site support for changes or control system extensions provided under other Siemens Fixed Price Proposals are not covered by this option.

Any remaining Field Service time at the end of an LTSP year can be rolled over into the next year, but no further than that.

Included in this service is a twenty percent (20%) discount from published rates for field services. These discounted rates are used if the pre-purchased service hours in the Onsite Field Services Package are exhausted before the end of the LTSP year and services are rendered on a time and material. These rates will govern the purchase of additional service hours.

Additional Field Service hours *do not* include travel and living expenses. Such expenses are invoiced at Siemens' cost, plus 10% administration fee.

Training

Training is offered as a fixed number of tuitions within an LTSP year, provided at the state-of-the-art training facility in Alpharetta, Georgia (see Training Catalog for available courses). A block of tuitions can be purchased and broken out amongst participants at the customer's discretion.

Example:

If five (5) tuitions are purchased, this can be used for five (5) separate class tuitions for one (1) participant; or this can be used as one (1) class tuition for five (5) participants.

Classes not regularly scheduled or designated as "special" courses in the training catalog are not covered by this LTSP.

Scheduled classes require a minimum of four (4) participants for the class. If a scheduled class does not have enough participants then it will be cancelled and combined with another scheduled class of the same type to make up the minimum requirement.

Training must be confirmed at least twelve (12) weeks prior to start of class.

Classes not covered by this LTSP can be purchased at a ten percent (10%) discount from the price listed within the current year's training catalog. In addition to the classes outlined in the training catalog,

Siemens can create customized training geared toward your power plant's specific requirements, which would also qualify for the ten percent (10%) discount.

All student travel and living expenses are the responsibility of the Buyer.

Patch Management Services

The SPPA-T3000 update function supports the plant operator to perform downloads, distribution and installation of released and tested software updates.

Malware Protection Services

TREND MICRO® malware protection (virus scanning) for SPPA-T3000 control systems provides all MS Windows-based computers, such as Thin Clients and Application Servers with the most current virus pattern in order to defeat Viruses, Trojans, Spyware, etc. All malware protection is tested and proven by Siemens on SPPA-T3000 before release.

Summary of LTSP Services for Lodi Energy Center:

A. Base Service and Support <ul style="list-style-type: none">▫ 24/7 Support▫ Single Point of Contact▫ Priority response to critical needs▫ Access to Siemens SPPAView▫ Access to Siemens Customer Portal
B. System Administration <ul style="list-style-type: none">▫ Two (2) System Check(s) per LTSP year
C. Hotline Support <ul style="list-style-type: none">▫ Unlimited case hours per LTSP Year▫ Five (5) High Priority Cases per LTSP Year
D. Field Services <ul style="list-style-type: none">▫ Twenty (20) field service hours per LTSP Year▫ Twenty percent (20%) discount on additional Field Service hours purchased
F. Standard I&C Training Classes <ul style="list-style-type: none">▫ Two (2) Training Tuition(s) per year▫ Ten percent (10%) discount on additional I&C Training Courses
G. Cyber Security Services <ul style="list-style-type: none">▫ Annual Malware Subscription▫ Annual Patch Management Subscription

Summary of LTSP Services for Geysers Geothermal Station:

A. Base Service and Support <ul style="list-style-type: none">▯ 24/7 Support▯ Single Point of Contact▯ Priority response to critical needs▯ Access to Siemens SPPAView▯ Access to Siemens Customer Portal
C. Hotline Support <ul style="list-style-type: none">▯ Ten (10) case hours per LTSP Year▯ Two (2) High Priority Cases per LTSP Year
D. Field Services <ul style="list-style-type: none">▯ Forty (40) service hours per LTSP Year▯ Twenty percent (20%) discount on additional Field Service hours purchased
G. Cyber Security Services <ul style="list-style-type: none">▯ Annual Malware Subscription

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Siemens shall invoice Buyer for the Long Term Service Plan in accordance with the schedule below:

LODI ENERGY CENTER:

<u>LTSP Year</u>	<u>Invoice Amount</u>
1	\$80,000.00
2	\$80,000.00
3	\$80,000.00

GEOHERMAL GEYSERS:

<u>LTSP Year</u>	<u>Invoice Amount</u>
1	\$65,441.00
2	\$65,441.00
3	\$65,441.00

NOTES:

1. NCPA understands that the LTSP pricing provided is a discounted price based upon an upfront purchase of three (3) years.
2. Buyer shall issue purchase order releases for each LTSP Year prior to the start date of such LTSP year for each year of the three (3) year LTSP.
3. In the event that the Buyer fails to issue a purchase order for any given LTSP Year, Buyer agrees to pay a cancellation fee in the amount of 10% of the price of any remaining LTSP Years at that time ("Termination Charge").

Lodi Energy Center T3000 Software Version Upgrade Cost includes SPPA-T3000 Equipment, Engineering, Project Management & On-site Services at a cost of \$392,288.00, as set forth in the Siemens proposal no. 20160815-087-DS, Rev. 5, dated September 19, 2016.

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



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
SIEMENS ENERGY, INC.**

This agreement for general services ("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 Siemens Energy, Inc., a Delaware corporation with its office located at 1345 Ridgeland Parkway, Suite 116, Alpharetta, GA 30004 ("Contractor") (together sometimes referred to as the "Parties") as of 12/12/, 2014 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A for the Agency's Lodi Energy Center and Geysers Geothermal Station (individually, a "Site" and collectively the "Sites") and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than three (3) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work at Agency's Sites in connection with this Agreement. In the event that Agency reasonably objects to personnel assigned by Contractor, Agency shall notify Contractor of such objection in writing and Contractor shall assign other personnel. Where Contractor furnishes technical field assistance services, Agency shall be responsible for supervision, management, and regulation of Agency's personnel, agents or contractors and work relating thereto, and responsible for planning, scheduling, monitoring, measurement or management of any work performed by Agency.
- 1.4 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. Each Purchase Order shall: (i) be separately numbered and (ii) contain at a minimum the following information: name of contracting Parties, date of this Agreement, date of Purchase Order, specific project location, description of the specific Work to be performed ("Requested Work"), date when the Requested Work is to be performed or delivered, and may include a not-to-exceed monetary cap on Requested Work. The Parties agree that no Purchase Order shall amend or modify this Agreement. The projects for which the Agency issues a Purchase Order are herein referred to individually as a "Project" and collectively as the "Projects." Contractor has the discretion to accept or reject any Purchase Order

issued by Agency. Contractor is presumed to have accepted the Purchase Order and agreed to perform the Work thereunder unless, within fifteen (15) days of receipt of the Purchase Order, Contractor provides written notice to the Agency of Contractor's rejection of such Purchase Order.

- 1.5 Changes.** Provided that Agency gives reasonable advance notice to Contractor, Agency may propose in writing changes to Contractor's work within the Scope of Work described in any particular Purchase Order ("Change Order"). Contractor is presumed to have accepted the Change Order and agreed to perform the Work thereunder unless, within fifteen (15) days of the date of the Change Order, Contractor provides written notice to the Agency of Contractor's rejection of such Change Order and reasoning therefor. Contractor may also initiate such notification, upon identifying a condition which may change the Scope of Work as agreed at the time of execution of the Purchase Order covering such Scope of Work. When and if Agency and Contractor reach agreement on any such proposed change and its effect on the cost and time for performance under any Purchase Order, they shall confirm such agreement in writing as a Change Order.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED SIX HUNDRED THOUSAND dollars (\$600,000.00)** for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

- 2.1 Invoices.** Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the payment schedule contained in Exhibit B. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- For T&M services only: At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation;
- For T&M services only: At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable

- 2.2 **Monthly Payment.** Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.
- 2.3 **Payment of Taxes.** Contractor is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes. The dollar amount set forth and authorized in a Purchase Order does not include any state or local taxes. Such taxes are for the account of Agency and Agency agrees to pay any such tax when due or to reimburse Contractor consistent with the payment terms set forth herein. Should Agency be exempted from any such tax, it shall provide Contractor certification thereof no later than the effective date of the Purchase Order. Contractor shall split labor vs. material costs on any invoice submitted so it is clear what items are taxable and shall identify any taxable items.
- 2.4 **Authorization to Perform Work.** The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.
- 2.5 **Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

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

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

- 4.1 **Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of one million dollars (\$1,000,000.00) per accident/ each employee each disease/ policy aggregate.
- 4.2 **Commercial General and Automobile Liability Insurance.**
- 4.2.1 **Commercial General Insurance.** Contractor shall maintain commercial general liability insurance for the term of this Agreement in an amount of Two Million Dollars (\$2,000,000.00) per occurrence/general aggregate, combined single limit

coverage. Such coverage shall include products liability, bodily injury, death, personal injury and broad form property damage. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 on "an occurrence" basis covering comprehensive General Liability. The Agency shall be named as an additional insured and the insurance shall provide primary coverage with respect to the Agency as set forth in Section 4.5 below.

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 for the term of this Agreement covering owned, non-owned and hired autos. The policy shall provide a limit of \$1,000,000 per each accident.

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. If applicable Contractor shall maintain professional liability insurance for licensed professionals performing work in connection with this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate covering errors and omissions, which coverage may be provided by way of an endorsement to Contractor's Commercial General Liability coverage.

4.4 All Policies Requirements.

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

4.4.2 Notice of Reduction in or Cancellation of Coverage. Prior to beginning work under this Agreement, Contractor shall provide an endorsement indicating that all insurance obtained in accordance with this Agreement shall not be suspended, voided, canceled by either party, or materially reduced in coverage or in limits, except after thirty (30) days prior written notice by mail has been given to the Agency.

4.4.3 Not Used.

4.5 Waiver of Subrogation and Additional Insured Provision. Contractor will require all insurance policies in any way related to the work under this Agreement secured and maintained by Contractor to include clauses stating each underwriter will waive all rights of recovery under subrogation or otherwise, against Agency, and all tiers of subcontractors or consultants engaged by them. Contractor agrees to provide any endorsement that may be necessary to effect this waiver of subrogation. Contractor will require of its subcontractors

for work under this Agreement, by appropriate written agreements, similar waivers each in favor of all parties enumerated in this section.

The General Liability and Automobile policies providing insurance as required, will provide a defense for, and shall include as additional insureds on a primary basis all Agency members, project participants, directors, officers, representatives and employees but only to the extent that bodily injury or death or third party property damage are caused by the negligent acts or omissions of Contractor. The coverage afforded to such additional insureds shall apply on a primary basis and that no other insurance maintained by Agency shall be called upon to contribute to a loss covered by a policy effected by Contractor. If the additional insured has other insurance applicable to the loss, such insurance will be on an excess or contingent basis and the amount of Contractor's insurance will not be reduced by the existence of such other insurance. Such insurance shall be maintained for two (2) years after the termination or expiration of this Agreement.

- 4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized by Contractor in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work at Agency's sites 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.

- 4.7 Agency's Insurance:** Agency shall maintain or cause to be maintained Worker's Compensation/Employer's Liability, Commercial General Liability and Automobile Liability insurance as follows:

Commercial general and automobile liability insurance for the term of this Agreement in an amount of One Million Dollars (\$1,000,000.00) per occurrence/general aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

The Agency shall require each of its subcontractors performing work at the Project site at similar times as Contractor to procure and maintain during the life of such subcontract, insurance of the types and with limits that the Agency deems appropriate for the work of its subcontractor(s).

Agency shall submit to Contractor a certificate of insurance which shall reflect the following:

- (a) That the general liability, automobile, and any other insurance maintained by Agency shall include as additional insureds on an excess or contingent basis Contractor, its affiliates, directors, officers, agents and employees;

- (b) That forty-five (45) days' notice of change or cancellation shall be afforded; and
- (c) That all insurance policies maintained by the Agency pursuant to this section shall include clauses stating each underwriter will waive all rights of subrogation against Contractor. If Agency does not obtain any such waiver of subrogation, Agency shall defend, indemnify and hold harmless Contractor in and from any claim or proceeding by Agency's insurer(s) seeking subrogation which should have been waived.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 **Scope.** Contractor shall defend, indemnify, and save harmless Agency from and against claims for personal injury (including disease, sickness, and death) and for physical damage to or loss of property, other than property provided by Contractor and incorporated or intended to be incorporated into the Project (except as provided pursuant to Section 11) to the extent caused by the negligent acts or omissions or willful misconduct of Contractor, its officials, officers, employees or agents during the performance of Work at the Site. In no event shall Contractor's obligations under this indemnity provision apply to any claim by a customer of Agency for voltage or frequency fluctuation or service interruption of any kind, or to any claim by any third party for failure of Agency to provide power or capacity under any contract, and provided further that in no event shall the term "third party" as used in this paragraph apply to any affiliate or lender of Agency or any transferee of some or all of the Work.

Agency shall defend, indemnify, and save harmless Contractor from and against claims for personal injury (including disease, sickness, and death) and for physical damage to or loss of property to the extent caused by the negligent acts or omissions or willful misconduct of Agency, its officials, officers, employees, or agents.

The Party seeking the indemnification shall promptly give written notice to the other Party of any third party action for which indemnification is being sought and provide the other Party with the opportunity to participate in all settlement negotiations respecting such claim.

Section 6. STATUS OF CONTRACTOR.

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

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

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

- 6.3 **Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Neither Party may assign this Agreement or applicable Purchase Order or any interest therein without the prior written approval of the other Party, which approval shall not be unreasonably withheld. Contractor shall not subcontract any portion of the performance contemplated and provided for herein for provision of Work at Agency's Site with a subcontractor not listed on an approved vendor list in the Purchase Order without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work; shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work; the subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work; and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder. The Purchase Order Price is based on Contractor's compliance with these laws, rules and regulations as they are in effect on the effective date of the Agreement. Accordingly, if any changes in the Scope of Work are required because of changes in such laws, rules or regulations after that date or because of the imposition of additional laws, rules or regulations, the Purchase Order Price, schedule for performance and other pertinent provisions of this Contract shall be equitably adjusted to reflect the effect of such changes via the change order provisions of Section 1.5 of the Agreement.
- 7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature which are required to be in the name of Contractor or its employees, agents, and any subcontractors that are legally required to practice their respective professions to perform the Scope of Work. Agency shall be responsible for obtaining, maintaining, and paying for the cost of any licenses, permits, and/or other authorizations of any kind required for installation, maintenance, testing, or operation of the Agency's equipment, or any portion thereof.
- 7.4 **Work Requiring Payment of Prevailing Wages.** If applicable, in accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which these services are to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code shall be paid to all workers engaged in performing the services under this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 **Termination by Agency.** This Agreement may be terminated by Agency without cause upon written notice to Contractor. In the event of termination, Contractor shall be entitled to compensation, by payment within thirty (30) days, for Work completed in accordance with the Agreement as of the effective date of termination and, if applicable, the Termination Charge, as that term is defined in Exhibit B. Agency, however, may condition payment upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof). Compensation for Work completed in accordance with the Agreement prior to termination shall be based upon the portion of the purchase price for the Work performed, staff hours expended and materials acquired at as the date of termination plus any additional expense incurred by reason of termination or cancellation

of written agreements between Contractor and its suppliers. Contractor will make every reasonable effort to minimize such costs upon termination. Payments made by Agency and received by Contractor under a Purchase Order prior to the date of termination will be credited against the amount due as termination charges under this Section 8.1, exclusive of the Termination Charge.

8.2 Options upon Breach by Contractor. If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, and provided Contractor has not substantially commenced cure of such default within thirty (30) days after receipt of written notice from Agency of such material default, Agency's remedies shall include, but not be limited to, the following:

8.2.1 Immediately terminate the Agreement;

8.2.2 Retain the plans, specifications, drawings, reports, and documents prepared by Contractor pursuant to this Agreement as set forth in Section 9.1;

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

8.2.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work. Agency shall use its best efforts to mitigate the cost for completion of such Work. Upon completion of the Work, the total cost of the Work shall be determined and substantiated and Agency shall provide Contractor notice thereof. If Agency's cost of completion exceeds the unpaid balance of the applicable Purchase Order Price before the termination date, Contractor shall be required to pay Agency the difference within twenty five (25) days after Agency's notice of the final cost. Upon either Party's final payment as specified in this Section 8.2.3, as applicable, neither Party shall have any rights or claims against the other.

8.3 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties.

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

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Contractor's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form that is a specific

deliverable by Contractor to Agency under a Purchase Order shall be the property of the Agency; provided however, no disclosure or transfer of such document shall grant or transfer any of Contractor's underlying intellectual property rights in the content of such documents, whether expressly or by operation of law. Contractor hereby agrees to deliver to Agency all documents which are property of Agency pursuant to this section upon termination of the Agreement to the extent such are complete at the time of such termination.

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

9.3 Inspection and Audit of Records. 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 (the "Disclosing Party") may disclose Confidential Information, to the other party (the "Receiving Party"). The Receiving Party shall hold the Disclosing Party's Confidential Information in confidence, shall not disclose the Information to a third party without the Disclosing Party's prior written consent, and shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Handling of Requests for Confidential Information. Contractor understands that Agency is a public agency and is subject to the laws that may compel it to

disclose information about Contractor's business. When required by appropriate government authority or when Agency has received a valid request under the California Public Records Act, Agency may disclose such Confidential Information to such government authority or requestor under any Public Records Act request, subject to the following conditions: (a) Agency shall provide Contractor within five (5) days of receiving the request written notice of the request and will include a copy of such request with the written notice; (b) Agency shall provide to Contractor reasonable access to the documents Agency proposes to produce in response to any such request; (c) after Contractor is provided reasonable access to the documents Agency proposes to produce, Contractor shall have twenty (20) days within which to provide Owner with a list of those documents that Contractor objects to the Agency producing based on said documents being Confidential, Proprietary or Trade Secret information of Contractor (hereinafter the "Disputed Documents"); (d) within five (5) days of receiving any objection from Contractor, Agency shall provide a written notice to Contractor stating whether Agency agrees with Contractor's objections; (e) if Agency does not agree to some or all of Contractor's objections, Agency shall so state this in the response and shall specifically identify to Contractor which Disputed Documents Agency proposes to produce; and (f) Agency agrees, however, that it shall not produce any Disputed Documents until ten (10) days after it has provided Contractor with written notice in accordance with 9.3 (d) above so that Contractor can take further action to protect any Disputed Documents from being produced including the filing of a motion for protective order in Court. In the event that Agency is found by a court of competent jurisdiction to be responsible for reimbursing attorneys' fees or costs to one that files a California Public Records Act request as a result of failing to produce Disputed Documents, Contractor agrees to indemnify Agency for such fees and costs to the extent that Agency's failure to produce documents was based solely on Contractor's actions.

Under any and all circumstances relating to a request to the Agency for documentation, Agency shall make every reasonable effort (which shall include participation by Contractor in discussions with the government authority involved) to secure confidential treatment and minimization of the Confidential Information to be provided. In the event that efforts to secure confidential treatment are unsuccessful, Contractor shall have the prior right to revise such information to minimize the disclosure of such information in a manner consonant with its interests, the requirements of the government authority involved and applicable law, including the Public Records Act.

Section 10. PROJECT SITE.

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of

interference with Agency's operations and the operations of other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

10.2 Contractor's Equipment, Tools, Supplies and Materials. Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any of Contractor's equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Agency will not be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Contractor's equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Agency may assume that anything left on the Project site an unreasonable length of time after the Work is completed has been abandoned. Any transportation furnished by Agency shall be solely as an accommodation and Agency shall have no liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.

10.3 Use of Agency Equipment. Contractor shall assume the risk and is solely responsible for its use of any Agency owned equipment and property provided by Agency for the performance of Work.

Section 11. WARRANTY.

11.1 Equipment Warranty. Contractor warrants that the equipment, supplies or other materials furnished under a Purchase Order ("Equipment") will be free from defects in workmanship and material ("Equipment Warranty"). The warranty period for the Equipment, excluding consumables, shall extend until:

Twelve (12) months after the delivery of the Equipment. Hereinafter, the "Equipment Warranty Period."

If during the Equipment Warranty Period, Agency gives Contractor notice of any nonconformity to the Equipment Warranty, Contractor shall remedy such nonconformity by repair, replacement or modification. Should investigation by Contractor reveal that there is no nonconformity of the Equipment Warranty and if there was no reasonable basis for Agency's report of a nonconformity, Agency shall reimburse Contractor for its reasonable expenses in connection therewith.

Where any item of Equipment or part thereof is repaired, replaced or modified pursuant to the foregoing, said item or part shall be further warranted to comply with the Equipment Warranty until the expiration of the Equipment Warranty Period of the original item of Equipment or part thereof or twelve months after the repair, replacement or

modification of the Equipment, whichever is longer, but in no event longer than twenty-four months after the delivery of the original Equipment.

- 11.2 Software Warranty.** Contractor warrants that the software furnished under a Purchase Order ("Software") will be free of errors which materially affect its utility ("Software Warranty"). The warranty period for Software shall extend until:

Twelve (12) months after the delivery of the Software. Hereinafter, the "Software Warranty Period."

If during the Software Warranty Period, Agency gives Contractor notice of any nonconformity to the Software Warranty, Contractor shall at its option and expense correct the nonconformity by correction in the medium originally supplied or by providing a procedure to correct material errors. Third party Software shall be warranted on a pass through basis in the same manner and for the same period and extent provided to Contractor by the firm which supplied said third party software. Should investigation by Contractor reveal that there is no nonconformity of the Software Warranty as reported by Agency and if there was no reasonable basis for Agency's report of a nonconformity, Agency shall reimburse Contractor for its reasonable expenses in connection therewith.

Where any item of software nonconformity is repaired, replaced or modified pursuant in accordance with the foregoing, said item shall be further warranted to comply with the Software Warranty until the expiration of the Software Warranty Period of the original item of Software or six months after the repair, replacement or modification of the Software, whichever is longer, but in no event longer than eighteen months after the delivery of the original Software.

- 11.3 Work Warranty.** Contractor warrants that the Work performed hereunder including the advice and recommendations of its personnel will reflect competent professional knowledge and judgment consistent with Contractor engineering practices ("Work Warranty") beginning with the install of such portion of the Work and ending one (1) year after the completion of each portion of Work (the "Work Warranty Period").

If during the Work Warranty Period, Agency gives Contractor notice of any nonconformity to the Work Warranty, Contractor shall re-perform such nonconforming Work. If such re-performance is impractical, Contractor will refund the amount of the compensation paid to Contractor by Owner for such nonconforming portion of the Work.

Where any portion of the Work is re-performed, said portion shall be further warranted to comply with the Work Warranty until the expiration of the Work Warranty Period of the original portion of the Work or nine months after re-performance of the Work, whichever is longer, but in no event longer than twenty-one months after the completion of the original Work.

- 11.4 Title Warranty.** Contractor warrants that the Equipment, when delivered, shall not be subject to any encumbrance, lien, security interest or other defect in title to the extent Contractor has received payment from Agency for such equipment ("Title Warranty"). In the event of any nonconformity to the Title Warranty, Contractor, upon notice of such failure shall defend the title to such Equipment.

11.5 General Conditions of Warranty. The following constitutes general conditions applicable to all warranties herein:

- 11.5.1** Agency shall follow Contractor's written recommendations furnished pursuant to the Purchase Order, and, in the absence thereof, follow generally accepted industry practices, in the receipt, handling, storage, protection, installation, maintenance, inspection, and operation of the Equipment. Repairs recommended in writing by Contractor prior to a report of nonconformity and which are required to be performed during the Equipment Warranty Period to alleviate the effects of normal wear and tear are not included under the Equipment Warranty.
- 11.5.2** Agency shall not (i) operate the Equipment beyond the operational limitations provided by Contractor, or (ii) subject the Equipment to accident, alteration (other than by Contractor), abuse and/or misuse.
- 11.5.3** If requested by Contractor, Agency, at Contractor's expense, shall provide working access to the defective or nonconforming equipment, including disassembling, removing, replacing and reinstalling the equipment and any other equipment, materials or structures to the extent necessary for Contractor to perform its warranty obligations.
- 11.5.4** Agency shall furnish, at the request and expense of Contractor, personnel (to the extent available and not inconsistent with job classifications) and, at Agency's expense, facilities, to the extent available, to assist Contractor in any repair or replacement pursuant to its warranty obligations.
- 11.5.5** Agency shall afford Contractor the opportunity to comment on its proposed system for recording operating data and allow Contractor the opportunity to review operating and maintenance records relating to the Plant.
- 11.5.6** Agency shall provide Contractor representatives reasonable access to the Site for the purpose of observing the Equipment and the operation and maintenance thereof.
- 11.5.7** Agency shall afford Contractor the opportunity to comment on technical and operating matters directly or indirectly associated with the performance of the Equipment.
- 11.5.8** Agency shall utilize reasonably recommended Contractor Technical Field Assistance either as a part of the Technical Field Assistance included in the Purchase Order Price or, in the event that the Technical Field Assistance included in the Purchase Order Price has been fully expended by Owner, as an additional scope item to be purchased by Owner in accordance with Contractor's Service Price List in effect at the time the Technical Field Assistance is required.

11.5.9 Contractor will have no warranty responsibility for any Software, or portion thereof, which Agency has modified or merged with another computer program with which it was not designed by Contractor to operate.

11.5.10 Title to any defective items or components of Equipment that are replaced by Contractor as a part of Contractor's Warranty obligations hereunder shall, at Contractor's request, revert to Contractor at a deemed value of zero upon completion of such replacement.

11.6 **Exclusivity of Warranties and Remedies.** The only warranties and guarantees made by Contractor are those expressly enumerated in this Section 11. Any other statements of fact or descriptions whether expressed in the Purchase Order, or any attachments or Appendices thereto, or in any quotations, proposals, specifications, drawings or manuals, or other documentation concerning the Scope of Work, whether in electronic form or hardcopy, shall not be deemed to constitute a warranty or guarantee of the Work or any part thereof. THE WARRANTIES AND GUARANTEES PROVIDED IN THIS SECTION 11 ARE EXCLUSIVE AND NO OTHER WARRANTIES OR GUARANTEES OR CONDITIONS OF ANY KIND APPLY, WHETHER STATUTORY, EXPRESS, OR IMPLIED (INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), SHALL APPLY. Correction of defects in accordance with this Section 11 or a refund in accordance with this Section 11 in the manner and during the period provided herein shall constitute complete fulfillment of Agency's exclusive remedy for all the liabilities or responsibilities of Contractor and its subcontractors to Agency for defective or nonconforming Equipment, Software, or Work, whether the claims of Agency are based in contract, in tort (including negligence and strict liability), or otherwise. In the event that physical loss or damage to the Agency's property results from the failure of a defective portion of the Work or Equipment, Contractor's liability under this Section shall not exceed the cost of performing the warranty remedy, either by replacement, repair, modification, re-performance or correction which Contractor would have had to perform if such warranty remedy had been carried out immediately prior to the occurrence of the physical loss or damage. Contractor's responsibility for physical loss or damage to Agency property shall be exclusively as set out in Section 13.18.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all Agency site programs.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

- 12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.
- 12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work at Agency's sites. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work at Agency's sites performed when, Contractor is not in full compliance with this Section 12.
- 12.5 Contractor shall immediately report any known possible/claimed injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6 Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7 Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8 Contractor shall advise its employees and subcontractors that any employee, who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9 Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials to include diesel fuel used for trucks owned or leased by the Contractor.

Section 13 MISCELLANEOUS PROVISIONS.

- 13.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to request reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

- 13.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 13.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 13.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 13.6 **Conflict of Interest.** Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

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

- 13.7 **Contract Administrator.** This Agreement shall be administered by Ken Speer, 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.
- 13.8 **Notices.** Any written notice to Contractor shall be sent to:

Siemens Energy, Inc.
Attention: Tom Delia
1345 Ridgeland Parkway, Suite 116
Alpharetta, GA 30004

Any written notice to Agency shall be sent to:

James H. Pope
General Manager
Northern California Power Agency
651 Commerce Drive

Roseville, CA 95678

With a copy to:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

- 13.9 Professional Seal.** Where applicable in the determination of the Agency and so required in the technical specifications for the applicable Purchase Order, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

- 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. Notwithstanding the foregoing, pending the resolution process described in this Section 13.11, either Party shall have the right to pursue equitable relief in any court of competent jurisdiction solely as to a dispute under this Agreement for the protection of its proprietary or confidential information, trade secrets, patents, copyrights or other intellectual property. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's Proposal, the Exhibits shall control.
- 13.13 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 13.14 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 13.15 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties.
- 13.16 Force Majeure.** Contractor will not be liable for failure to perform any obligation or delay in performance resulting from or contributed to by any reasonably unforeseeable cause that is beyond the reasonable control of Contractor or its subcontractors including without limitation any act of God; act of civil or military authority; act of war whether declared or undeclared; act of terrorism; act (including delay, failure to act, or priority) of any governmental authority or Agency; civil disturbance; insurrection or riot; sabotage; fire; inclement and highly unusual weather conditions for the respective location and time of year; earthquake; flood; strike; work stoppage or other labor difficulty; embargo; car shortage; fuel or energy shortage; delay or accident in shipping or transportation; or failure or delay beyond its reasonable control in obtaining necessary manufacturing facilities, labor, necessary import or export licenses or materials from usual sources ("Force Majeure Event"). Notwithstanding the foregoing and for the avoidance of doubt, the following shall not be considered a Force Majeure Event: economic hardship; lack of money or credit; loss of profit or loss of return on investment; changes in commodity prices and the price of raw materials, fuel and supplies; changes in labor costs, wages and benefits; changes in exchange rates; Contractor's inability to perform and complete the work for the Purchase Order price; and, for either Party, the obligation to make payment in accordance with the terms of the Agreement.

In the event of a delay in performance excusable under this Article, the date of delivery or time for performance of the work will be extended by a period of time reasonably necessary to overcome the effect of such delay.

If a Force Majeure Event occurs, Contractor shall promptly notify the Agency of the occurrence of that Force Majeure Event, its effect on performance, and how long Contractor expects it to last. Thereafter the Contractor shall update that information as reasonably necessary. During a Force Majeure Event, Contractor shall use reasonable efforts to resume its performance under this Agreement.

- 13.16 Limitation of Liability.** The aggregate liability of Contractor arising out of the performance or nonperformance of obligations in connection with a Purchase Order or the performance or nonperformance of Work under a Purchase Order, under any theory of recovery, whether based in contract, tort (including negligence and strict liability), or otherwise, shall not exceed an amount equal to one hundred percent (100%) of the amount of the Purchase Order or the amount of the applicable insurance specified in Section 4, whichever is greater.

In no event, whether based in contract, tort (including negligence and strict liability), or otherwise, shall Contractor be liable for damages for loss of profits or revenue or the loss of use of either; damage to the Work after risk of loss has transferred to Agency; loss by reason of Plant shutdown or inability to operate at capacity; damage to or loss of Agency's property or equipment (except as otherwise provided for and subject to the limitations stated in Section 13.18); costs of replacement power or capital; claims of Agency's customers; inventory or use charges; or incidental, indirect, special or consequential damages of any other kind or nature, whatsoever. The waivers and disclaimers of liability, releases from liability, and limitations on liability expressed in this Section 13.16 shall extend to Contractor and its subcontractors, affiliates, successors and assigns, and their respective partners, principals, shareholders, directors, officers, employees, and agents.

- 13.17 Delivery of Title and Risk of Loss.** Delivery of each item of Equipment shall occur for all shipments, arrival at the Site entrance, ready to be unloaded (hereinafter referred to as "Delivery" or "Delivery Point"). Provided that all payments are current in accordance with the Exhibit B, legal and equitable title and risk of loss for the Equipment, except for Software, shall pass to Agency on a "Delivered Duty Paid" ("DDP") basis, as that term is defined by the International Commercial Terms 2010.

Title to and right of possession of any Software licensed hereunder shall remain with Contractor, or its licensor, except that Agency shall have the right of possession and use of the Software provided hereunder at no cost for the term of the corresponding license provided herein, so long as no breach of the Agreement has been made by Agency and all payments due Contractor have been paid. Nothing in the Agreement shall be construed as giving Owner any right to sell, assign, lease or in any other manner transfer or encumber Contractor's, or its licensor's ownership of the Software,

or as limiting Contractor, or its licensors, from using and licensing the Software to any third party.

13.18 Contractor's Responsibility for Damage to Agency's Property.

13.18.1 Subject to the provisions stated in this Section 13.18 below, if sudden and accidental damage to Agency property is caused by (1) the failure of any Equipment or Work provided by Contractor pursuant to this Agreement to conform to the corresponding warranties provided in Sections 11.1 (Equipment) and 11.3 (Work), or (2) a negligent act or omission of Contractor during performance of the Work, then for each such event Contractor shall credit the Agency for the actual direct costs incurred by the Agency to the extent that such property damage was caused by such warranty non-conformance or negligence.

13.18.2 Seller's obligations under this Section 13.18 shall be limited on a per event basis and in the aggregate to the lesser of:

- (a) the actual direct cost incurred by the Agency to repair the property damage, including uncovering, gaining access to, removal and replacement costs, to be substantiated to the reasonable satisfaction of Contractor, or
- (b) an amount of one million Dollars (U.S. \$1,000,000).

13.18.3 If Agency procures or has procured property damage insurance applicable to occurrences at the Sites, Agency shall obtain a waiver by the insurers of all subrogation rights against Contractor. If Agency does not obtain any such waiver of subrogation, Agency shall defend, indemnify and hold harmless Contractor in and from any claim or proceeding by Agency's property damage insurer(s) seeking subrogation which should have been waived.

13.18.4 Except as specifically set forth in this Section 13.18, in no event shall Contractor have any responsibility or liability, under any theory of recovery, whether based in contract, tort (including negligence and strict liability), or otherwise, for any loss or damage to Agency's property as a result of (1) the failure of any Equipment or Work provided by Contractor pursuant to this Agreement to conform to the corresponding warranties provided in Sections 11.1 (Equipment) and 11.3 (Work), or (2) a negligent act or omission of Contractor during performance of the Work.

13.19 Software License. Contractor grants to Agency a nonexclusive, nontransferable license to utilize the Software furnished hereunder. Such license is limited to Agency's internal use at or for the unit with which such Software is incorporated. All title and ownership of the Contractor-furnished Software, including, without limitation, the copyright to such software, shall remain exclusively with Contractor. Agency may make a backup copy of the Software to replace a damaged original. Agency shall not itself, or with the assistance of others, reverse compile, reverse engineer, or in any other manner attempt to decipher in whole or in part the logic or coherence of any Software licensed

hereunder. Third party Software provided by Contractor may be subject to a separate license agreement and /or registration requirements and limitations on copying and use.

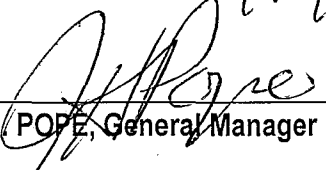
The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

SIEMENS ENERGY, INC.

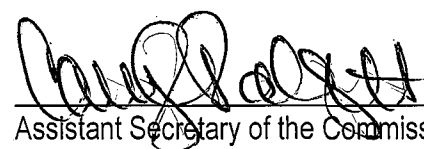
Date 12/12/14

Date 12/8/14

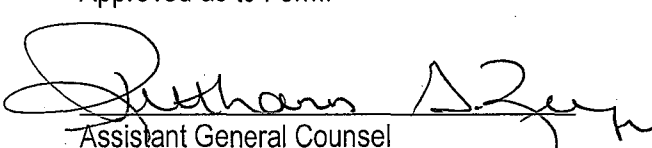

JAMES H. POPE, General Manager


MILAN FISCHEL, Director of Finance

Attest:


Assistant Secretary of the Commission

Approved as to Form:


Assistant General Counsel

2320588.9

EXHIBIT A

SCOPE OF WORK

Siemens Energy, Inc. ("Contractor") shall provide Long Term Service Plan services as requested by the Northern California Power Agency ("Agency").

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

Plan Management and Support

The foundation of the Long Term Service Plan is the philosophy by which it is managed and supported. The Service team's goal is customer care. The Plan Management and Support structure includes:

- A dedicated, regional LTSP Manager (Service Project Lead)
- Central office support (Alpharetta, GA), leveraging cumulative process knowledge and product experience derived from direct field engineering on Siemens SPPA systems

SPPA-View Access

Included in Plan Management and Support is access to SPPA-View. SPPA-View is a powerful tool for presenting SPPA-T3000 engineering information. A licensed user with a secure internet connection has the ability to view the DCS logic diagrams using MS Internet Explorer. Access to project data is password-protected on an individual or group level. Administrative privileges versus General User privileges are fully configurable by the Buyer for each licensed user.

I&C Customer Portal

Siemens' I&C Customer Portal is included as a component of Plan Management and Support. It is a service that provides single-point access to Buyer's plant service and support history. It serves as a secure means for electronic data storage, eliminating the need for hardcopies and delays associated with delivering a hardcopy.

Remote Expert Center (REC) Hotline Support

Siemens provides telephone and online support, available through the Siemens Remote Expert Center (REC) 24 hours a day, 7 days a week to assist plant operations and maintenance staff with emergent events and schedule activities through the ability to logon, view and monitor the SPPA on request.

Siemens' REC "logs in" with Buyer's permission using a dedicated, Buyer-supplied broadband line and a Siemens-supplied router installed on site. The support package is offered with both limited or unlimited hours and a set number of high-priority cases, chosen by the Buyer. The following support packages are offered:

In the case of limited support hours, the time required to resolve the case will be measured by the Hotline. It will only include time the Hotline Experts actively worked to resolve the case and is rounded up to the nearest half hour. The pre-purchased hours will be debited by this amount.

Example:

An initial call takes 5 minutes to discuss the problem AND the Hotline Experts need 5 minutes to prepare a solution AND they need 10 minutes connected to the TXP system to fix the problem AND another 3 minutes to inform the operators about the solution THEN 23 minutes were required to resolve this case but 30 minutes are deducted from the existing balance.

In the case of limited hours, if the required hours for case resolution exceed the amount of hours included in the LTSP or the remaining balance after prior case debiting, billing for those hours will be at the LTSP discounted rate by case priority according to the rates specified under Plant Management and Support. If the pre-purchased hours are exhausted before the end of the LTSP year additional hours can be purchased upon customer request.

Remote Expert Center priority response times are defined as follows:

High Priority:	Within two (2) hours (Emergency issues needing immediate action)
Medium Priority:	Within one (1) business day (Issues needing a timely response)
Low Priority:	No promised response time, typically addressed within five (5) business days (Issues or questions not needing a timely response)

Siemens assumes a LAN-modem for the broadband line is already installed on site. If the modem is not installed, Siemens will install the modem upon customer request.

General consulting and engineering support for changes or control system extensions are not covered by this option but can be provided separately.

General process support is not covered by this option but can be provided separately.

A phone line must be dedicated or made available to the Hotline. The Hotline will only dial in with permission from the customer.

Included in this service is a twenty percent (20%) discount from published rates for Hotline Support. These discounted rates are used if the pre-purchased case hours in the Hotline Support Package are exhausted before the end of the LTSP year and support is rendered on a time and material basis. Also these rates will govern the purchase of additional case hours.

For Limited Hotline support, any remaining support time at the end of the LTSP year cannot be rolled over into the next year.

Remote System Administration and Diagnostic Services

Siemens' I&C Remote Expert Center (REC) maintains system expertise for performing system administrative tasks and system checks to proactively identify potential problems before they arise and to eliminate them. Siemens' REC representative "logs in" with Buyer's permission using a dedicated, Buyer-supplied broadband line and a Siemens-supplied router installed on site. The following system components are checked under this service:

SPPA-T3000 Automation System / ET200

Check communications with the Automation Server

- Check for errors on the Automation Server
- Check current time capacity of the Automation Server
- Check communication of CM module serial links
- Check capacity of CM module disk space
- Check status of ET200 bus lines and I/O cards

SPPA-T3000 Application Server

- Check capacity of hard disk and free up space as required
- Check that virus and malware protection is current
- Check operating system logs
- Check FT Server hardware
- Check SPPA-T3000 logs
- Check SPPA-T3000 processes

SPPA-T3000 Thin Clients (Swap Server)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs
- Check swapping area

SPPA-T3000 Thin Clients (Operating Station)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs

SPPA-T3000 System

- Check time synchronization on Servers and Thin Clients
- Check SPPA-T3000 diagnostic files
- Check data archiving

On-site Field Service

Siemens' Onsite Field Service maintains tools, applications and system expertise for assisting plant operations and maintenance staff with emergent events and scheduled activities. If a failure arises in the control system that limits power output or causes a forced outage and on-site support is required for this emergent event, Field Services will respond upon customer request by dispatching a service engineer to resolve the problem. This dispatch occurs within twenty-four (24) hours of the request. If on-site support is required for an emergent event that does not limit

power output or cause a forced outage, the response time to the request is seventy-two (72) hours. Pre-purchased Onsite Field Service hours can also be used toward scheduled or unscheduled maintenance visits, back-office technical support or toward other services, as requested. The twenty-four and seventy-two hour response times are defined as the time interval between the initial request for on-site support and the moment the service engineer is dispatched to travel.

Siemens assumes the cost for travel and expenses for each service call executed under this agreement.

A limited number of hours per LTSP year are provided. This limited support is defined as a set number of pre-purchased service hours available in a given LTSP year for on-site or back-office support and assistance. The time required resolving the issue or providing the service plus any associated travel time will be deducted from the pre-purchased hours.

Hours for service resolution plus travel that exceed the amount of hours included in the LTSP or the remaining balance after prior services will be billed at the LTSP discounted rate.

If the pre-purchased hours are exhausted before the end of the LTSP year, additional hours can be purchased upon customer request.

General engineering and on-site support for changes or control system extensions provided under other Siemens Fixed Price Proposals are not covered by this option.

Any remaining Field Service time at the end of an LTSP year can be rolled over into the next year, but no further than that.

Included in this service is a twenty percent (20%) discount from published rates for field services. These discounted rates are used if the pre-purchased service hours in the Onsite Field Services Package are exhausted before the end of the LTSP year and services are rendered on a time and material. These rates will govern the purchase of additional service hours.

Additional Field Service hours *do not* include travel and living expenses. Such expenses are invoiced at Siemens' cost, plus 10% administration fee.

Training

Training is offered as a fixed number of tuitions within an LTSP year, provided at the state-of-the-art training facility in Alpharetta, Georgia (see Training Catalog for available courses). A block of tuitions can be purchased and broken out amongst participants at the customer's discretion.

Example:

If five (5) tuitions are purchased, this can be used for five (5) separate class tuitions for one (1) participant; or this can be used as one (1) class tuition for five (5) participants.

Classes not regularly scheduled or designated as "special" courses in the training catalog are not covered by this LTSP.

Scheduled classes require a minimum of four (4) participants for the class. If a scheduled class does not have enough participants then it will be cancelled and combined with another scheduled class of the same type to make up the minimum requirement.

Training must be confirmed at least twelve (12) weeks prior to start of class.

Classes not covered by this LTSP can be purchased at a ten percent (10%) discount from the price listed within the current year's training catalog. In addition to the classes outlined in the training catalog,

Siemens can create customized training geared toward your power plant's specific requirements, which would also qualify for the ten percent (10%) discount.

All student travel and living expenses are the responsibility of the Buyer.

Patch Management Services

The SPPA-T3000 update function supports the plant operator to perform downloads, distribution and installation of released and tested software updates.

Malware Protection Services

TREND MICRO® malware protection (virus scanning) for SPPA-T3000 control systems provides all MS Windows-based computers, such as Thin Clients and Application Servers with the most current virus pattern in order to defeat Viruses, Trojans, Spyware, etc. All malware protection is tested and proven by Siemens on SPPA-T3000 before release.

Summary of LTSP Services for Lodi Energy Center:

A. Base Service and Support <ul style="list-style-type: none">▫ 24/7 Support▫ Single Point of Contact▫ Priority response to critical needs▫ Access to Siemens SPPAView▫ Access to Siemens Customer Portal
B. System Administration <ul style="list-style-type: none">▫ Two (2) System Check(s) per LTSP year
C. Hotline Support <ul style="list-style-type: none">▫ Unlimited case hours per LTSP Year▫ Five (5) High Priority Cases per LTSP Year
D. Field Services <ul style="list-style-type: none">▫ Twenty (20) field service hours per LTSP Year▫ Twenty percent (20%) discount on additional Field Service hours purchased
F. Standard I&C Training Classes <ul style="list-style-type: none">▫ Two (2) Training Tuition(s) per year▫ Ten percent (10%) discount on additional I&C Training Courses
G. Cyber Security Services <ul style="list-style-type: none">▫ Annual Malware Subscription▫ Annual Patch Management Subscription

Summary of LTSP Services for Geysers Geothermal Station:

A. Base Service and Support <ul style="list-style-type: none">▣ 24/7 Support▣ Single Point of Contact▣ Priority response to critical needs▣ Access to Siemens SPPAView▣ Access to Siemens Customer Portal
C. Hotline Support <ul style="list-style-type: none">▣ Ten (10) case hours per LTSP Year▣ Two (2) High Priority Cases per LTSP Year
D. Field Services <ul style="list-style-type: none">▣ Forty (40) service hours per LTSP Year▣ Twenty percent (20%) discount on additional Field Service hours purchased
G. Cyber Security Services <ul style="list-style-type: none">▣ Annual Malware Subscription

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Siemens shall invoice Buyer in accordance with the schedule below:

LODI ENERGY CENTER:

<u>LTSP Year</u>	<u>Invoice Amount</u>
1	\$80,000.00
2	\$80,000.00
3	\$80,000.00

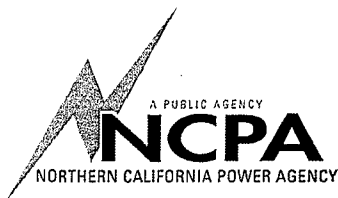
GEOHERMAL GEYSERS:

<u>LTSP Year</u>	<u>Invoice Amount</u>
1	\$65,441.00
2	\$65,441.00
3	\$65,441.00

NOTES:

1. NCPA understands that the LTSP pricing provided is a discounted price based upon an upfront purchase of three (3) years.
2. Buyer shall issue purchase order releases for each LTSP Year prior to the start date of such LTSP year for each year of the three (3) year LTSP.
3. In the event that the Buyer fails to issue a purchase order for any given LTSP Year, Buyer agrees to pay a cancellation fee in the amount of 10% of the price of any remaining LTSP Years at that time ("Termination Charge").

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



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 16

Date: October 10, 2016
To: Lodi Energy Center Project Participant Committee
Subject: Information Item - FY16 Annual Billing Settlement

Proposal

A draft of the FY16 Annual Billing Settlement Summary for the period July 1, 2015 through June 30, 2016 is presented for information only. The final Settlement will be presented to the Committee at its November, 2016 meeting for approval and recommendation to the Agency Commission for its approval.

Background

Total Annual Costs to Participants were approximately \$75.0 million. Fixed plant operations and maintenance costs were higher than projected by \$1.2 million offset by variable plant operations and maintenance costs that were \$0.6 million lower than projected. The net changes were primarily driven by higher than anticipated system repairs and maintenance related to the heat recovery steam generator transition duct replacement and repeated catalyst cleaning; in addition, the water treatment system injection well and clarifier maintenance costs were higher than projected. Variable operations and maintenance costs were lower than projected due to reduced generation output driven by market forces.

In February, 2016 the failure of the Turbine Belly Band resulted in a forced outage and repair costs of approximately \$1.1 million that were funded through the Operating and Maintenance Reserve, which was replenished through the refund of excess monies collected for the transmission upgrade project with the CAISO, and as such, those costs did not have an impact on the annual settlements.

Third Party Revenues for the year totaled \$39.3, million which was \$0.2 million higher than projected. The increase was related to higher than expected interest received on investments.

Fuel, CAISO charges and energy and ancillary services sales do not play a material role in the annual settlements process as those items are adjusted monthly in the Agency's All Resources Bill when the actual costs for these categories are invoiced by NCPA.

This year's Total Annual Net Costs were \$35.9 million. Collections from participants totaled approximately \$32.4 million; Participants' Transfer Gas Credits totaled approximately \$4.4 million for Total Adjusted Collections of approximately \$36.2 million. The net refund due to LEC participants at fiscal year-end was \$277,674 or 0.75% of collections.

Fiscal Impact

Upon approval by this Committee and the Agency Commission, the amount of \$277,674 will be credited to the LEC project participants. NCPA member amounts will be netted with their Agency's annual billing settlements and credited as one amount. Other LEC participants will receive payment in accordance with Agency payment terms unless otherwise directed in writing.

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 of the California Environmental Quality Act. No environmental review is necessary.

Recommendation

NCPA Staff recommends the Committee review the draft Billing Settlement Summary for fiscal year ended June 30, 2016. The final Billing Settlement Summary for fiscal year ended June 30, 2016 will be presented to the Committee at its November 2016 meeting for approval and recommendation to the Agency Commission for its approval.

Respectfully submitted,



DONNA STEVENER
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:



SONDRA AINSWORTH
Treasurer-Controller

Attachments: (3)

- Billing Settlement Summary FY 2016
- Allocation of Project Costs – Actual FY 2016
- Settlement Analysis For the Year Ended June 30, 2016

LODI ENERGY CENTER
Billing Settlement Summary
FY 2016

DRAFT

	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
Collections per All Resources Bill (ARB)	\$ 32,399,640	\$ 1,080,816	\$ 2,562,012	\$ 59,260	\$ 12,566,312	\$ 534,151	\$ 329,220	\$ 1,766,258	\$ 276,333	\$ 897,270	\$ 117,736	\$ 1,876,963	\$ 10,010,130	\$ 323,179
Transfer Gas Credit in ARB	\$ 4,392,152	\$ -	\$ -	\$ 44,720	\$ -	\$ 228,471	\$ 308,574	\$ 1,922,066	\$ 514,561	\$ -	\$ 187,250	\$ 816,360	\$ -	\$ 370,150
Total Adjusted ARB Collections	\$ 36,791,792	\$ 1,080,816	\$ 2,562,012	\$ 103,980	\$ 12,566,312	\$ 762,622	\$ 637,794	\$ 3,688,324	\$ 790,894	\$ 897,270	\$ 304,986	\$ 2,693,323	\$ 10,010,130	\$ 693,329
Net Project Costs	\$ 35,946,434	\$ 1,055,050	\$ 2,500,969	\$ 101,506	\$ 12,314,366	\$ 744,451	\$ 622,598	\$ 3,600,459	\$ 772,066	\$ 819,837	\$ 297,719	\$ 2,668,648	\$ 9,771,956	\$ 676,810
O&M Reserve Charge	\$ 567,684	\$ 15,815	\$ 37,465	\$ 1,517	\$ 190,175	\$ 11,153	\$ 9,325	\$ 53,928	\$ 11,556	\$ 60,822	\$ 4,460	\$ 15,144	\$ 146,186	\$ 10,138
Total Adjusted Costs	\$ 36,514,118	\$ 1,070,865	\$ 2,538,434	\$ 103,023	\$ 12,504,541	\$ 755,604	\$ 631,923	\$ 3,654,387	\$ 783,622	\$ 880,659	\$ 302,179	\$ 2,683,792	\$ 9,918,142	\$ 686,948
Net Refund	\$ 277,674	\$ 9,951	\$ 23,578	\$ 957	\$ 61,771	\$ 7,018	\$ 5,871	\$ 33,937	\$ 7,272	\$ 16,611	\$ 2,807	\$ 9,531	\$ 91,988	\$ 6,381

LODI ENERGY CENTER
Allocation of Project Actual
FY 2016

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		Allocated by	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
ALLOCATION PERCENTAGES:																
Generation Entitlement Share ⁽¹²⁾	GES		100.0000%	2.7857%	6.6000%	0.2679%	33.5000%	1.9643%	1.6428%	9.5000%	2.0357%	10.7143%	0.7857%	2.6679%	25.7500%	1.7857%
Indenture Cost Share A	ICS A		100.0000%	4.9936%	11.8310%	0.4802%	0.0000%	3.5212%	2.9448%	17.0295%	3.6491%	0.0000%	1.4084%	4.7824%	46.1588%	3.2010%
Indenture Cost Share B	ICS B		100.0000%	0.000%	0.000%	0.000%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
PROJECTED MWH																
			1,076,928	30,000	71,077	2,885	360,771	21,154	17,692	102,308	21,923	115,385	8,461	28,731	277,309	19,231
PROJECT COSTS:																
Fuel Cost	GES	\$	23,593,612	\$ 657,247	\$ 1,557,178	\$ 63,207	\$ 7,903,860	\$ 463,449	\$ 387,596	\$ 2,241,393	\$ 480,295	\$ 2,527,890	\$ 185,375	\$ 629,454	\$ 6,075,355	\$ 421,311
Labor	GES	\$	4,421,799	\$ 123,178	\$ 291,839	\$ 11,846	\$ 1,481,303	\$ 86,857	\$ 72,641	\$ 420,071	\$ 90,015	\$ 473,765	\$ 34,742	\$ 117,969	\$ 1,138,613	\$ 78,960
Variable O&M	GES	\$	4,267,153	\$ 118,870	\$ 281,632	\$ 11,432	\$ 1,429,496	\$ 83,820	\$ 70,101	\$ 405,380	\$ 86,866	\$ 457,196	\$ 33,527	\$ 113,843	\$ 1,098,792	\$ 76,199
Fixed O&M	GES	\$	2,980,174	\$ 83,019	\$ 196,691	\$ 7,984	\$ 998,358	\$ 58,540	\$ 48,958	\$ 283,117	\$ 60,667	\$ 319,305	\$ 23,415	\$ 79,508	\$ 767,395	\$ 53,217
O&M Administration	GES	\$	1,187,323	\$ 33,075	\$ 78,363	\$ 3,181	\$ 397,753	\$ 23,323	\$ 19,505	\$ 112,796	\$ 24,170	\$ 127,213	\$ 9,329	\$ 31,677	\$ 305,736	\$ 21,202
Mandatory Costs	GES	\$	194,075	\$ 5,406	\$ 12,809	\$ 520	\$ 65,015	\$ 3,812	\$ 3,188	\$ 18,437	\$ 3,951	\$ 20,794	\$ 1,525	\$ 5,178	\$ 49,974	\$ 3,466
Inventory Stock	GES	\$	417,942	\$ 11,643	\$ 27,584	\$ 1,120	\$ 140,011	\$ 8,210	\$ 6,866	\$ 39,704	\$ 8,508	\$ 44,780	\$ 3,284	\$ 11,150	\$ 107,620	\$ 7,463
O&M and Capital Projects Costs	GES	\$	794,881	\$ 22,143	\$ 52,462	\$ 2,129	\$ 266,285	\$ 15,614	\$ 13,058	\$ 75,514	\$ 16,181	\$ 85,166	\$ 6,245	\$ 21,207	\$ 204,682	\$ 14,194
Maintenance Reserve	GES	\$	1,800,000	\$ 50,143	\$ 118,800	\$ 4,822	\$ 603,000	\$ 35,357	\$ 29,570	\$ 171,000	\$ 36,643	\$ 192,857	\$ 14,143	\$ 48,022	\$ 463,500	\$ 32,143
Insurance	GES	\$	686,105	\$ 19,113	\$ 45,283	\$ 1,838	\$ 229,845	\$ 13,477	\$ 11,271	\$ 65,180	\$ 13,967	\$ 73,511	\$ 5,391	\$ 18,305	\$ 176,672	\$ 12,252
Other Costs	GES	\$	7,746	\$ 216	\$ 511	\$ 21	\$ 2,595	\$ 152	\$ 127	\$ 736	\$ 158	\$ 830	\$ 61	\$ 207	\$ 1,995	\$ 138
Generation Services Shared	GES	\$	247,464	\$ 6,894	\$ 16,333	\$ 663	\$ 82,900	\$ 4,861	\$ 4,065	\$ 23,509	\$ 5,038	\$ 26,514	\$ 1,944	\$ 6,602	\$ 63,722	\$ 4,419
Transmission (CAISO)	GES	\$	924,985	\$ 13,912	\$ 32,964	\$ 1,338	\$ 554,404	\$ 9,811	\$ 8,205	\$ 47,451	\$ 10,168	\$ 53,507	\$ 3,924	\$ 51,836	\$ 128,546	\$ 8,919
Energy Purchases (CAISO)	GES	\$	4,411,354	\$ 77,765	\$ 184,248	\$ 7,479	\$ 935,193	\$ 54,836	\$ 45,861	\$ 265,205	\$ 58,829	\$ 299,104	\$ 21,934	\$ 1,694,211	\$ 718,839	\$ 49,850
Debt Service Cost:																
Indenture Group A Cost	ICS A	\$	21,235,512	\$ 1,060,417	\$ 2,512,373	\$ 101,973	\$ -	\$ 747,745	\$ 625,343	\$ 3,616,302	\$ 774,905	\$ -	\$ 299,081	\$ 1,015,567	\$ 9,802,058	\$ 679,749
BAB's Subsidy (Group A)	ICS A	\$	(4,214,121)	\$ (210,436)	\$ (498,573)	\$ (20,236)	\$ -	\$ (148,388)	\$ (124,097)	\$ (717,644)	\$ (153,777)	\$ -	\$ (59,352)	\$ (201,536)	\$ (1,945,188)	\$ (134,894)
Debt and Trustee Fees (Group A)	ICS A	\$	31,029	\$ 1,549	\$ 3,671	\$ 149	\$ -	\$ 1,093	\$ 914	\$ 5,284	\$ 1,132	\$ -	\$ 437	\$ 1,484	\$ 14,323	\$ 993
Indenture Group B Cost	ICS B	\$	11,415,034	\$ -	\$ -	\$ -	\$ 11,415,034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BAB's Subsidy (Group B)	ICS B	\$	(2,024,984)	\$ -	\$ -	\$ -	\$ (2,024,984)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt and Trustee Fees (Group B)	ICS B	\$	17,300	\$ -	\$ -	\$ -	\$ 17,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative & General	GES	\$	1,811,976	\$ 50,476	\$ 119,590	\$ 4,854	\$ 607,012	\$ 35,593	\$ 29,767	\$ 172,138	\$ 36,886	\$ 194,141	\$ 14,237	\$ 48,342	\$ 466,584	\$ 32,356
Power Management Allocated Costs	GES	\$	999,309	\$ 27,838	\$ 65,954	\$ 2,677	\$ 334,769	\$ 19,629	\$ 16,417	\$ 94,934	\$ 20,343	\$ 107,069	\$ 7,852	\$ 26,661	\$ 257,322	\$ 17,845
Total Project Costs		\$	75,205,668	\$ 2,162,467	\$ 5,099,715	\$ 206,997	\$ 25,439,149	\$ 1,517,791	\$ 1,269,358	\$ 7,340,506	\$ 1,572,945	\$ 5,003,641	\$ 607,093	\$ 3,719,686	\$ 19,896,539	\$ 1,379,781
Estimated price per MWh		\$	69.83	\$ 71.75	\$ 71.75	\$ 71.75	\$ 70.51	\$ 71.75	\$ 71.75	\$ 71.75	\$ 71.75	\$ 43.36	\$ 71.75	\$ 129.46	\$ 71.75	\$ 71.75
Third Party Revenue																
ISO Energy Sales	GES	\$	36,999,655	\$ 1,031,867	\$ 2,443,442	\$ 99,187	\$ 12,405,265	\$ 727,118	\$ 608,103	\$ 3,516,504	\$ 752,978	\$ 3,956,430	\$ 290,886	\$ 988,260	\$ 9,518,663	\$ 660,952
Ancillary Services Sales	GES	\$	2,044,361	\$ 56,950	\$ 134,928	\$ 5,477	\$ 684,861	\$ 40,157	\$ 33,585	\$ 194,214	\$ 41,617	\$ 219,039	\$ 16,063	\$ 54,542	\$ 526,423	\$ 36,506
Interest & Other Income	GES	\$	77,796	\$ 2,167	\$ 5,135	\$ 208	\$ 26,062	\$ 1,528	\$ 1,278	\$ 7,391	\$ 1,584	\$ 8,335	\$ 611	\$ 2,076	\$ 20,032	\$ 1,389
Interest Income (Group A)	ICS A	\$	128,826	\$ 6,433	\$ 15,241	\$ 619	\$ -	\$ 4,536	\$ 3,794	\$ 21,938	\$ 4,701	\$ -	\$ 1,814	\$ 6,161	\$ 59,465	\$ 4,124
Interest Income (Group B)	ICS B	\$	8,596	\$ -	\$ -	\$ -	\$ 8,596	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$	39,259,234	\$ 1,097,417	\$ 2,598,746	\$ 105,491	\$ 13,124,784	\$ 773,340	\$ 646,759	\$ 3,740,047	\$ 800,880	\$ 4,183,804	\$ 309,374	\$ 1,051,038	\$ 10,124,583	\$ 702,971
Annual Project Costs, net		\$	35,946,434	\$ 1,055,050	\$ 2,500,969	\$ 101,506	\$ 12,314,366	\$ 744,451	\$ 622,598	\$ 3,600,459	\$ 772,066	\$ 819,837	\$ 297,719	\$ 2,668,648	\$ 9,771,956	\$ 676,810
Estimated price per Mwh, net		\$	33.38	\$ 35.17	\$ 35.19	\$ 35.18	\$ 34.13	\$ 35.19	\$ 35.19	\$ 35.19	\$ 35.22	\$ 7.11	\$ 35.19	\$ 92.88	\$ 35.24	\$ 35.19
Summary of Variable and Fixed Project Costs:																
Variable Costs		\$	33,197,104	\$ 867,794	\$ 2,056,022	\$ 83,456	\$ 10,822,953	\$ 611,916	\$ 511,763	\$ 2,959,429	\$ 634,159	\$ 3,337,697	\$ 244,760	\$ 2,489,344	\$ 8,021,532	\$ 556,279
Fixed Costs		\$	42,008,564	\$ 1,284,672	\$ 3,043,692	\$ 123,541	\$ 14,616,196	\$ 905,875	\$ 757,595	\$ 4,381,077	\$ 938,787	\$ 1,665,944	\$ 362,333	\$ 1,230,341	\$ 11,875,007	\$ 823,503
Total Project Costs		\$	75,205,668	\$ 2,152,467	\$ 5,099,715	\$ 206,997	\$ 25,439,149	\$ 1,517,791	\$ 1,269,358	\$ 7,340,506	\$ 1,572,945	\$ 5,003,641	\$ 607,093	\$ 3,719,686	\$ 19,896,539	\$ 1,379,781
JPA Assessment (per PMOA)																
		\$	97,806	\$ 5,486	\$ -	\$ -	\$ 65,967	\$ -	\$ -	\$ -	\$ -	\$ 21,099	\$ -	\$ 5,254	\$ -	\$ -
Unfunded/(Excess)																
		\$	(277,674)	\$ (9,951)	\$ (23,578)	\$ (957)	\$ (61,771)	\$ (7,018)	\$ (5,871)	\$ (33,937)	\$ (7,272)	\$ (16,611)	\$ (2,807)	\$ (9,531)	\$ (91,988)	\$ (6,381)

Y PWRPA takes their share of energy from LEC via inter-SC trades settled through LEC. At the same time, PWRPA's SC receives a corresponding credit on their ISO invoice.
Z Generation Entitlement Share (GES) is synonymous with commonly used terms of Project Entitlement Share, Project Percentage, Project Share, Third Phase share.

NORTHERN CALIFORNIA POWER AGENCY
LODI ENERGY CENTER
SETTLEMENT ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016

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	Collections	Actual Costs	Refund/(Deficit)
COLLECTIONS/COSTS ANALYSIS:			
Variable O&M	\$ 4,844,524	\$ 4,267,153	\$ 577,371
Fixed O&M	1,780,003	2,980,174	(1,200,171)
Administration	1,316,163	1,187,323	128,840
Mandated Costs	235,000	194,075	40,925
Inventory Stock	400,000	417,942	(17,942)
Subtotal Routine O & M Costs without Labor	8,575,690	9,046,667	(470,977)
Labor	4,381,034	4,421,799	(40,765)
Total Routine O & M Costs	12,956,724	13,468,466	(511,742)
Other Costs			
Fuel	23,593,612	23,593,612	-
CA ISO Charges	924,985	924,985	-
CA ISO Energy Purchases	4,411,354	4,411,354	-
Debt Service	26,440,994	26,411,441	29,553
Insurance	820,000	686,105	133,895
Other Costs	56,870	56,076	794
Administrative & General	1,905,508	1,811,976	93,532
Generation Services Shared	388,592	247,464	141,128
Power Management Allocated Costs	1,228,543	999,309	229,234
Total Other Costs	59,770,458	59,142,322	628,136
Total O & M Costs	72,727,182	72,610,788	116,394
Projects			
Operations & Maintenance	202,000	204,755	(2,755)
Capital Projects	583,432	590,125	(6,693)
Maintenance Reserve	1,800,000	1,800,000	-
Total Projects	2,585,432	2,594,880	(9,448)
Annual Collections/Costs	75,312,614	75,205,668	106,946
THIRD PARTY REVENUE ANALYSIS:			
ISO Energy Sales	36,999,655	36,999,655	-
Ancillary Services Sales	2,044,361	2,044,361	-
Interest Income - Operations	5,951	76,065	(70,114)
Interest Income (NCPA)	32,667	128,826	(96,159)
Interest Income (CDWR)	5,872	8,596	(2,724)
Other Income	-	1,731	(1,731)
Total Third Party Revenue	39,088,506	39,259,234	(170,728)
Net Plant Collections/Costs ^(A)	\$ 36,224,108	\$ 35,946,434	\$ 277,674
OTHER ITEMS:			
O&M Reserve Collections ^(A)	567,684	567,684	-
Natural Gas Transfer Credit	(4,392,152)	(4,392,152)	-
Net Project Collections/Costs	\$ 32,399,640	\$ 32,121,966	\$ 277,674

Explanations and Comments

General: Lodi Energy Center operates as a business plant designed to meet electric generation demand and reliability as determined by CAISO. The plant began operations late November 2012.

Routine O&M: Routine O&M costs were higher than collection by \$0.5 million primarily due to increase of \$1.2 million in fixed O&M costs offset by decrease of \$0.6 million for lower costs for variable O&M costs and decrease of \$0.1 million for lower allocated gas plant shared costs. The fixed O&M costs were primarily driven by higher than anticipated system repairs and maintenance related to the heat recovery steam generator transition duct replacement and repeated catalyst cleaning; in addition, the water treatment system injection well and clarifier maintenance costs were higher than projected. Variable O&M costs were lower than projected due to reduced generation output driven by market forces. The belly band repair costs were funded through the Operating and Maintenance Reserve and the Maintenance Reserve previously collected from Participants, and as such, those costs did not have an impact on the annual settlements.

Other Costs: Fuel, CAISO costs and CAISO energy purchases are billed when incurred and settled monthly. Other costs were less than collection by \$0.1 million due to continued cost reduction efforts for general costs.

Administrative and General (A&G) costs are allocated to generation plants based on person years and costs. A&G costs were less than projected overall, resulting in reduced A&G allocation to the plant.

Third Party Revenues: Third party revenue was higher by \$0.2 million primarily due to higher interest income earned on investments due to increases in short term interest rates. Revenues from ISO Energy Sales and Ancillary Services are credited to participants in the ARB when received.

(A) Total of Net Plant Collections plus O&M Reserve Collections equals Net Project Collections on All Resources Bills.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Milan Fischel, Director of Finance

(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

Siemens Energy, Inc.

(Company name)

for contract work at

Multi-Task General Services Agreement at Lodi Energy Center

(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 8th day of December, 20 14.

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.

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