



12745 N. Thornton Road
Lodi, CA 95242

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LEC PPC Agenda

Date: November 9, 2017

Subject: November 13, 2017 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 950 Reserve Drive, Suite 160 Roseville, CA 95678
CALIFORNIA DEPARTMENT OF WATER RESOURCES 2135 Butano Drive, Suite 100 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

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

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

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 October 9, 2017 Regular Meeting Minutes

MONTHLY REPORTS

3. Operational Report for October 2017 – (Jeremy Lawson)

4. Market Data Report for October 2017 – Verbal Report (Mike Whitney)

5. Monthly Asset Report for September 2017 – (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 October 2017 – Accept by all Participants

8. Financial Report for October 2017 – Approve by all Participants

9. GHG Reports (excerpted from Monthly ARB) – Accept by all Participants

10. Sabah International, Inc. – Staff is seeking approval of a five year Multi-Task General Services Agreement with Sabah International, Inc., with a not to exceed amount of \$500,000 for fire system maintenance services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

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- 11. Sunshine Metal Clad, Inc.** – Staff is seeking approval of a five year Multi-Task General Services Agreement with Sunshine Metal Clad, Inc., with a not to exceed amount of \$1,000,000 for insulation services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members.

Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

- 12. 2018 NCPA Property Insurance Renewal** – Staff is seeking approval for NCPA Property Insurance renewals for 2018.
- 13. FY17 Annual Billing Settlements** – Staff is seeking approval of the FY17 Annual Billing Settlements for the period July 1, 2016 through June 30, 2017.
- 14. FY18/19 Budget Guidelines** – Staff is seeking LEC PPC to provide guidance and direct staff to prepare the FY18/19 Operating Budget in accordance with the accepted directions.
- 15. Review of Underwriter RFP for LEC Indenture One Bonds** – Staff will present and discuss the result of the underwriter proposals received in preparation of the Lodi Energy Center Indenture One Bonds. *(Monty Hanks)*

INFORMATIONAL/ DISCUSSION ITEMS

- 16. Update on NCPA Policy on Revenue Allocation** – Staff will provide an update on policy development for allocating revenues to Members resulting from NCPA's provision of Power Management and Administrative services to third parties. *(James Takehara)*
- 17. Additional Operational Updates** – Staff will provide an update on issues related to Operations.

ADJOURNMENT

Next Regular Meeting: December 11, 2017

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

Lodi Energy Center
Project Participant Committee Regular Meeting
October 9, 2017 - 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 10:03 A.M. by Chairman George Morrow. He asked that roll be called for the Project Participants as listed below. Silicon Valley Power joined at 10:34 A.M.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Morrow	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Brown	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	6	82.5179%
Absent	7	17.4821%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	October 9, 2017	

Public Forum

Chairman Morrow 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 September 11, 2017 were considered. The LEC PPC considered the following motion:

Date: 10/9/2017

Motion: The PPC approves the September 11, 2017 Meeting Minutes as presented or *including any edits discussed at today's meeting.*

Moved by: MID

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	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:		Motion Passes

MONTHLY REPORTS

3. Operational Reports for September 2017

Jeremy Lawson presented the Operational Report for September. There were no OSHA recordable accidents, no permit violations, and no NERC/WECC violations. There were 3 outages, which Jeremy reviewed with the Committee. There were no changes made to the 2018 Outage Schedule.

The operational report reflected monthly production of 93,627 MWH, 387 service hours, and equivalent operating availability of 86.0%. The report set for the Capacity Factor @ 280MW Pmax of 46.4% and 302MW Pmax of 43.1%. There were three hot starts, seventeen warm starts, and one cold start during the month.

4. Market Data Report for September 2017

Zakary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 28 out of 30 available days. Zakary reviewed the daily CAISO commitment runs for September 2017. On September 1, LEC set a new record for single-day revenue.

5. Monthly Asset Report for August 2017

Mike DeBortoli presented the monthly asset report for August 2017. Mike reported that fuel costs in August were low, while revenues were high. The Plant is still seeing more frequent 24-hour runs, which is unusual for September/October. Prices remain strong on peak days, despite the more moderate weather. Mike reviewed the monthly historical comparisons as well as the 12-month history.

6. Bidding Strategies Report

Ken Goeke reviewed the monthly Bidding Strategies data for September 2017. Ken reviewed bidding and calculating net start-up costs. There was discussion about the Air Pollution Testing performed, and how that testing impacts Project Participants. Tony Zimmer and Ken are looking into whether there is an exception available so that Project Participants are not charged RAIMM fees during these testing periods. Ken shared an example of the updated bidding strategy which was implemented in late September. Ken also shared samples of the LEC Live Ops and Margin Report page, developed in conjunction with the IS Department. This new page will allow Staff to look at Day Ahead margins in real time. George Morrow asked that the minutes reflect that he appreciates the efforts of Ken's group and the IS Department, and that he thought the new reporting tool was very professional.

Consent Calendar (Items 7 – 9)

The consent calendar was considered. Chairman Morrow asked if any Participant wished to have any item removed for separate discussion. Ken Speer requested that Item 10 be pulled and voted on separately, as it would need to be changed. All those present agreed. Chairman Morrow then asked if any Participant wished to abstain from one or more items on the Consent Calendar. No participants asked to abstain. The LEC PPC considered the following motion:

Date: 10/9/2017

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. 7-9.

Moved by: Lodi
Seconded by: MID

Discussion: Item 10 pulled by Staff.

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	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion Passes	

Consent Calendar (Item 10)

Ken Speer explained that Staff would like to revise the motion to reflect that they are seeking approval for the original motion (increasing the not to exceed amount from \$200,000 to \$500,000), but would also like approval to increase the not to exceed amount to \$1,000,000 so the agreement could be made available to NCPA Members, SCPPA, and SCPPA Members (pending approval with the vendor).

Date: 10/9/2017

Motion: The PPC approves Item 10, increasing NTE to \$1,000,000 and to open up the agreement to Members/SCPPA.

Moved by: CDWR

Seconded by: SVP

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	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion Passes	

BUSINESS ACTION ITEMS

None

INFORMATIONAL ITEMS

11. FY17 Annual Billing Settlements

Monty Hanks presented preliminary FY17 annual billing settlements data. He shared a presentation, with a breakdown on refund amounts by Expense Type. Monty also shared a draft Staff Report, including a chart which summarized the total refund amount for each Project Participant.

Monty shared Next Steps with the Committee. The FY17 annual billing settlement numbers will be finalized by the Accounting Department. Monty plans to present this item for approval at the next LEC PPC Meeting in November. It will then be recommended for approval in the November 30, 2017 Commission Meeting.

12. Update on NCPA Policy on Revenue Allocation

James Takehara presented an update to the Committee on the revenue allocation issue. James brought the revised whitepaper to the October 4 Facilities Committee meeting. The Committee recommended Commission approval, pending a few very minor edits/clarifying points.

The Utility Director's will be briefed on the minor updates and results of the Facilities Committee vote. This will be presented to Commission for final approval at the October 26, 2017 Commission meeting.

13. Additional Operational Updates

George Morrow commented that the 2017 NCPA Conference was very informative, and he thanked all NCPA staff who participated.

Ken Speer gave an update on the negotiated gas rate with PG&E. NCPA is already seeing the benefits of this agreement. Ken Goeke and his team are still analyzing the monetary and generational benefits and impacts. This negotiated rate will be good through December 2018. NCPA still has a pending Petition for Modification for the next rate case; if that is unsuccessful, NCPA plans to negotiate with PG&E to extend the current special rate agreement.

Ken provided an update on the 19 Rate Case filed by PG&E. Ken reviewed the background on the rate case. PG&E has reached an agreement with some gas storage representatives, but is still planning on shifting a large percentage of gas storage costs from Core customers to Backbone customers. NCPA is focused on shifting the cost of shutting down their storage facilities to the Core customers. PG&E has a January/February 2018 filing deadline. NCPA is currently working with Susie Berlin on preparing a response.

George Morrow asked that the minutes reflect how appreciative he is of NCPA's professional management of the LEC project, noting that he is impressed with the employees who keep the project in such good running order.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, November 13, 2017.

The meeting was adjourned at 11:11 A.M.

Submitted by: Michelle Schellentrager



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Lodi, CA 95242

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Lodi Energy Center Project Participant Committee Operational Report

Agenda Item No.: 3

Date: 10/09/2017
To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents

Notice of Violations

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

Outage Summaries:

- None

Planned Outage Summaries:

- 2018 – April 4th – 15th Steam Turbine , BOP, HRSG Seals, Generator Inspections

Generating Unit Statistics:**Report
Date:**

10/1/2017

1. Monthly Production	136,030	MWH
2. Productivity Factor		
a. Service Hours	545	Hours
b. Service Factor	73.2	%
c. Capacity Factor @ 280MW Pmax	65.3	%
d. Capacity Factor @ 302MW Pmax	60.5	%
3. Equivalent Operating Availability (EOA)	100.0	%
4. Forced Outage Rate (FOR)		
a. Total LEC Plant FOR	0.0	%

5. Heat Rate Deviation

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

MW Range	PMOA HR BTU/kW- Hr	Average HR BTU/kW- Hr	Deviation %	Production MWH	Cost \$
Seg. 1 296 +	6850	0	0.00%	0	\$0
Seg. 2 284 - 296	6870	6,975	1.53%	142	\$60
Seg. 3 275 - 284	6971	6,989	0.26%	2,347	\$168
Seg. 4 250 - 275	7081	7,020	-0.87%	16,315	-\$4,011
Seg. 5 225 - 250	7130	7,058	-1.02%	4,693	-\$1,359
Seg. 6 200 - 225	7200	7,165	-0.49%	2,953	-\$419
Seg. 7 175 - 225	7450	7,419	-0.42%	3,800	-\$474
Seg. 8 165 - 175	7760	7,770	0.13%	1,948	\$77
	7,164	7,199	-0.40%	32,197	-\$5,958

6. AGC Control Deviation

MW Range	High Dev MWH	Low Dev MWH	Total Dev MWH	Cost \$
Bad AGC Data for May				
Seg. 1 296 +	0	0	0	\$0
Seg. 2 284 - 296	46	-132	178	\$4,963
Seg. 3 275 - 284	74	-225	299	\$8,345
Seg. 4 250 - 275	162	-172	334	\$9,375
Seg. 5 225 - 250	96	-33	129	\$3,635
Seg. 6 200 - 225	42	-49	90	\$2,589
Seg. 7 175 - 225	35	-82	117	\$3,470
Seg. 8 165 - 175	7	-3	11	\$331
	462	-695	1,157	\$32,709

7. Starting Reliability

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	8	12	0
Start Time Benchmark (Minutes)	75	110	200
Start Time Actual (Average Minute)	67	89	0
Start Time Deviation (%)	-11%	-19%	0%
Start Fuel Benchmark PMOA (mmBTU)	1,300	1,800	3,500
Start Fuel Actual (Average mmBTU)	1,180	1,661	0
Fuel Deviation (%)	-9%	-8%	0%
Costs of Fuel Deviations (\$)	-\$481	-\$554	\$0

Definitions:

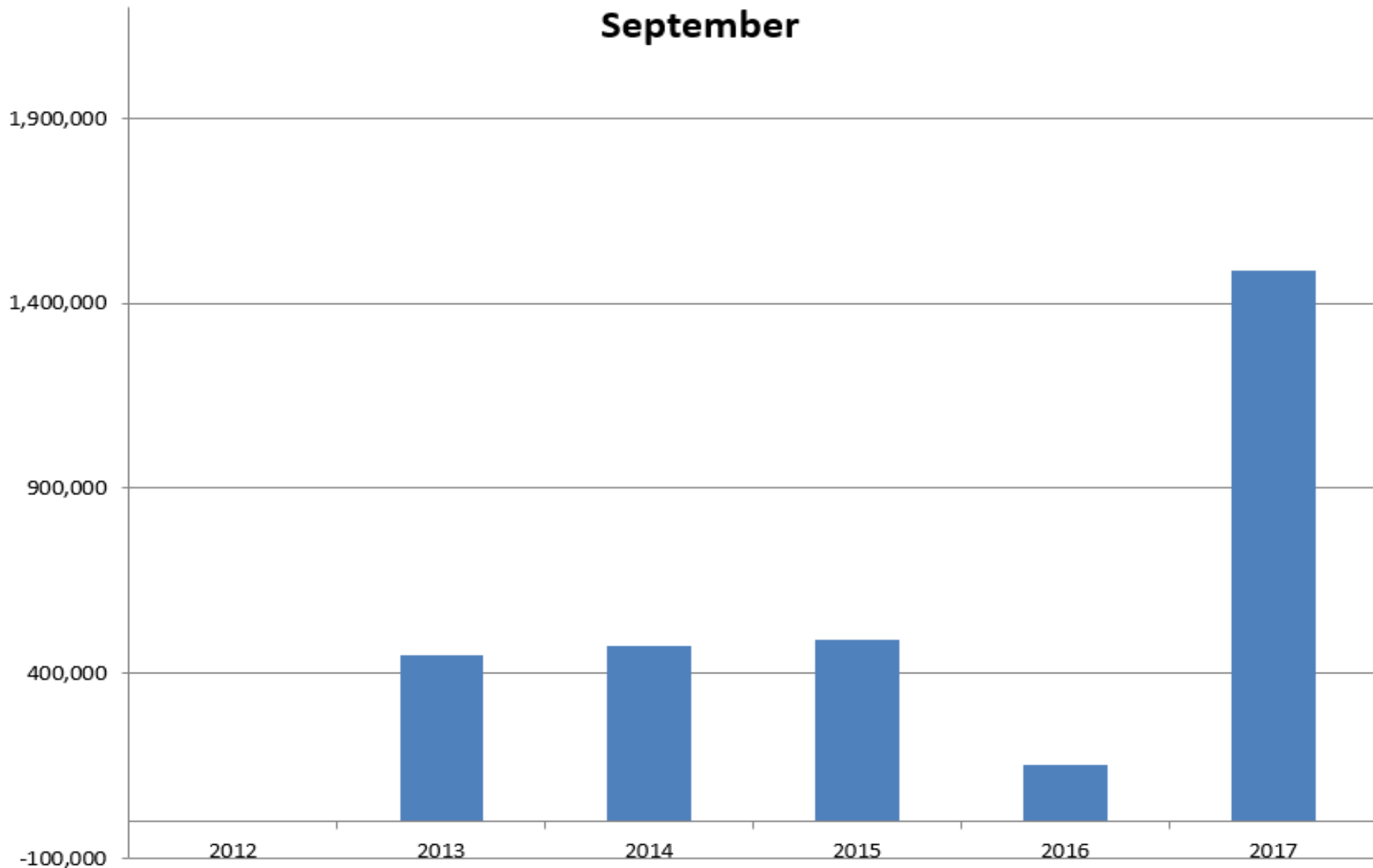
1. Monthly Production = Plant Net MWH's
2. Capacity Factor
 - a. Service Hours = In Production or in Service State
 - b. Service Factor = $SH / PH \times 100\%$
 - c. Capacity Factor = $Production / 302MW \times PH$
 - d. Capacity Factor = $Production / 280MW \times PH$
3. Monthly Equivalent Availability 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 = $(Actual\ Fuel\ Consumed - Expected\ Fuel) \times Cost\ of\ Fuel$

September Asset Report

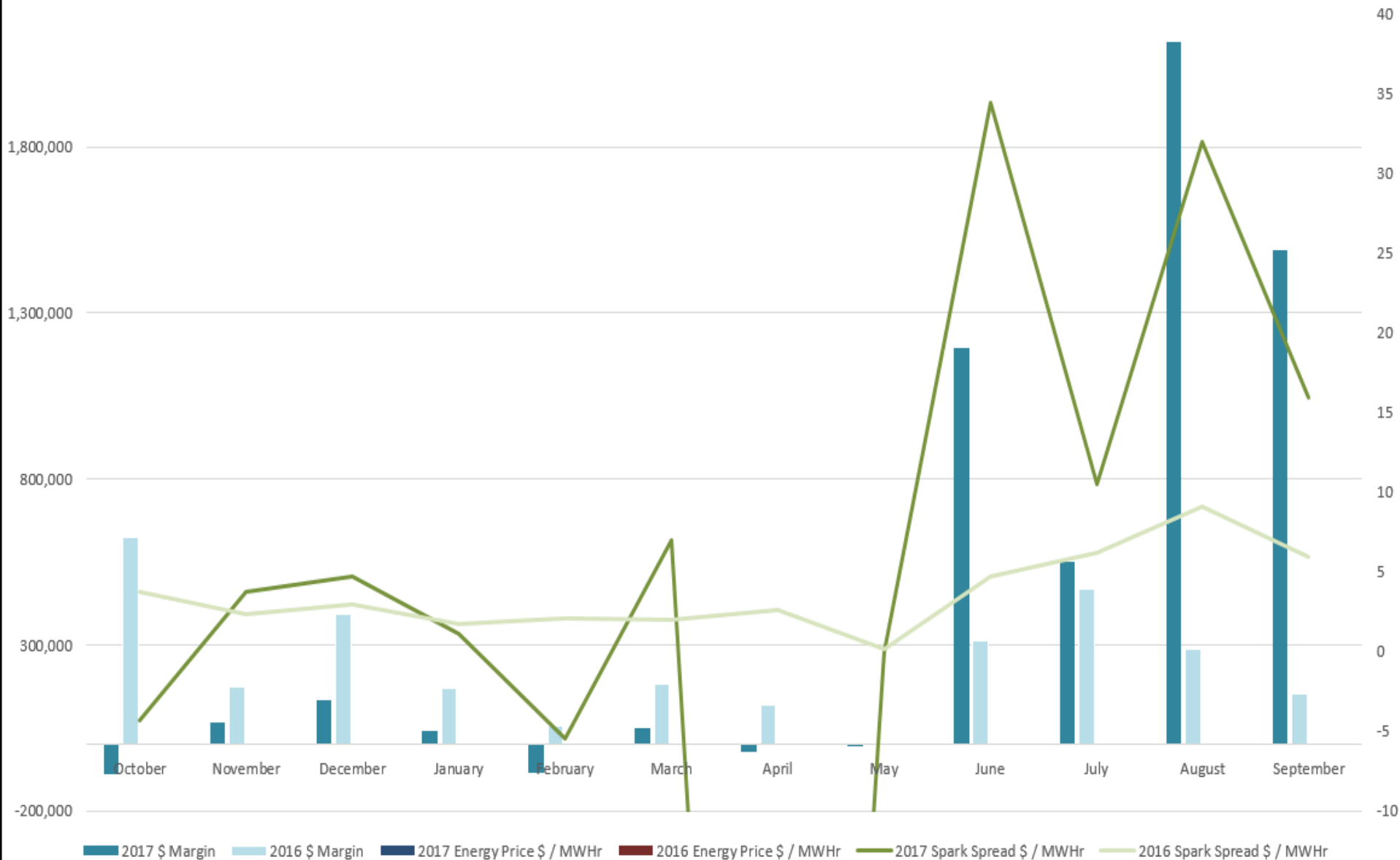
	Most Recent			Above / (below)	Percent Difference	
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	4,883,330	4,445,399	2,812,802	437,931	10%	
VOM	3,222,709	2,237,198	2,462,951	985,512	44%	
Fixed	882,256	781,780	929,648	100,476	13%	
Projects	172,993	219,705	219,705	(46,712)	-21%	
A&G	191,347	186,895	186,895	4,452	2%	
Debt	2,201,387	2,201,387	2,201,387	0	0.00%	
Net Cost	(1,787,362)	(1,181,565)	(3,187,784)	(605,796)	51%	
Net Annual Cost		(29,588,447)	(41,127,058)	\$11,538,611		
				Below budget by 28.06%		

Historical Margins

September



Historical Monthly Comparison



Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 11/07/2017

	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY2017 Budget	Percent Used	Comments
VOM	2,131,885	2,263,977	3,222,709	2,403,677	1,595,337	2,186,131	2,695,434	1,658,773	1,701,972	1,225,944	1,477,061	1,724,152	24,287,052	18,381,034	132.1%	
Capacity Factor	25%	32%	46%	25%	21%	28%	30%	21%	20%	11%	18%	19%	25%	16%	157.0%	Higher than planned
Fuel Consumed (mmBTU, estimated)	408,530	491,555	682,614	353,652	285,700	397,540	430,653	283,371	290,899	155,707	256,711	263,622	4,300,553	2,587,320	166.2%	
Avg Fuel Cost (\$/mmBTU)	4.26	4.31	3.75	4.56	4.59	4.55	4.51	4.82	4.82	4.65	4.70	4.60	4.42	5.75	76.9%	Lower than planned
Power Produced (MWHr, estimated)	54,015	66,206	93,624	51,628	41,708	58,035	62,869	41,368	42,467	22,731	37,476	38,485	610,612	377,711	161.7%	
Avg Power Price (\$/MWHr)	51.53	73.18	52.16	57.42	58.25	58.25	56.71	70.56	71.94	55.90	56.91	71.59	60.57	52.32	115.8%	Less than forecast
Operations / Variable / LTSA	29,334	86,135	58,161	495,464	44,284	44,284	375,787	44,284	44,284	365,566	44,284	260,420	1,892,288	1,263,067	149.8%	
Fuel (estimated)	1,738,553	2,120,273	2,560,852	1,612,901	1,312,483	1,809,887	1,940,799	1,365,205	1,401,781	723,400	1,206,947	1,213,492	19,006,572	14,877,170	127.8%	
AB32 GHG Offset (estimated)	329,888	22,196	556,527	274,145	221,469	308,166	353,072	232,323	238,495	127,657	210,465	216,132	3,090,535	2,044,488	151.2%	
CA ISO Charges (estimated)	34,109	35,373	47,170	21,167	17,100	23,794	25,776	16,961	17,411	9,320	15,365	34,109	297,657	196,309	151.6%	
Routine O&M (Fixed)	725,314	810,496	882,256	856,779	1,036,812	941,780	1,356,780	871,738	783,780	1,328,812	788,781	806,780	11,190,108	11,210,509	99.8%	
Maintenance / Fixed	170,690	182,526	274,205	285,000	385,000	235,000	235,000	316,592	235,000	535,000	235,000	235,000	3,324,013	3,336,592	99.6%	PG&E billing correction
Administration	14,307	2,096	4,956	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	174,359	230,934	75.5%	
Mandatory Costs	36,388	135,865	10,376	5,000	18,000	5,000	10,000	3,000	7,000	60,000	12,000	30,000	332,629	291,959	113.9%	
Inventory Stock	0	0	0	0	0	0	0	0	0	0	0	0	0	-	0.0%	
Labor	380,095	350,342	460,520	397,968	490,000	397,968	397,968	397,968	397,968	590,000	397,968	397,968	5,056,733	5,051,714	100.1%	
Insurance	0	0	0	25,000	0	160,000	570,000	10,367	0	0	0	0	765,367	765,367	100.0%	
Power Management & Settlements	123,260	123,260	123,260	123,259	123,260	123,260	123,260	123,259	123,260	123,260	123,260	123,259	1,479,117	1,479,117	100.0%	
Other Costs	574	16,407	8,939	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,553	3,553	57,890	54,826	105.6%	
Projects	167,733	167,733	172,993	219,704	219,704	219,705	219,704	219,704	219,705	219,704	219,704	219,705	2,485,798	2,636,452	94.3%	
Maintenance Reserve	167,733	167,733	167,733	167,733	167,733	167,734	167,733	167,733	167,734	167,733	167,733	167,734	2,012,799	2,012,800	100.0%	
Operations & Maintenance Projects	0	0	5,260	5,304	5,304	5,305	5,304	5,304	5,305	5,304	5,304	5,305	52,999	63,652	83.3%	
Capital Projects	0	0	0	46,667	46,667	46,666	46,667	46,667	46,666	46,667	46,667	46,666	420,000	560,000	75.0%	
A&G	153,787	164,932	191,347	186,895	186,895	186,895	186,895	186,896	186,896	186,896	186,896	186,895	2,192,125	2,242,744	97.7%	
Administrative & General (Allocated)	134,528	143,874	163,801	156,946	156,946	156,946	156,946	156,947	156,947	156,947	156,947	156,946	1,854,721	1,883,356	98.5%	
Generation Services Shared	19,259	21,058	27,546	29,949	29,949	29,949	29,949	29,949	29,949	29,949	29,949	29,949	337,404	359,388	93.9%	
Total O&M Cost	3,178,719	3,407,138	4,469,305	3,667,055	3,038,748	3,534,511	4,458,813	2,937,111	2,892,353	2,961,356	2,672,442	2,937,532	40,155,083	34,470,739	116.5%	
Debt Service	2,201,387	2,201,387	2,201,387	2,201,387	2,201,387	2,201,387	2,201,387	2,201,387	2,201,386	2,201,386	2,201,386	2,201,386	26,416,640	26,416,640	100.0%	
Revenues	2,783,231	4,844,949	4,883,330	2,964,403	2,429,321	3,380,614	3,565,036	2,918,725	3,054,994	1,270,703	2,132,660	2,755,309	36,983,276	19,760,321	187.2%	
ISO Energy Sales (estimated)	2,783,231	4,844,744	4,883,142	2,964,403	2,429,321	3,380,614	3,565,036	2,918,725	3,054,994	1,270,703	2,132,660	2,755,309	36,982,883	19,760,321	187.2%	
Other Income	0	205	188	0	0	0	0	0	0	0	0	0	393	0		
Net	(\$2,596,875)	(\$763,576)	(\$1,787,362)	(\$2,904,039)	(\$2,810,814)	(\$2,355,284)	(\$3,095,164)	(\$2,219,773)	(\$2,038,745)	(\$3,892,038)	(\$2,741,169)	(\$2,383,609)	(\$29,588,447)	(\$41,127,058)	Below budget by 28.06%	



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LEC Treasurer's Report

AGENDA ITEM NO.: 7

Date: November 13, 2017
To: LEC Project Participant Committee
Subject: Treasurer's Report for the Month Ended October 31, 2017

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 \$42,221.

Investments - The carrying value of the LEC's investment portfolio totaled \$34,298,121 at month end. The current market value of the portfolio totaled \$34,098,065.

The overall portfolio had a combined weighted average interest rate of 1.656% with a bond equivalent yield (yield to maturity) of 1.351%. Investments with a maturity greater than one year totaled \$21,328,000. 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 increased by 5 basis points (from 1.06% to 1.11%) and rates on one year T-Bills increased by 12 basis points (from 1.31% to 1.43%).

To the best of my knowledge and belief, all securities held by LEC as of October 31, 2017 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

Environmental Analysis

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

Respectfully submitted,

MONTY HANKS
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

OCTOBER 31, 2017

TABLE OF CONTENTS

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

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash & Investment Balance
October 31, 2017

	CASH	INVESTMENTS	TOTAL	PERCENT	INVESTMENTS at MARKET
MANDATORY FUNDS					
Debt Service Account	-	11,060,291	11,060,291	32.21%	11,060,284
Debt Service Reserve	-	12,001,431	12,001,431	34.95%	11,864,738
O & M Reserve	-	11,164,362	11,164,362	32.51%	11,101,006
	-	34,226,084	34,226,084	99.67%	34,026,028
ADDITIONAL PROJECT FUNDS					
GHG Cash Account	-	72,037	72,037	0.21%	72,037
Transmission Upgrade Escrow ¹	42,221	-	42,221	0.12%	-
Participant Deposit Account	-	-	-	0.00%	-
	\$ 42,221	\$ 34,298,121	\$ 34,340,342	100.00%	\$ 34,098,065

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
October 31, 2017

	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	\$ -	\$ 25	\$ 48	\$ -	\$ (2,204,733)	\$ 2,204,660	-
Debt Service Reserve	-	1	-	-	(1)	-	-
O & M Reserve	-	4,253	-	-	(4,253)	-	-
	-	4,279	48	-	(2,208,987)	2,204,660	-
ADDITIONAL PROJECT FUNDS							
GHG Cash Account	-	194	(194)	-	-	-	-
Transmission Upgrade Escrow ¹	-	7	-	-	-	-	7
Participant Deposit Account	-	-	-	-	-	-	-
TOTAL	\$ -	\$ 4,480	\$ (146)	\$ -	\$ (2,208,987)	\$ 2,204,660	\$ 7

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
October 31, 2017**

	PURCHASED	SOLD OR MATURED	(NON-CASH) DISC/(PREM) AMORT	(NON-CASH) GAIN/(LOSS) ON SALE	INVESTMENTS	
					TRANSFERS	INCREASE / (DECREASE)
MANDATORY FUNDS						
Debt Service Account	2,204,733	(48)	8,443	-	-	2,213,128
Debt Service Reserve	1	-	(6,815)	-	-	(6,814)
O & M Reserve	4,253	-	(1,531)	-	-	2,722
	\$ 2,208,987	\$ (48)	\$ 97	\$ -	\$ -	\$ 2,209,036
ADDITIONAL PROJECT FUNDS						
GHG Cash Account	-	194	-	-	-	194
Participant Deposit Acct.	-	-	-	-	-	-
TOTAL	\$ 2,208,987	\$ 146	\$ 97	\$ -	\$ -	\$ 2,209,230

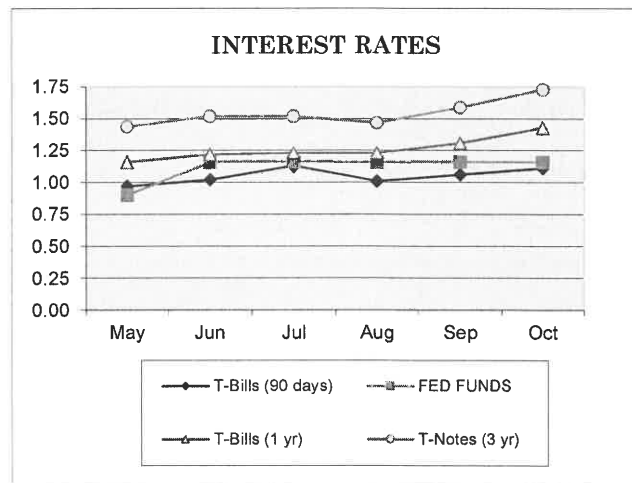
Less Non- Cash Activity	
Disc/(Prem) Amortization & Gain/(Loss) on Sale	(97)
Net Change in Investment --Before Non-Cash Activity	\$ 2,209,133

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
October 31, 2017**

	WEIGHTED AVERAGE INTEREST RATE	BOND EQUIVALENT YIELD
OVERALL COMBINED	1.656%	1.351%
Debt Service Account	1.036%	1.053%
Debt Service Reserve	2.378%	1.648%
O & M Reserve	1.498%	1.328%
GHG Cash Account	1.074%	1.074%

KEY INTEREST RATES		
	CURRENT	PRIOR YEAR
Fed Fds (Ovrnight)	1.16%	0.41%
T-Bills (90da.)	1.11%	0.32%
Agency Disc (90da.)	1.12%	0.36%
T-Bills (1yr.)	1.43%	0.67%
Agency Disc (1yr.)	1.41%	0.67%
T-Notes (3yr.)	1.73%	1.01%



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
October 31, 2017**

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	\$ -	\$ 11,067	\$ -	\$ -	\$ -	\$ 21,328	\$ -	\$ 32,395	95.08%
US Bank Trust Money Market	11	-	-	-	-	-	-	11	0.03%
Commercial Paper	-	-	-	-	-	-	-	-	0.00%
Investment Trusts (LAIF)	1,665	-	-	-	-	-	-	1,665	4.89%
U.S.Treasury Market Acct.	-	-	-	-	-	-	-	-	0.00%
U.S.Treasury Bill	-	-	-	-	-	-	-	-	0.00%
Certificates of Deposit	-	-	-	-	-	-	-	-	0.00%
Total Dollars	\$ 1,676	\$11,067	\$0	\$0	\$0	\$21,328	\$0	\$ 34,071	100.00%
Total Percents	4.92%	32.48%	0.00%	0.00%	0.00%	62.60%	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

10/31/2017

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	1,021	0.100	07/01/2013	1,021		1	0.100	1,021	SYS79003	79003	1,021
Federal Home Loan Ba	USBT	695,000	1.030	08/25/2017	693,071	11/30/2017	29	1.047	694,437	313385PX8	26457	694,423
Federal Home Loan Ba	USBT	701,000	1.050	06/30/2017	697,851	12/01/2017	30	1.069	700,390	313385PY6	26436	700,387
Federal Home Loan Ba	USBT	696,000	1.070	07/28/2017	693,393	12/01/2017	30	1.088	695,394	313385PY6	26445	695,379
Federal Home Loan Ba	USBT	694,000	1.015	09/27/2017	692,728	12/01/2017	30	1.030	693,396	313385PY6	26480	693,413
Federal Home Loan Ba	USBT	694,000	1.014	10/24/2017	693,256	12/01/2017	30	1.030	693,396	313385PY6	26487	693,413
Fund Total and Average		\$ 3,481,021	1.036		\$ 3,471,320		30	1.053	\$ 3,478,034			\$ 3,478,036

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	656	0.100	07/01/2013	656		1	0.100	656	SYS79004	79004	656
Federal Home Loan Ba	USBT	727,000	1.030	08/25/2017	724,982	11/30/2017	29	1.047	726,411	313385PX8	26458	726,397
Federal Home Loan Ba	USBT	732,000	1.050	06/30/2017	728,712	12/01/2017	30	1.069	731,363	313385PY6	26437	731,360
Federal Home Loan Ba	USBT	729,000	1.070	07/28/2017	726,270	12/01/2017	30	1.088	728,366	313385PY6	26446	728,350
Federal Home Loan Ba	USBT	727,000	1.015	09/27/2017	725,668	12/01/2017	30	1.030	726,368	313385PY6	26481	726,385
Federal Home Loan Ba	USBT	726,000	1.015	10/24/2017	725,222	12/01/2017	30	1.030	725,368	313385PY6	26488	725,386
Fund Total and Average		\$ 3,641,656	1.036		\$ 3,631,510		30	1.053	\$ 3,638,532			\$ 3,638,534

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	985	0.100	07/01/2013	985		1	0.100	985	SYS79011	79011	985
Federal Home Loan Ba	USBT	438,000	1.030	08/25/2017	436,784	11/30/2017	29	1.047	437,645	313385PX8	26459	437,637
Federal Home Loan Ba	USBT	442,000	1.050	06/30/2017	440,015	12/01/2017	30	1.069	441,615	313385PY6	26438	441,613
Federal Home Loan Ba	USBT	439,000	1.070	07/28/2017	437,356	12/01/2017	30	1.088	438,618	313385PY6	26447	438,609
Federal Home Loan Ba	USBT	439,000	1.015	09/27/2017	438,195	12/01/2017	30	1.030	438,618	313385PY6	26482	438,629
Federal Home Loan Ba	USBT	437,000	1.015	10/24/2017	436,532	12/01/2017	30	1.030	436,620	313385PY6	26489	436,630
Fund Total and Average		\$ 2,195,985	1.036		\$ 2,189,867		30	1.053	\$ 2,194,101			\$ 2,194,103

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	119	0.100	07/01/2013	119		1	0.100	119	SYS79012	79012	119
Federal Home Loan Ba	USBT	349,000	1.030	08/25/2017	348,031	11/30/2017	29	1.047	348,717	313385PX8	26460	348,710
Federal Home Loan Ba	USBT	353,000	1.050	06/30/2017	351,414	12/01/2017	30	1.069	352,693	313385PY6	26439	352,691
Federal Home Loan Ba	USBT	350,000	1.070	07/28/2017	348,689	12/01/2017	30	1.088	349,696	313385PY6	26448	349,688
Federal Home Loan Ba	USBT	350,000	1.015	09/27/2017	349,359	12/01/2017	30	1.030	349,696	313385PY6	26483	349,704
Federal Home Loan Ba	USBT	349,000	1.014	10/24/2017	348,626	12/01/2017	30	1.030	348,696	313385PY6	26490	348,705



Treasurer's Report

10/31/2017

LEC Issue #2 2010B DS Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Fund Total and Average		\$ 1,751,119	1.036		\$ 1,746,238		30	1.053	\$ 1,749,617			\$ 1,749,617
GRAND TOTALS:		\$ 11,069,781	1.036		\$ 11,038,935		30	1.053	\$ 11,060,284.			\$ 11,060,290

*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 10/31/2017



Northern California Power Agency

Treasurer's Report

10/31/2017

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	4,323	0.100	07/01/2013	4,323		1	0.100	4,323	SYS79005	79005	4,323
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	1,301	1.659	4,290,850	3133EGBZ7	26337	4,360,000
Federal Home Loan Mt	USB	150,000	1.125	07/28/2017	146,648	08/12/2021	1,380	1.699	146,003	3137EAEC9	26454	146,862
Federal Home Loan Ba	USB	4,100,000	2.125	08/28/2017	4,168,306	06/10/2022	1,682	1.760	4,115,703	313379Q69	26463	4,165,807
Fund Total and Average		\$ 8,614,323	1.873		\$ 8,679,277		1485	1.708	\$ 8,556,879			\$ 8,676,992

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	1,493	0.100	07/01/2013	1,493		1	0.100	1,493	SYS79006	79006	1,493
Federal Home Loan Ba	USB	2,145,000	3.375	07/28/2017	2,255,146	06/12/2020	954	1.540	2,232,580	313370E38	26455	2,245,239
Fund Total and Average		\$ 2,146,493	3.373		\$ 2,256,639		953	1.539	\$ 2,234,073			\$ 2,246,732

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	2,743	0.100	07/01/2013	2,743		1	0.100	2,743	SYS79013	79013	2,743
Federal Home Loan Ba	USB	1,025,000	4.375	07/28/2017	1,082,708	07/01/2019	607	1.400	1,071,043	3133XU3G6	26456	1,074,963
Fund Total and Average		\$ 1,027,743	4.364		\$ 1,085,451		605	1.397	\$ 1,073,786			\$ 1,077,706

GRAND TOTALS: \$ 11,788,559 2.378 \$ 12,021,367 1306 1.648 \$ 11,864,738. \$ 12,001,430

*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 10/31/2017

Investment #26337 FFCB Callable anytime



Northern California Power Agency

Treasurer's Report

10/31/2017

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		1,592,917	1.073	07/01/2013	1,592,917		1	1.073	1,592,917	SYS70047	70047	1,592,917
Union Bank of Califo	UBOC	3	0.002	07/18/2013	3		1	0.002	3	SYS70041	70041	3
Federal National Mtg	UBOC	2,933,000	1.875	08/28/2015	2,998,142	02/19/2019	475	1.220	2,945,729	3135G0ZA4	26248	2,957,370
Federal Home Loan Ba	USB	3,615,000	1.540	06/30/2017	3,613,952	06/05/2020	947	1.550	3,596,527	3130ABJQ0	26440	3,614,072
Federal National Mtg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	972	1.300	2,965,830	3136G3UJ2	26341	3,000,000
Fund Total and Average		\$ 11,140,920	1.498		\$ 11,205,014		694	1.328	\$ 11,101,006			\$ 11,164,362
GRAND TOTALS:		\$ 11,140,920	1.498		\$ 11,205,014		694	1.328	\$ 11,101,006.			\$ 11,164,362

*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 10/31/2017



Northern California Power Agency

Treasurer's Report

10/31/2017

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		72,037	1.073	07/01/2013	72,037		1	1.073	72,037	SYS70046	70046	72,037
Fund Total and Average		\$ 72,037	1.074		\$ 72,037		1	1.074	\$ 72,037			\$ 72,037
GRAND TOTALS:		\$ 72,037	1.074		\$ 72,037		1	1.074	\$ 72,037.			\$ 72,037

*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 10/31/2017



Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO.: 8

Date: November 13, 2017

To: Lodi Energy Center Project Participant Committee

Subject: October 31, 2017 Financial Reports (Unaudited)

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

		October	
		2017	2016
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$	71,843	\$ 71,419
Interest receivable		167	26
Inventory and supplies - at average cost		2,110,855	1,877,526
Prepaid insurance		52,002	(22,686)
Due from (to) Agency, net		19,584,516	11,458,025
TOTAL CURRENT ASSETS		21,819,383	13,384,310
RESTRICTED ASSETS			
Cash and cash equivalents		3,850,609	7,634,469
Investments		30,413,312	26,414,966
Interest receivable		119,049	69,626
TOTAL RESTRICTED ASSETS		34,382,970	34,119,061
ELECTRIC PLANT			
Electric plant in service		423,725,092	423,561,369
Less: accumulated depreciation		(71,811,564)	(57,202,824)
		351,913,528	366,358,545
Construction work-in-progress		107,024	102,031
TOTAL ELECTRIC PLANT		352,020,552	366,460,576
OTHER ASSETS			
Regulatory assets		22,193,211	19,989,371
TOTAL OTHER ASSETS		22,193,211	19,989,371
TOTAL ASSETS	\$	430,416,116	\$ 433,953,318

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

	October	
	2017	2016
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 3,490,081	\$ 702,052
Operating reserves	13,040,781	11,913,561
Current portion of long-term debt	10,355,000	9,950,000
Accrued interest payable	6,677,891	6,842,834
TOTAL CURRENT LIABILITIES	33,563,753	29,408,447
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	1,715,980	1,715,391
Long-term debt, net	340,796,994	351,623,812
TOTAL NON-CURRENT LIABILITIES	342,512,974	353,339,203
TOTAL LIABILITIES	376,076,727	382,747,650
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	41,913,592	42,842,261
NET POSITION		
Invested in capital assets, net of related debt	(18,851,823)	(16,076,689)
Restricted	13,955,553	16,224,140
Unrestricted	17,322,067	8,215,956
TOTAL NET POSITION	12,425,797	8,363,407
TOTAL LIABILITIES AND NET POSITION	\$ 430,416,116	\$ 433,953,318

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

		Four Months Ended October	
		2017	2016
SALES FOR RESALE			
Participants	\$	11,825,341	\$ 11,665,682
Other		20,879,196	7,493,160
TOTAL SALES FOR RESALE		32,704,537	19,158,842
OPERATING EXPENSES			
Operations		13,002,103	6,278,171
Depreciation		4,870,186	4,868,400
Purchased power		1,833,367	1,104,865
Maintenance		1,163,858	1,264,543
Administrative and general		1,553,795	1,388,951
Transmission		449,042	219,349
Intercompany (sales) purchases		92,864	75,505
TOTAL OPERATING EXPENSES		22,965,215	15,199,784
NET OPERATING REVENUES		9,739,322	3,959,058
OTHER REVENUES (EXPENSES)			
Interest expense		(5,200,604)	(5,304,628)
Interest income		248,401	45,031
Other		890,311	5,864,933
TOTAL OTHER REVENUES (EXPENSES)		(4,061,892)	605,336
FUTURE RECOVERABLE AMOUNTS		540,757	831,542
REFUNDS TO PARTICIPANTS		(21)	(14)
INCREASE IN NET POSITION		6,218,166	5,395,922
NET POSITION			
Beginning of year		6,207,631	2,967,485
End of period	\$	12,425,797	\$ 8,363,407

**Lodi Energy Center
FY 2018 Operating Costs
As of October 31, 2017**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
Routine O&M Costs					
Variable	\$ 1,263,067	\$ 1,616,279	\$ (353,212)	0%	A
Fixed	3,336,592	882,553	2,454,039	74%	
Administration	230,934	27,357	203,577	88%	
Mandatory Costs	291,959	189,443	102,516	35%	B
Routine O&M Costs without Labor	5,122,552	2,715,632	2,406,920	47%	
Labor	5,051,714	1,512,919	3,538,795	70%	
Total Routine O&M Cost	10,174,266	4,228,551	5,945,715	58%	
Other Costs					
Fuel	14,877,170	9,495,747	5,381,423	36%	C
CA ISO Charges	196,309	449,042	(252,733)	0%	D
CA ISO Purchased Energy	3,724,590	1,833,367	1,891,223	51%	E
Debt Service	26,416,640	8,805,547	17,611,093	67%	
Insurance	765,367	-	765,367	100%	
Other Costs	54,826	19,616	35,210	64%	
Generation Services Shared	359,388	92,864	266,524	74%	
Administrative & General (Allocated)	1,883,356	592,203	1,291,153	69%	
Power Management Allocated Costs	1,479,117	493,039	986,078	67%	
Total O&M Cost	59,931,029	26,009,976	33,921,053	57%	
Projects					
Operations & Maintenance	63,652	9,129	54,523	86%	
Capital	560,000	-	560,000	100%	
Maintenance Reserve	2,012,800	670,933	1,341,867	67%	
Total Projects	2,636,452	680,062	1,956,390	74%	
Annual Cost	62,567,481	26,690,038	35,877,443	57%	
Less: Third Party Revenue					
Interest Income	171,889	76,612	95,277	55%	F
ISO Energy Sales	19,760,321	20,321,648	(561,327)	0%	
Ancillary Services Sales	396,879	557,548	(160,669)	0%	
	20,329,089	20,956,201	(627,112)	0%	
Net Annual Cost to Participants	\$ 42,238,392	\$ 5,733,837	\$ 36,504,555	86%	

Total Variable Costs	20,061,136	13,394,435	6,666,701
Total Fixed Costs	42,506,345	13,295,603	29,210,742
	<u>\$ 62,567,481</u>	<u>\$ 26,690,038</u>	<u>\$ 35,877,443</u>

Net Cumulative Generation (MWh)	377,711	349,884
Total O&M Cost Per MWh	\$ 158.67	\$ 74.34
Net Annual Cost Per MWh	\$ 111.83	\$ 16.39

Footnotes:

General - The plant ran each day of the month.

October payroll, A&G allocation and generation services allocation are estimated.

A - Higher variable maintenance and chemical costs due to higher year to date generation.

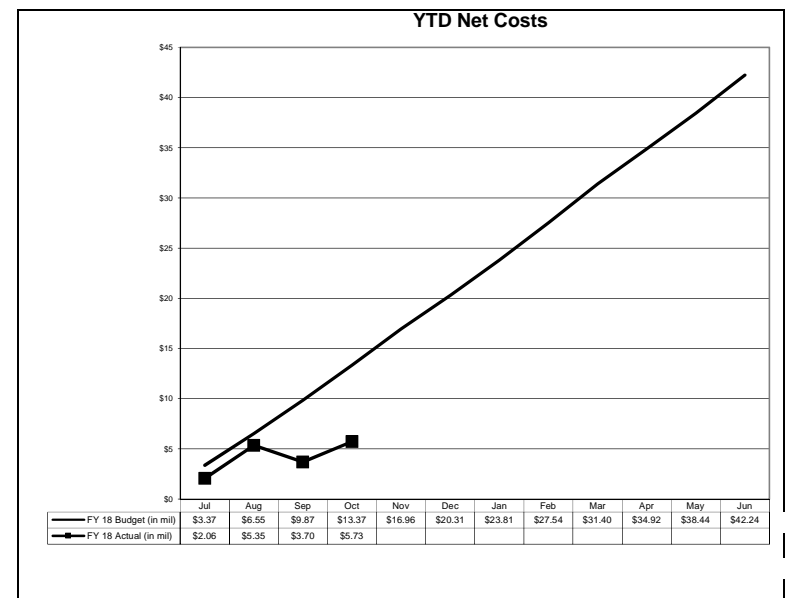
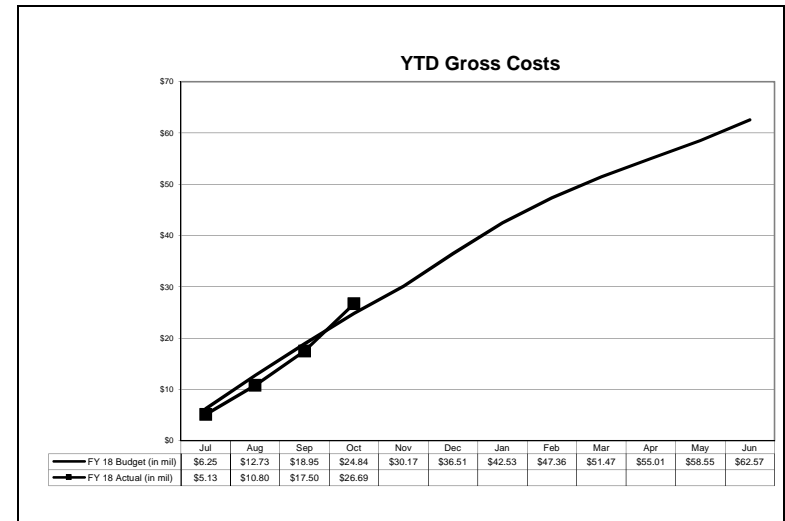
B - Payments for annual CEC fee and Air Resources Board fee were higher than expected.

C - Higher fuel costs due to higher generation and higher natural gas costs per mmBtu.

D - Higher than budgeted CA ISO costs due to higher than anticipated GMC costs and transmission costs due to volume.

E - 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.

F - Higher than budgeted interest income due to increase in short term interest rates.

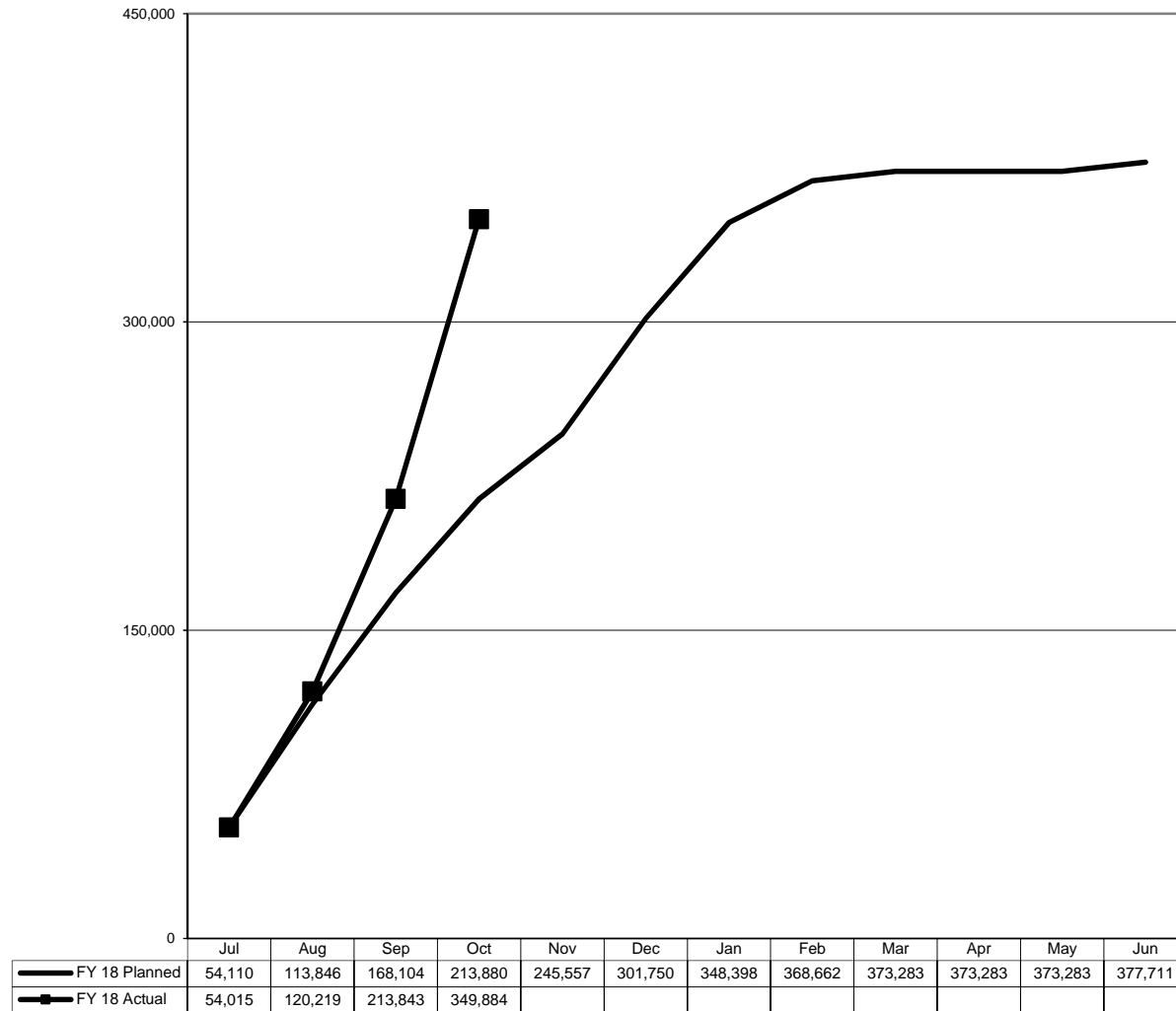


Note: Decrease in September net costs due to adjustment of energy sales in prior periods.

Annual Budget LEC Generation Analysis Planned vs. Actual FY 2018

In MWh

Lodi Energy Center



Note: Increase in generation due to decrease in transmission costs, making it economical for the plant to run.



Lodi Energy Center Project Participant Committee

LEC GHG Reports

AGENDA ITEM NO.: 9

Date: November 13, 2017

To: Lodi Energy Center Project Participant Committee

Subject: GHG Reports (excerpted from monthly ARB)

2013 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center														
	Actual													Compliance Year 2013
IDENTIFIER	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	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	37,500	0	46,290	498,133
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	37,500	0	46,290	498,133
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	37,500	0	46,290	545,133
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	498,843	498,843	545,133	545,133
MTA Shortfall (MT)	(139,695)	(113,018)	(73,999)	(39,363)	(92,959)	(131,194)	(130,542)	(85,174)	(151,004)	(128,507)	(128,642)	(88,815)	(82,927)	(82,927)

	2014 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												Compliance Year 2014
	Actual												Total
IDENTIFIER	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	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	40,000	48,066	25,000	1,290	163,248	0	0	13,586	50,520	80,350	350	524,757
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	40,000	48,066	25,000	1,290	163,248	0	0	13,586	50,520	80,350	350	524,757
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	40,000	48,066	25,000	1,290	163,248	0	0	13,586	50,520	80,350	350	524,757
Cumulative MT Account Balance [MTA] (MT)	647,480	687,480	735,546	760,546	761,836	925,084	925,084	925,084	938,670	989,190	930,624	930,974	930,974
MTA Shortfall (MT)	(133,916)	(114,947)	(116,667)	(120,552)	(94,208)	(237,398)	(192,242)	(165,458)	(111,504)	(88,009)	(148,239)	(107,419)	(107,419)

	2015 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												
	Actual												Compliance Year 2015 Total
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
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	593,540	644,285	644,285
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	41,342	250	172,100	15,000	86,000	107,327	104,000	26,021	0	58,201	375	200	610,816
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	172,100	15,000	86,000	107,327	104,000	26,021	0	58,201	375	200	610,816
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	824,595	0	824,595
Total Monthly Activity (MT)	41,342	250	172,100	15,000	86,000	107,327	104,000	26,021	0	58,201	375	200	610,816
Cumulative MT Account Balance [MTA] (MT)	972,316	972,566	1,144,666	1,159,666	1,245,666	1,352,993	1,456,993	1,483,014	1,483,014	1,541,215	716,995	717,195	717,195
MTA Shortfall (MT)	(74,912)	(17,239)	(119,223)	(65,715)	(116,852)	(169,705)	(233,741)	(207,346)	(157,281)	(152,282)	(123,455)	(72,910)	(72,910)

2016 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center													
	Actual												Compliance Year 2016 Total
IDENTIFIER	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	25,597	20,636	17,488	28,418	531,223
Gas Schedule (MMBtu)	695,120	194,179	678,033	339,504	27,754	485,792	547,510	234,782	192,679	158,835	158,835	214,109	3,927,132
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	10,398	8,572	8,572	11,554	211,928
Cumulative MT Obligation (MT)	681,798	692,276	728,867	747,188	748,686	774,901	804,448	817,118	827,516	836,087	650,684	662,238	662,238
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	211,481	0	2,500	31,000	0	55,000	0	56,600	0	0	0	0	356,581
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)	211,481	0	2,500	31,000	0	55,000	0	56,600	0	0	0	0	356,581
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	193,975	0	193,975
Total Monthly Activity (MT)	211,481	0	2,500	31,000	0	55,000	0	56,600	0	0	0	0	356,581
Cumulative MT Account Balance [MTA] (MT)	928,676	928,676	926,176	895,176	895,176	840,176	840,176	896,776	896,776	896,776	1,090,751	1,090,751	1,090,751
MTA Shortfall (MT)	(246,878)	(236,400)	(197,309)	(147,988)	(146,490)	(65,275)	(35,728)	(79,658)	(69,260)	(60,689)	(440,067)	(428,513)	(428,513)

	2017 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center												
	Actual									Estimated	Estimated	Estimated	Compliance Year 2017
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	38,917	15,337	7,086	0	3,436	35,997	54,015	66,209	93,620	43,741	38,642	53,765	450,763
Gas Schedule (MMBtu)	301,781	115,019	59,077	0	29,558	266,056	403,302	464,997	675,267	314,935	278,222	387,108	3,295,323
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)	16,286	6,207	3,188	0	1,595	14,358	21,764	25,094	36,441	16,995	15,014	20,890	177,832
Cumulative MT Obligation (MT)	678,524	684,731	687,919	687,919	689,514	703,872	725,636	750,729	787,170	804,166	819,180	840,070	840,070
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	0	0	5,000	0	0	0	0	0	0	0	0	0	5,000
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)	0	0	5,000	0	0	0	0	0	0	0	0	0	5,000
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	0	0	0
Total Monthly Activity (MT)	0	0	5,000	0	0	0	0	0	0	0	0	0	5,000
Cumulative MT Account Balance [MTA] (MT)	1,090,751	1,090,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751	1,095,751
MTA Shortfall (MT)	(412,227)	(406,020)	(407,832)	(407,832)	(406,237)	(391,879)	(370,115)	(345,022)	(308,581)	(291,585)	(276,571)	(255,681)	(255,681)

[illegible]

NCPA All Resources Bill LEC GHG Obligation Detail Report (Cumulative) November 2017																
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)	22,850	54,137	2,198	279,711	16,113	13,476	76,646	16,631	87,886	6,443	21,883	211,220	14,648	823,842		derived
Current MT Compliance Instrument Account (MTA) Balance (MT)	24,574	57,972	3,124	335,551	21,390	17,202	98,003	28,117	94,128	6,460	23,442	224,346	17,551	951,860		derived
MTA Shortfall (MT)	(1,724)	(3,834)	(926)	(55,840)	(5,277)	(3,726)	(21,357)	(11,487)	(6,242)	(16)	(1,558)	(13,126)	(2,903)	(128,018)	MTA SHORTFALL	Derived
Monthly GHG Price \$/MT	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	15.34	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: November 2, 2017

Meeting Date: November 13, 2017

To: Lodi Energy Center Project Participant Committee

Subject: Sabah International Incorporated – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Proposal

Approve the Multi Task General Services Agreement with Sabah International Incorporated for fire system maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over 5 years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background

Fire system maintenance services are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Selection Process

For services specific to the NCPA Combustion Turbine facilities, this vendor was selected as a result of Informal Bidding done in accordance with NCPA’s procurement policies and procedures. The Request for Proposal (RFP) was sent to three potential bidders on 9/8/2017. NCPA received two bids (one bidder was non responsive). Both proposals were evaluated based on service offerings, competitive pricing, fire system testing/reports and expertise to maintain our fire systems installed throughout NCPA Combustion Turbine facilities. This vendor is recommended to provide this service because it provided the lowest evaluated costs to the Agency.

The remainder of the agreement is enabling for additional services as needed and 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 one other agreement in place with Tri-Signal Integration, Inc. for similar services. NCPA seeks bids from multiple qualified providers whenever services are needed. 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

Upon execution, the total cost of the agreement is not-to-exceed \$500,000 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 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 Sabah International Incorporated



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
SABAH INTERNATIONAL INCORPORATED**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Sabah International Incorporated, a corporation with its office located at 5925 Stoneridge Drive, Pleasanton, CA 94588-2705 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2017 ("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** five hundred thousand dollars (\$500,000) 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.** Not Applicable.
- 4.4 Pollution Insurance.** Not Applicable.
- 4.5 All Policies Requirements.**
- 4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.6 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.
- 5.3 Transfer of Title.** Not Applicable.

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 both of the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

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

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

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

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

Section 10. PROJECT SITE.

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

Section 11. WARRANTY.

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

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

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

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

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

Section 13. MISCELLANEOUS PROVISIONS.

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

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

Sabah International Incorporated
Attention: Sheri Learmonth
5925 Stoneridge Drive
Pleasanton, CA 94588

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:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

SABAH INTERNATIONAL
INCORPORATED

Date_____

Date_____

RANDY S. HOWARD
General Manager

SHERI LEARMONTH,
Internal Operations Manager/Controller

Attest:

Assistant Secretary of the Commission

Approved as to Form:

General Counsel

EXHIBIT A

SCOPE OF WORK

Sabah International Incorporated ("Contractor") shall provide fire system 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.

General services to include, but not be limited to the following:

- Fire Alarm System Testing & Inspection
- Security System Testing & Maintenance
- Special Hazard Suppression System / Hood Inspections
- Detection - PA
- Fire Extinguisher Inspection & Maintenance
- Emergency Services
- Leak Detection Inspection Services
- UL Central Station Monitoring
- Sprinkler System Testing & Inspection I Fire Pump I Foam-Water
- 5-Year Sprinkler Testing & Inspection
- 5-Year Fire Tank Inspection
- System Modifications
- Critical Inventory Maintenance

Specific services for CT/LEC facilities to include, but not be limited to the following:

Fire Alarm System Inspection & Testing

Scope – SABAH INTERNATIONAL INCORPORATED will test & inspect the CUSTOMER's system(s) and associated components listed on the attached Equipment List as required under NFPA 72 and any overriding local requirements as applicable below.

- ☒ NFPA 72 – Testing (referenced in NFPA 72 2016 ed. Chapter 14.4.3.2)
- ☒ NFPA 72 - Visual Inspections (referenced in NFPA 72 2016 ed. Chapter 14.3.1)
- ☐ Locally or Insurance Company required UL Certification
- ☐ Smoke Detector Cleaning
- ☐ Smoke Detector using Calibrated Sensitivity Test Instrument
- ☐ Other Customer Mandated Requirements (See Special Provisions for details)

Each call will be scheduled with a work order detailing the tasks to be performed and any special tools, equipment, and instrumentation required for properly testing and inspecting the system.

All testing will be completed in accordance with the edition of NFPA 72 edition in effect in California at the signing of this agreement unless specifically requested and agreed to in exclusions below. Please refer to Special Provisions for any additional testing and inspections to be performed under this Agreement.

Inspection Reports – SABAH INTERNATIONAL INCORPORATED will furnish a written report certifying that such tests and inspections have been completed documenting any deficiencies found which may require corrective action. Reports will be available immediately via the Internet as a web page. They will also be available as a downloadable document. Reports will be automatically archived.

Repair Support – Components and parts on the Equipment List that have been found to be missing, defective, require maintenance or have failed will be identified following each test, inspection, or service call. An estimate will be prepared and submitted for approval on a reimbursable basis and repair authorization shall be issued in writing to SABAH INTERNATIONAL INCORPORATED by an authorized representative of the CUSTOMER before proceeding with the work. Replaced components will be new and of compatible design as required to maintain CUSTOMER's system in compliance with appropriate Listing Agencies and/or Local Authorities Having Jurisdiction. At SABAH INTERNATIONAL INCORPORATED's sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of SABAH INTERNATIONAL INCORPORATED.

Sensitivity Testing Frequency – If this service is chosen above, sensitivity testing will be performed during the first year of this Agreement and every alternate year thereafter. If acceptable to the Local Authority Having Jurisdiction, this work can be scheduled so that fifty percent (50%) of the smoke detectors are tested each year. A detailed report will be maintained by SABAH INTERNATIONAL INCORPORATED and submitted to the CUSTOMER documenting the Sensitivity Test results. When this report can be accessed through the Control Unit operator interface or a connected printer, this report shall be used. Detectors which fail the Sensitivity Test will be either adjusted, (if the specific detector is listed as field adjustable), and recalibrated or replaced according to the terms and conditions found elsewhere in this Agreement.

Elevator Recall Testing - Sabah International will perform the annual auxiliary test of the Elevator Recall per NFPA 72 Code Compliance providing a bypass/restore key is readily available. Return visits to complete this portion of the annual inspection may result in additional trip charges if Sabah International is unable to perform during the scheduled inspection. The Elevator Recall inspection as required by NFPA 72 does not include the annual inspection with the elevator state inspector. If a Sabah Technician is requested to be present for this inspection, Sabah will bill in addition to this agreement on a time and material basis.

Exclusions: Parts, Repairs and Troubleshooting

Special Hazard Suppression System Inspection & Testing

Scope – SABAH INTERNATIONAL INCORPORATED will inspect and test the CUSTOMER's system(s) and associated components listed on the attached Equipment List as required under the NFPA Code and Chapter as applicable below.

- ☒ **Clean Agent Systems - in accordance with NFPA 72 and NFPA 2001**
 - Annual - All systems shall be thoroughly inspected and tested for proper operation. Discharge tests are not required.
 - Annual - The enclosure protected by the clean agent shall be thoroughly inspected to determine if penetrations or other changes have occurred that could adversely affect agent leakage or change volume of hazard or both.
 - Semi-annual - The agent quantity and pressure of refillable containers shall be checked.
- ☒ **Halon 1301 Systems in accordance with NFPA 72 and NFPA 12A**
 - Annual - All system hoses shall be examined for damage.
 - Semi-annual - All systems shall be thoroughly inspected, tested, and documented for proper operation by trained competent personnel. Tests shall be in accordance with the appropriate NFPA Standard
 - Semi-annual – Halon protected enclosure shall be thoroughly inspected to determine if penetrations or other changes have occurred that could adversely affect Halon leakage.
 - Semi-annual - The agent quantity and pressure of refillable containers shall be checked.
- ☐ **Kitchen Hood Systems – in accordance with NFPA 72 and NFPA 17A Chapter 5**
 - Semi-annual – Inspection and maintenance shall be conducted in accordance with the manufacturer's listed installation and maintenance manual.

Each call will be scheduled with a service report detailing the tasks to perform and any special tools and instrumentation required for properly maintaining the system(s). Upon completion of each service call, a summary of the tasks completed will be provided to the CUSTOMER.

Inspection Reports – SABAH INTERNATIONAL INCORPORATED will furnish a written report certifying that such tests and inspections have been completed documenting any deficiencies found which may require corrective action. Reports will be available immediately via the Internet as a web page. They will also be available as a downloadable document. Reports will be automatically archived.

Repair Support – Components and parts on the Equipment List that have been found to be missing, defective, require maintenance or have failed will be identified following each test, inspection, or service call. An estimate will be prepared and submitted for approval on a reimbursable basis and repair authorization shall be issued in writing to SABAH INTERNATIONAL INCORPORATED by an authorized representative of the CUSTOMER before proceeding with the work. Replaced components will be new and of compatible design as required to maintain CUSTOMER's system in compliance with appropriate Listing Agencies and/or Local Authorities Having Jurisdiction. At SABAH INTERNATIONAL INCORPORATED's sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of SABAH INTERNATIONAL INCORPORATED.

Exclusions: Parts, Repairs and Troubleshooting

NFPA 25 / CCR Title 19 Testing, Inspection, & Maintenance

Scope – SABAH INTERNATIONAL INCORPORATED will test, inspect, and maintain the CUSTOMER's system(s) and associated components listed on the attached Equipment List as required under NFPA 25 Chapter and as amended by CCR, Title 19 as applicable below.

- ☒ NFPA 25, Chapter 5 - Fire Sprinkler Systems
- ☒ NFPA 25, Chapter 6 - Standpipe and Hose Systems
- ☒ NFPA 25, Chapter 7 - Private Fire Main Systems
- ☒ NFPA 25, Chapter 8 - Fire Pumps
- ☒ NFPA 25, Chapter 9 - Water Storage Tanks (Includes 5-year Cleaning)
- ☐ NFPA 25, Chapter 10 - Water Spray Fixed Systems
- ☒ NFPA 25, Chapter 11 - Foam-Water Sprinkler Fire Systems

Each call will be scheduled with a work order detailing the tasks to be performed and any special tools, equipment, and instrumentation required for properly testing and inspecting the system.

All testing will be completed in accordance with the most recent edition of NFPA 25 and applicable Chapter as amended by CCR, Title 19 in effect in California at the signing of this agreement, unless specifically requested and agreed to in exclusions below. Please refer to Special Provisions for any additional testing and inspections to be performed under this Agreement.

Inspection Reports - SABAH INTERNATIONAL INCORPORATED will provide to the CUSTOMER upon completion of each inspection, test, or service call, a report certifying that such tests and inspections have been completed including California State Fire Marshal AES forms documenting any deficiencies found which may require corrective action. Reports will be available immediately via the Internet as a web page. They will also be available as a downloadable document. Reports will be automatically archived.

Repair Support – Components and parts on the Equipment List that have been found to be missing, defective, require maintenance or have failed will be identified following each test, inspection, or service call. An estimate will be prepared and submitted for approval on a reimbursable basis and repair authorization shall be issued in writing to SABAH INTERNATIONAL INCORPORATED by an authorized representative of the CUSTOMER before proceeding with the work. Replaced components will be new and of compatible design as required to maintain CUSTOMER's system in compliance with appropriate Listing Agencies and/or Local Authorities Having Jurisdiction. At SABAH INTERNATIONAL INCORPORATED's sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of SABAH INTERNATIONAL INCORPORATED.

Exclusions:

- 1) Weekly and Monthly Fire Pump Testing.

Fire Extinguisher Inspection & Maintenance

Scope – SABAH INTERNATIONAL INCORPORATED will test & inspect the fire extinguishers listed on the attached Equipment List.

Each call will be scheduled with a work order detailing the tasks to be performed and any special tools and instrumentation required for properly inspecting and maintaining the extinguisher. Upon completion of each service call, a summary of the tasks completed will be provided to the CUSTOMER.

Testing & Inspection Frequencies – SABAH INTERNATIONAL INCORPORATED will perform:

- ☒ **Five (5)** 100% inspections, services, and certifications done once per year of fire extinguishers and associated enclosures. All testing will be completed in accordance with the most recent edition of NFPA 10, Chapter 4. Please refer to Special Provisions for any additional testing and inspections to be performed under this Agreement.

Inspection Reports – SABAH INTERNATIONAL INCORPORATED will furnish a written report certifying that such tests and inspections have been completed documenting any deficiencies found which may require corrective action. Reports will be available immediately via the Internet as a web page. They will also be available as a downloadable document. Reports will be automatically archived.

Repair Support – Components and parts on the Equipment List that have been found to be missing, defective, require maintenance or have failed will be identified following each test, inspection, or service call. An estimate will be prepared and submitted for approval on a reimbursable basis and repair authorization shall be issued in writing to SABAH INTERNATIONAL INCORPORATED by an authorized representative of the CUSTOMER before proceeding with the work. Replaced components will be new and of compatible design as required to maintain CUSTOMER's system in compliance with appropriate Listing Agencies and/or Local Authorities Having Jurisdiction. At SABAH INTERNATIONAL INCORPORATED's sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of SABAH INTERNATIONAL INCORPORATED.

Quantity	Extinguisher
45	5 lb. ABC
33	20 lb. Dry Chemical
16	15.5 lb. Halitron

Emergency Services

Should an emergency arise, SABAH INTERNATIONAL INCORPORATED personnel will assess the situation by phone and will determine the required course of action with the CUSTOMER.

This initial response will be provided within One (1) hour of receipt of call by the CUSTOMER.

On-Site Response Time: If it is determined that a site visit is required, SABAH INTERNATIONAL INCORPORATED personnel will arrive at the affected premises within Four (4) hours of the request of the CUSTOMER.

Emergency Services provided under this agreement will be reimbursable by the CUSTOMER to SABAH INTERNATIONAL INCORPORATED at then current SABAH INTERNATIONAL INCORPORATED published service labor rates and standard service charges unless specifically included under this Agreement and/or selected below.

If the resolution of the emergency service call requires SABAH INTERNATIONAL INCORPORATED to provide service for equipment that is not listed in the attached Equipment List, CUSTOMER will be liable for charges and expenses prevailing for such service.

Emergency Service will be provided during the following periods and in accordance with SABAH INTERNATIONAL INCORPORATED published Service Labor Rates or as stated in the Special Provisions Section of this Agreement:

- ☒ **Billable Emergency Service:** Emergency Service provided under this Agreement will be 100% reimbursable by CUSTOMER SABAH INTERNATIONAL INCORPORATED will provide a response time as stated and agreed to above.
- ☐ **Pre-Purchased Emergency Service:** SABAH INTERNATIONAL INCORPORATED will provide 0 each contract year of onsite of Emergency Service Call Hours 24 hours per day, 7 days per week at no additional charge. Travel time up to the hours of these pre-purchased emergency calls is included under this Agreement. CUSTOMER will be notified once pre-purchased hours have been exceeded. Emergency Service over the amount of pre-purchased hours will be 100% reimbursable by CUSTOMER. SABAH INTERNATIONAL INCORPORATED will provide a response time as stated and agreed to above.
- ☐ **24/7 Emergency Service:** SABAH INTERNATIONAL INCORPORATED will provide unlimited Emergency Service 24 hours per day, 7 days per week at no additional charge. Labor for travel time is included under this Agreement. SABAH INTERNATIONAL INCORPORATED will provide a response time as stated and agreed to above.

Special Provisions

These Special Provisions are incorporated by reference into and made a part of this Agreement.

All work is to be prescheduled with Customer's Responsible Party (i.e Engineering/Management) and coordinated upon a mutually accepted test schedule. Customer is to provide 100% free and clear access to all areas needed to complete the contracted scope of work on each scheduled date. Additional fees may apply if return visits are necessary to complete the compliance testing in the event Sabah International and/or its subcontractors are not able to gain access to the area(s) need to complete the inspection.

Additional Provisions: All employees will follow the safety requirements set forth by NCPA. Sabah will provide all appropriate PPE including hard hats, safety glasses and steel toe shoes.
The Annual inspections are to be conducted yearly during the spring outage.

During the Foam System testing Sabah will provide a holding tank to capture and test the foam solution.

Inspection of Fire water tanks will be for compliance with the following codes and standards:

AWWA; EPA; NFPA 22; NFPA 25; OSHA

STEP 1: Perform Interior Inspection

Please note, our ROV unit requires, at minimum, a 12" diameter manway/opening.

The interior in-service inspection will be performed using our ROV Inspection Robot and the exterior will be inspected by our personnel trained in OSHA regulations utilizing fall protection equipment. Tank is to remain full during internal inspection.

This inspection will check for deficiencies and meet tank inspection requirements of OSHA, EPA, AWWA and NFPA. All structural, sanitary, safety, security and coating conditions will be reviewed. Items examined will include ladders, shell, roof, vent, manways, welds, seams, foundation, anchors, safety systems, hatch, and external overflow. Any emergency items will be brought to Owner's attention by our Inspector personnel.

Owner will receive a detailed written report of findings with photographs, DVD of inspection, corrective recommendations and cost estimates.

The following tests shall be performed during the inspection: Lead check – Interior & Exterior, Mil thickness test (coating thickness) – Exterior only, Cross hatch test (paint adhesion) – Exterior only, Ultra-sonic test of tank shell – Exterior only

STEP 2: Perform Interior Clean Out

An interior in-service cleanout of sediment from the tank floor is not to exceed three (3) inches. Additional accumulation will be priced at \$300/hour after 3". The interior cleanout will be performed using our Remotely Controlled Submersible Vehicle. The tank is to remain full during the internal cleanout.

Our price is based on dimensions acquired from the Customer, who understands that if the size of the tank is larger than implied, our price will be adjusted accordingly.

Debris and sediment will be placed on the ground or in a customer designated drainage area within 50' of the tank base. The customer is to provide an area for disposal of all debris, sediment and water generated from the robotic cleanout.

The majority of sediment will be removed from the tank with the robotic equipment; however the customer understands that 100% removal of sediment and debris cannot be attained without draining the tank.

Please note that our ROV cleanout robot requires at least a 24" (round or square) opening.

If the interior access ladder impedes the manway and restricts access to the tank interior with our ROV cleanout robot, the Owner agrees that the top few rungs may be removed to gain access to the tank as long as the structural integrity of the interior access ladder will not be compromised.

Friday, September 22, 2017

If any other tank accessories impede the opening, the Owner agrees that necessary modifications may be made, which will be in accordance with AWWA, to gain access to the tank.

In the event it becomes necessary to drain the tank once we are on site, draining shall be performed by the Owner.

If the Owner does not allow us to make the necessary modifications to the tank and the ROV cleanout robot cannot access the tank, a mobilization fee will be charged.

Please Note, Owner is responsible for the water discharge process. PTM will provide piping of up to 100' to direct discharge from the tank. Owner's representative will direct where the water is discharged to.

Equipment List

Services to be provided at the following location:

CT1 Lodi
2131 W. Turner Road
Lodi, CA 95242

Suppression

Qty	Equipment Type	Manufacturer	Model Number
5	Heat Detectors	Fenwal	Detect-A-Fire 375 deg.
3	Audible/Visual Devices	Sieas	Beacon, Bell, Siren
2	Manual Pull Stations	Cortem	Primary, Reserve
2	Solenoid Circuit Test	Chemtron	Primary, Reserve
2	Tank Heaters	Acra	Wrap-it-heat
2	Cylinder Weight Test	Chemtron	Halon 1301

Sprinkler

Qty	Equipment Type
2	Fire Hydrants - Inspection Test & Maintenance

Equipment List

Services to be provided at the following location:

STIG CT2 Lodi
12745 N. Thornton Road
Lodi, CA 95241

Fire Detection

Qty	Equipment Type	Manufacturer	Model Number
10	Smoke Detector	Fenwal	PSD-7152
7	Heat Detector 12' or Below	Fenwal	70 Series
2	Heat Detector Above 12'	Fenwal	71 Series
4	Flame Detector	Fenwal	UV
6	Water flow Switches	Potter	WF-V
9	Tamper Switches & PIV's	Potter	PIB-V2
6	Bell	Federal Signal	4766
3	Strobe	Federal Signal	VLS
1	Horn Strobe	Federal Signal	450D
6	Manual Pull Stations	Fenwal	Dual Action
1	Primary Control Panel	Fenwal	FN-2000
2	Batteries	Power Sonic	12v35AH

Suppression

Qty	Equipment Type	Manufacturer	Model Number
1	Control Panel	Fenwal	FN-2000
2	Batteries	Power Sonic	12V35AH
8	Smoke Detectors	Fenwal	PSD-7152
4	Heat Detectors	Fenwal	THD-7154
1	Aborts Switches	Fenwal	Push/Hold
4	Manual Release Stations	Fenwal	Man.Rel.
3	Methane Gas Detectors	Fenwal	Area-Gas Turbine
4	FM-200 Central Storage Tanks	Fenwal	C.S./Cylinder
12	CO2 Cylinder Tanks	Kidde	CO2 C.S.

Sprinkler

Qty	Equipment Type
1	Automatic System - Main Office & Control Building (Wet System)
2	Deluge Systems - Main Office & Control Building (Transformers Main & Auxillary)
1	Automatic System - North Water Treatment (Wet System)
2	Deluge Systems - Maintenance Building (Amonia Tank & Cooling Tower Addition)
1	Automatic System - Fire Pump Building (Wet System)
2	Water Storage Tanks 250,000 Gallons
11	Fire Hydrants
10	PIV's
1	Fire Pump - Diesel

Equipment List

Services to be provided at the following location:

L.E.C.
12745 N. Thornton Road
Lodi, CA 95241

Fire Detection

Qty	Equipment Type	Manufacturer	Model Number
14	Smoke Detectors	EST	SIGA-PS & SIGA-IS
33	Heat Detector Above 12'	Fenwal	27121 Series
1	Water flow Switch	Potter	WF-V
3	Tamper Switches & PIV's	Potter	PIB-V2
6	Bell	Federal Signal	4766
3	Strobe	EST	405 Series
25	Horn Strobe	EST	757 Series
17	Manual Pull Stations	EST	SIGA-278
1	Primary Control Panel	EST	EST-3
2	Remote Annunciators	EST	3-ANN-CPU3
3	Booster Power Supply	EST	BPS10A
10	Batteries	Power Sonic	12v7AH

Suppression

Qty	Equipment Type	Manufacturer	Model Number
1	Control Panel	Notifier	NFS-640
2	Batteries	Power Sonic	12V26AH
2	Smoke Detectors	Notifier	FSI-851
10	Heat Detectors	Fenwal	12X27121-0
7	Audible/Visual Devices	Federal Signal	Siren & H/S
8	Manual Release Stations	Sigcom	SGX-32SK1
4	Methane Gas Detectors	Detronics	006824-001
4	Solenoids	Chemtron	V5I
4	FM-200 Central Storage Tanks	Chemtron	C.S.

Sprinkler

Qty	Equipment Type
1	Automatic System - New Water Treatment Building (Wet System)
1	Deluge System- STG Building (Lube Oil Equipment)
1	Foam System - STG Building (4 FOAM GEN)
1	Pre-Action System - STG Building (Steam Turbine Bearings)
1	Fire Hose
1	Water Storage Tank 500,000 Gallons

Equipment List

Services to be provided at the following location:

CT1 Alameda
2900 MAIN STREET
ALAMEDA, CA 94501

Suppression

Qty	Equipment Type	Manufacturer	Model Number
2	Control Panels (Units 1 and 2)	CHEMATRON	SP1-17153
6	Heat Detectors	CHEMATRON	
2	Audible Devices	CHEMATRON	
2	Beacons	CHEMATRON	
2	Manual Release Stations	CHEMATRON	
4	Solenoid Circuit Tests	CHEMATRON	
4	Sphere Tanks	CHEMATRON	CHEMETRON

Sprinkler

Qty	Equipment Type
3	Fire Hydrants - Inspection Test and Maintenance
3	P.I.V.'s

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:

Specific Pricing for CT/LEC services:

	<u>Annual Fee 5-Year Fee</u>	
<input checked="" type="checkbox"/> Fire Alarm System Testing & Inspection	\$3,679	\$18,395
<input type="checkbox"/> Security System Testing & Maintenance		\$0
<input checked="" type="checkbox"/> Special Hazard Suppression Systems	\$5,890	\$29,450
<input type="checkbox"/> Detection-PA		\$0
<input checked="" type="checkbox"/> Fire Extinguisher Inspection & Maintenance	\$2,192	\$10,960
<input type="checkbox"/> Emergency Services		\$0
<input type="checkbox"/> Leak Detection Inspection Services		\$0
<input type="checkbox"/> UL Central Station Monitoring		\$0
<input checked="" type="checkbox"/> Sprinkler System Testing & Inspection (Quarterly, Annual) Fire Pump Foam-Water	\$12,584	\$62,920
<input checked="" type="checkbox"/> 5-Year Sprinkler Testing, Inspection & Maintenance		\$22,710
<input checked="" type="checkbox"/> 5-Year Fire Water Tank Inspection and Cleaning		\$16,163
<input type="checkbox"/> Critical Inventory Maintenance		NA
<input type="checkbox"/> Special Provisions		NA

Fee for services: All for the annual sum of \$24,345 and 5-Year sum of \$160,598

Pricing for additional services to be performed at NCPA, 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

SABAH INTERNATIONAL INCORPORATED

(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.

NOT APPLICABLE

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 established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 11

Date: November 2, 2017

Meeting Date: November 13, 2017

To: Lodi Energy Center Project Participant Committee

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

Proposal

Approve the Multi-Task General Services Agreement with Sunshine Metal Clad, Inc., for insulation services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over 5 years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

Background

Various insulation services are required from time to time related to project support at facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

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 in place other enabling agreements with PetroChem Insulation Inc., and Brand Energy 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

Upon execution, the 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. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

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

Submitted by:

KEN SPEER
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with Sunshine Metal Clad, Inc.



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
SUNSHINE METAL CLAD, INC.**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Sunshine Metal Clad, Inc., a corporation with its office located at 7201 Edison Highway, Bakersfield, CA 93307 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2017 ("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** ONE MILLION dollars (\$1,000,000) 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 have the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.5.1, naming the specific Agency Member, SCPPA and/or SCPPA Member for which the Work is to be performed.

4.6 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.
- 5.3 **Transfer of Title.** Intentionally Omitted

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 both of the Parties.

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

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

8.4.1 Immediately terminate the Agreement;

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

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

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Contractor's Books and Records.** Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality

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

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

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

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

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

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

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

Section 10. PROJECT SITE.

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

Section 11. WARRANTY.

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

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

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

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

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

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

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for any Work performed when, Contractor is not in full compliance with this Section 12.

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

Section 13. MISCELLANEOUS PROVISIONS.

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

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

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

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

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

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

13.7 Contract Administrator. This Agreement shall be administered by 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:

James Eudy
President
Sunshine Metal Clad, Inc.
7201 Edison Highway
Bakersfield, CA 93307

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:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

SUNSHINE METAL CLAD, INC.

Date _____

Date _____

RANDY S. HOWARD, General Manager

JAMES EUDY, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

General Counsel

EXHIBIT A
SCOPE OF WORK

Sunshine Metal Clad, Inc., ("Contractor") shall provide insulation services, and any miscellaneous maintenance, including, but not limited to the following, as requested by Agency at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA), or SCPPA Members:

Provide labor, equipment, and materials to install, maintain, or replace insulation. Any manlifts, scaffolding, forklifts, or other required equipment shall be provided by Contractor, with the associated costs to be included in any quotes provided.


Any and all work related to lead and asbestos abatement or public works is not included within this Scope of Services and will be subject to a separate written agreement.

No project under this agreement shall include work that would qualify as a Public Works Project under the guidelines established by the State of California.

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. Pricing for services to be performed for NCPA, NCPA Members, SCPPA, or SCPPA Members will be quoted at the time services are requested. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

 NCPA - PREVAILING LABOR RATES as of October 2017 LABOR & EQUIPMENT RATES		
CLASSIFICATION	STRAIGHT TIME / HOUR	OVERTIME / HOUR
INSULATOR 1 & 2	\$115.00	\$172.50
PER DIEM - NOT TO EXCEED \$75/DAY	\$75.00	9.375 / HR
<u>WORK TRUCKS - MEDIUM & LARGE</u>		
WORK TRUCK / AUTO	\$10.00	HOUR
TRUCKS - 1 - TON / STAKE BED	\$15.00	HOUR
TRUCKS - 2 TON / BOX VANS	\$20.00	HOUR
<u>TRAILERS</u>		
SHOP TRAILER - MATERIAL	\$15.00	HOUR
SHEET METAL TRAILER W/TOOLS	\$15.00	HOUR
PAD TRAILER W/TOOLS	\$15.00	HOUR

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

(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

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 established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 12

Date: November 8, 2017
Meeting Date: November 13, 2017
To: Lodi Energy Center Project Participant Committee
Subject: Approval of Major Insurance Renewals for the Policy Year of 2018

Proposal

NCPA staff recommends that the LEC PPC delegate authority to the General Manager to negotiate and bind property damage and liability coverages amounts as presented (or better) and a not-to-exceed proposed premiums of approximately \$558,000.

Background

The Agency utilizes the insurance brokerage services of Aon Risk Solutions, San Francisco, California to market and place the Agency's insurance programs. Each insurance policy and the related insurance market conditions are reviewed prior to the renewal date and remarketed as required to qualified insurers experienced in underwriting the applicable insurance risk. Current property and liability insurance coverage expires on December 15, 2017.

This year NCPA, together with Aon, launched an extensive marketing effort focused on presenting NCPA's proactive enterprise risk management approach and its rigorous loss prevention programs. Staff spent two days meeting with four leading underwriters in the electric sector market hoping to obtain improved coverage levels and/or reduced premiums for insuring the members' assets. Prior to scheduling these meetings, the property insurance market was soft until the recent floods in Texas, hurricanes along the east coast, the devastation of Puerto Rico, and wildfires in California turned sentiment around. But despite these events, management's commitment to loss prevention and the marketing effort successfully improved the insurance underwriters' confidence and knowledge of NCPA's business and risk profile.

LEC Insurance Programs Renewal Proposal

This year Aon recommended to combine the NCPA and Lodi Energy Center property policies into one policy to secure competitive rates and unify the policy limits, terms and conditions. Due to the difference in casualty exposure of NCPA and LEC projects, casualty insurances are still underwritten separately. Although NCPA and Aon are still in process of securing final quotes, the indicative rates from the underwriters show the renewal will remain flat (or better) as last year. Our brokers continue pushing the markets for improved limits and a final report will be made available after all the quotes and limits are secured. Examples of improved limits for the LEC project include:

Insurance Type	2016-2017 LEC Coverage	2017-2018 Proposed LEC Coverage	Change
Earthquake	\$25,000,000	\$75,000,000	+\$50,000,000
Flood	\$25,000,000	\$75,000,000	+\$50,000,000

Aon and NCPA were able to secure higher limits in several areas including the ones listed above. The NCPA deductible for both earthquake and flood were raised to \$500,000 from \$100,000 which aligns with the proposed coverages. Staff thought this was appropriate given the rather large increases in coverages for earthquake and flood.

Highlights of the Program

- Given the changed market conditions and three claims in the past two years (2015 Geothermal wildfire and Hydro Plant landslide and 2017 storm damage on Hydro Beaver Creek), it is a great accomplishment to secure flat premium to 2017 levels
- Consolidating the two property policies into one and the underwriters panel into a few lead markets
- With a 3.96% increase of insurable value, this means the rate essentially decreased by 3.81%
- The liability policy premium is basically kept flat over last year. The normal increase that AEGIS charges to "no loss" accounts is 5%
- Enhanced limits on earthquake, flood, etc.

Fiscal Impact

The total cost of the policy year 2018 insurance programs, including taxes and fees, is about \$558,000 or 23% below FY2018 budget of \$721,000 for the underlined programs. When the FY2018 budget was created, staff made an assumption the 2018 renewal rates would come in higher than 2017 mainly for two considerations: 1) insurance market had been soft for a while, staff anticipated at some point it would turn around; 2) the three pending claims imposed some uncertainty on premium change. However, due to NCPA's marketing effort and adding new underwriters into the bidding process, premium rates are expected to remain flat (or better) from the previous year.

Funds are available in Property insurance and Liability insurance accounts to fund this program.

Environmental Analysis

Insurance renewals do not result in a direct or reasonably foreseeable indirect change in the physical environment and are therefore not a "project" for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

Submitted by:



RUI DAI
Risk Manager



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 13

Date: November 13, 2017
To: Lodi Energy Center Project Participant Committee
Subject: FY17 Annual Billing Settlement

Proposal

The FY17 Annual Billing Settlement Summary for the period July 1, 2016 through June 30, 2017 is presented for approval and recommendation to the Agency Commission for its approval.

Background

Total Annual Costs to Participants were approximately \$55.6 million. The plant generated 300,572 MWh compared to planned generation of 1,655,764 MWh. The lower than projected generation was due to economic factors that resulted in reduced plant dispatch.

Third Party Revenues for the year totaled \$20.3 million which was \$4.5 million higher than credited during collections. The increase was related to higher than expected interest received on investments and the PG&E settlement payment.

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 \$35.3 million. Adjusted net collections from participants totaled approximately \$37.7 million which consists of participant collections of \$36.2 million and participants' transfer gas credits of \$4.3 million, net of the transmission project refund of \$2.8 million. The net refund due to LEC participants at fiscal year-end was \$2,480,513 or 6.57% of collections.

Fiscal Impact

Upon approval by this Committee and the Agency Commission, the amount of \$2,480,513 will be credited to the LEC project participants. NCPA member amounts will be included with their Agency's annual billing settlements and credited as one amount. LEC non-member participants will receive payment in accordance with Agency payment terms unless otherwise directed in writing.

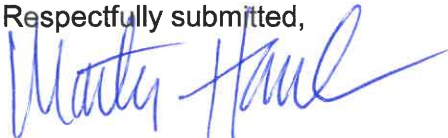
Environmental Analysis

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 PPC pass a motion to approve the FY 2017 Annual Billing Settlements and to recommend that the NCPA Commission also approve the Settlements.

Respectfully submitted,



MONTY HANKS
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:



SONDRA AINSWORTH
Treasurer-Controller

Attachments: (3)

- Billing Settlement Summary FY 2017
- Allocation of Project Costs – Actual FY 2017
- Settlement Analysis For the Year Ended June 30, 2017

LODI ENERGY CENTER
Billing Settlement Summary
FY 2017

	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
Collections per All Resources Bill (ARB)	\$ 36,226,750	\$ 1,201,468	\$ 2,815,267	\$ 50,869	\$ 13,594,255	\$ 449,715	\$ 312,283	\$ 2,364,806	\$ 212,895	\$ 1,295,369	\$ 215,264	\$ 2,393,166	\$ 10,978,694	\$ 342,699
Transfer Gas Credit in ARB	\$ 4,314,566	\$ -	\$ -	\$ 63,352	\$ -	\$ 387,688	\$ 387,967	\$ 1,682,550	\$ 654,452	\$ -	\$ 118,796	\$ 601,294	\$ -	\$ 418,467
Transmission Project Refund	\$ (2,805,000)	\$ (78,139)	\$ (185,130)	\$ (7,515)	\$ (939,675)	\$ (55,099)	\$ (46,081)	\$ (266,475)	\$ (57,101)	\$ (300,536)	\$ (22,039)	\$ (74,835)	\$ (722,288)	\$ (50,089)
Total Adjusted ARB Collections	\$ 37,736,316	\$ 1,123,329	\$ 2,630,137	\$ 106,706	\$ 12,654,580	\$ 782,304	\$ 654,169	\$ 3,780,881	\$ 810,246	\$ 994,833	\$ 312,021	\$ 2,919,625	\$ 10,256,407	\$ 711,077
Net Project Costs	\$ 35,255,803	\$ 1,052,381	\$ 2,462,038	\$ 99,726	\$ 11,853,693	\$ 731,336	\$ 611,560	\$ 3,536,151	\$ 756,937	\$ 743,071	\$ 292,012	\$ 2,851,679	\$ 9,600,563	\$ 664,657
Total Adjusted Costs	\$ 35,255,803	\$ 1,052,381	\$ 2,462,038	\$ 99,726	\$ 11,853,693	\$ 731,336	\$ 611,560	\$ 3,536,151	\$ 756,937	\$ 743,071	\$ 292,012	\$ 2,851,679	\$ 9,600,563	\$ 664,657
Net Refund	\$ 2,480,513	\$ 70,948	\$ 168,099	\$ 6,980	\$ 800,887	\$ 50,968	\$ 42,610	\$ 244,730	\$ 53,309	\$ 251,762	\$ 20,009	\$ 67,947	\$ 655,843	\$ 46,420

LODI ENERGY CENTER
Allocation of Project Actual
FY 2017

		Allocated by	Total	Azusa	BART	Biggs	CDWR	Gridley	Healdsburg	Lodi	Lompoc	MID	Plumas-Sierra	PWRPA	SVP	Ukiah
ALLOCATION PERCENTAGES:																
Generation Entitlement Share ⁽²⁾		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			300,572	8,373	19,838	805	100,691	5,904	4,938	28,554	6,119	32,204	2,362	8,019	77,397	5,368
PROJECT COSTS:																
Fuel Cost		GES	\$ 9,414,010	\$ 262,797	\$ 622,619	\$ 25,089	\$ 3,160,283	\$ 184,028	\$ 153,842	\$ 889,237	\$ 189,748	\$ 1,010,752	\$ 73,103	\$ 246,219	\$ 2,429,172	\$ 167,122
Labor		GES	\$ 4,640,466	\$ 129,269	\$ 306,271	\$ 12,432	\$ 1,554,556	\$ 91,153	\$ 76,234	\$ 440,844	\$ 94,466	\$ 497,193	\$ 36,460	\$ 123,803	\$ 1,194,920	\$ 82,865
Variable O&M		GES	\$ 2,275,158	\$ 63,379	\$ 150,160	\$ 6,095	\$ 762,178	\$ 44,691	\$ 37,376	\$ 216,140	\$ 46,315	\$ 243,767	\$ 17,876	\$ 60,699	\$ 585,853	\$ 40,627
Fixed O&M		GES	\$ 3,311,796	\$ 92,257	\$ 218,579	\$ 8,872	\$ 1,109,452	\$ 65,054	\$ 54,406	\$ 314,621	\$ 67,418	\$ 354,836	\$ 26,021	\$ 88,355	\$ 852,787	\$ 59,139
O&M Administration		GES	\$ 74,027	\$ 2,062	\$ 4,886	\$ 198	\$ 24,799	\$ 1,454	\$ 1,216	\$ 7,033	\$ 1,507	\$ 7,931	\$ 582	\$ 1,975	\$ 19,062	\$ 1,322
Mandatory Costs		GES	\$ 288,870	\$ 8,047	\$ 19,065	\$ 774	\$ 96,771	\$ 5,674	\$ 4,746	\$ 27,443	\$ 5,881	\$ 30,950	\$ 2,270	\$ 7,707	\$ 74,384	\$ 5,158
Inventory Stock		GES	\$ 261,894	\$ 7,296	\$ 17,285	\$ 702	\$ 87,734	\$ 5,144	\$ 4,302	\$ 24,880	\$ 5,331	\$ 28,060	\$ 2,058	\$ 6,987	\$ 67,438	\$ 4,677
O&M and Capital Projects Costs		GES	\$ (85,310)	\$ (2,376)	\$ (5,630)	\$ (229)	\$ (28,579)	\$ (1,676)	\$ (1,401)	\$ (8,104)	\$ (1,737)	\$ (9,140)	\$ (670)	\$ (2,276)	\$ (21,967)	\$ (1,523)
Maintenance Reserve		GES	\$ 1,575,000	\$ 43,875	\$ 103,950	\$ 4,219	\$ 527,625	\$ 30,938	\$ 25,874	\$ 149,625	\$ 32,062	\$ 168,750	\$ 12,375	\$ 42,019	\$ 405,563	\$ 28,125
Insurance		GES	\$ 631,812	\$ 17,600	\$ 41,700	\$ 1,693	\$ 211,657	\$ 12,411	\$ 10,379	\$ 60,022	\$ 12,862	\$ 67,694	\$ 4,964	\$ 16,856	\$ 162,692	\$ 11,282
Other Costs		GES	\$ 2,000	\$ 56	\$ 132	\$ 5	\$ 670	\$ 39	\$ 33	\$ 190	\$ 41	\$ 214	\$ 16	\$ 53	\$ 516	\$ 35
Generation Services Shared		GES	\$ 270,440	\$ 7,534	\$ 17,849	\$ 725	\$ 90,597	\$ 5,312	\$ 4,443	\$ 25,692	\$ 5,505	\$ 28,976	\$ 2,125	\$ 7,215	\$ 69,638	\$ 4,829
Transmission (CAISO)		GES	\$ 394,859	\$ 20,483	\$ 15,391	\$ 601	\$ 212,539	\$ 4,410	\$ 3,688	\$ 21,325	\$ 4,570	\$ 23,458	\$ 1,764	\$ 26,195	\$ 56,426	\$ 4,009
Energy Purchases (CAISO)		\$	\$ 3,074,449	\$ 34,223	\$ 81,093	\$ 3,293	\$ 411,577	\$ 24,143	\$ 20,194	\$ 116,755	\$ 25,024	\$ 131,636	\$ 9,654	\$ 1,878,544	\$ 316,366	\$ 21,947
Debt Service Cost:																
Indenture Group A Cost		ICS A	\$ 21,234,783	\$ 1,060,380	\$ 2,512,287	\$ 101,969	\$ -	\$ 747,719	\$ 625,322	\$ 3,616,177	\$ 774,878	\$ -	\$ 299,071	\$ 1,015,532	\$ 9,801,721	\$ 679,725
BAB's Subsidy (Group A)		ICS A	\$ (4,207,342)	\$ (210,098)	\$ (497,771)	\$ (20,204)	\$ -	\$ (148,149)	\$ (123,898)	\$ (716,489)	\$ (153,530)	\$ -	\$ (59,256)	\$ (201,212)	\$ (1,942,059)	\$ (134,677)
Debt and Trustee Fees (Group A)		ICS A	\$ 39,354	\$ 1,965	\$ 4,656	\$ 189	\$ -	\$ 1,386	\$ 1,159	\$ 6,702	\$ 1,436	\$ -	\$ 554	\$ 1,882	\$ 18,165	\$ 1,260
Indenture Group B Cost		ICS B	\$ 11,412,029	\$ -	\$ -	\$ -	\$ 11,412,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BAB's Subsidy (Group B)		ICS B	\$ (2,021,726)	\$ -	\$ -	\$ -	\$ (2,021,726)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt and Trustee Fees (Group B)		ICS B	\$ 23,630	\$ -	\$ -	\$ -	\$ 23,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative & General		GES	\$ 1,749,959	\$ 48,749	\$ 115,497	\$ 4,688	\$ 586,236	\$ 34,374	\$ 28,748	\$ 166,246	\$ 35,624	\$ 187,496	\$ 13,749	\$ 46,687	\$ 450,614	\$ 31,249
Power Management Allocated Costs		GES	\$ 1,231,928	\$ 34,318	\$ 81,307	\$ 3,300	\$ 412,696	\$ 24,199	\$ 20,238	\$ 117,033	\$ 25,078	\$ 131,992	\$ 9,679	\$ 32,867	\$ 317,221	\$ 21,999
Total Project Costs		\$	\$ 55,592,086	\$ 1,621,815	\$ 3,809,326	\$ 154,413	\$ 18,634,725	\$ 1,132,304	\$ 946,901	\$ 5,475,371	\$ 1,172,481	\$ 2,904,567	\$ 452,393	\$ 3,400,108	\$ 14,858,513	\$ 1,029,169
Estimated price per MWh		\$	\$ 184.95	\$ 193.70	\$ 192.02	\$ 191.82	\$ 185.07	\$ 191.79	\$ 191.76	\$ 191.75	\$ 191.61	\$ 90.19	\$ 191.53	\$ 424.01	\$ 191.98	\$ 191.72
Third Party Revenue																
ISO Energy Sales		GES	\$ 15,141,359	\$ 422,197	\$ 998,449	\$ 40,527	\$ 5,075,290	\$ 297,146	\$ 248,512	\$ 1,437,102	\$ 307,948	\$ 1,620,838	\$ 118,854	\$ 407,419	\$ 3,896,947	\$ 270,130
Ancillary Services Sales		GES	\$ 637,461	\$ 17,758	\$ 42,072	\$ 1,708	\$ 213,549	\$ 12,522	\$ 10,472	\$ 60,559	\$ 12,977	\$ 68,299	\$ 5,009	\$ 17,007	\$ 164,146	\$ 11,383
Interest & Other Income		GES	\$ 4,408,675	\$ 122,812	\$ 290,973	\$ 11,811	\$ 1,476,906	\$ 86,600	\$ 72,426	\$ 418,824	\$ 89,747	\$ 472,359	\$ 34,639	\$ 117,619	\$ 1,135,234	\$ 78,726
Interest Income (Group A)		ICS A	\$ 133,501	\$ 6,667	\$ 15,795	\$ 641	\$ -	\$ 4,701	\$ 3,931	\$ 22,735	\$ 4,872	\$ -	\$ 1,880	\$ 6,385	\$ 61,622	\$ 4,273
Interest Income (Group B)		ICS B	\$ 15,287	\$ -	\$ -	\$ -	\$ 15,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$	\$ 20,336,283	\$ 569,434	\$ 1,347,288	\$ 54,687	\$ 6,781,033	\$ 400,968	\$ 335,341	\$ 1,939,219	\$ 415,544	\$ 2,161,496	\$ 160,382	\$ 548,429	\$ 5,257,949	\$ 364,512
Annual Project Costs, net			\$ 35,255,803	\$ 1,052,381	\$ 2,462,038	\$ 99,726	\$ 11,853,693	\$ 731,336	\$ 611,560	\$ 3,536,151	\$ 756,937	\$ 743,071	\$ 292,012	\$ 2,851,679	\$ 9,600,563	\$ 664,657
Estimated price per Mwh, net			\$ 117.30	\$ 125.69	\$ 124.11	\$ 123.88	\$ 117.72	\$ 123.87	\$ 123.85	\$ 123.84	\$ 123.70	\$ 23.07	\$ 123.63	\$ 355.62	\$ 124.04	\$ 123.82
Summary of Variable and Fixed Project Costs:																
Variable Costs		\$	\$ 15,158,476	\$ 380,882	\$ 869,264	\$ 35,078	\$ 4,546,577	\$ 257,272	\$ 215,100	\$ 1,243,457	\$ 265,657	\$ 1,409,613	\$ 102,397	\$ 2,211,657	\$ 3,387,817	\$ 233,705
Fixed Costs		\$	\$ 40,433,610	\$ 1,240,933	\$ 2,940,063	\$ 119,335	\$ 14,088,148	\$ 875,032	\$ 731,801	\$ 4,231,914	\$ 906,823	\$ 1,494,954	\$ 349,997	\$ 1,188,451	\$ 11,470,696	\$ 795,464
Total Project Costs		\$	\$ 55,592,086	\$ 1,621,815	\$ 3,809,326	\$ 154,413	\$ 18,634,725	\$ 1,132,304	\$ 946,901	\$ 5,475,371	\$ 1,172,481	\$ 2,904,567	\$ 452,393	\$ 3,400,108	\$ 14,858,513	\$ 1,029,169
JPA Assessment (per PMOA)			\$ 126,073	\$ 7,071	\$ -	\$ -	\$ 85,034	\$ -	\$ -	\$ -	\$ -	\$ 27,196	\$ -	\$ 6,772	\$ -	\$ -
Unfunded/(Excess)			\$ (2,480,513)	\$ (70,948)	\$ (168,099)	\$ (6,980)	\$ (800,887)	\$ (50,968)	\$ (42,610)	\$ (244,730)	\$ (53,309)	\$ (251,762)	\$ (20,009)	\$ (67,947)	\$ (655,843)	\$ (46,420)

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, 2017

	Collections	Actual Costs	Refund/(Deficit)	Explanations and Comments
COLLECTIONS/COSTS ANALYSIS:				
Variable O&M	\$ 5,106,877	\$ 2,275,158	\$ 2,831,719	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.
Fixed O&M	3,250,596	3,311,796	(61,200)	
Administration	226,663	74,027	152,636	Routine O&M: Routine O&M costs were less than collections by \$3.2 million primarily due to decrease of \$2.8 million in variable O&M costs and decrease of \$0.4 million in other operating costs. Variable O&M costs were lower than projected due to reduced generation output driven by market forces.
Mandated Costs	291,357	288,870	2,487	
Inventory Stock	400,000	261,894	138,106	
Subtotal Routine O & M Costs without Labor	9,275,493	6,211,745	3,063,748	
Labor	4,765,279	4,640,466	124,813	
Total Routine O & M Costs	14,040,772	10,852,211	3,188,561	
Other Costs				
Fuel	9,414,010	9,414,010	-	Other Costs: Fuel costs were lower than budgeted due to decreased generation driven by CAISO economic dispatch. CAISO energy costs were primary driven by energy purchases by participants and to CAISO calls for regulation down resulting in additional market purchases. Fuel, CAISO costs and CAISO energy purchases are billed when incurred.
CA ISO Charges	394,859	394,859	-	
CA ISO Energy Purchases	3,074,449	3,074,449	-	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.
Debt Service	26,437,261	26,417,744	19,517	
Insurance	770,000	631,812	138,188	
Other Costs	56,906	64,984	(8,078)	
Administrative & General	2,063,038	1,749,959	313,079	
Generation Services Shared	343,414	270,440	72,974	
Power Management Allocated Costs	1,327,566	1,231,928	95,638	
Total Other Costs	43,881,503	43,250,185	631,318	
Total O & M Costs	57,922,275	54,102,396	3,819,879	
Projects				
Operations & Maintenance	30,000	(124,453)	154,453	
Capital Projects	1,200,000	39,143	1,160,857	
Maintenance Reserve	1,575,000	1,575,000	-	
Total Projects	2,805,000	1,489,690	1,315,310	
Annual Collections/Costs	60,727,275	55,592,086	5,135,189	
THIRD PARTY REVENUE ANALYSIS:				
ISO Energy Sales	15,141,359	15,141,359	-	Third Party Revenues: Third party revenue was higher by \$4.5 million primarily due to higher interest income earned on investments due to increases in short term interest rates and due to PG&E settlement payment. Revenues from ISO Energy Sales and Ancillary Services are credited to participants in the ARB when received.
Ancillary Services Sales	637,461	637,461	-	
Interest Income - Operations	5,950	47,456	(41,506)	
Interest Income (NCPA)	32,667	133,501	(100,834)	
Interest Income (CDWR)	5,872	15,287	(9,415)	
Other Income	3,130	4,361,219	(4,358,089)	
Total Third Party Revenue	15,826,439	20,336,283	(4,509,844)	B
Net Plant Collections/Costs ^(A)	\$ 44,900,836	\$ 35,255,803	\$ 9,645,033	
OTHER ITEMS:				
Natural Gas Transfer Credit ^(A)	(4,314,563)	(4,314,563)	-	
Transmission Project Refund	(2,805,000)	-	(2,805,000)	
PG&E Settlement Refund ^(A)	(4,359,910)	-	(4,359,910)	
Net Project Collections/Costs	\$ 33,421,363	\$ 30,941,240	\$ 2,480,123	

(A) Total of Net Plant Collections plus Natural Gas Transfer Credit and PG&E Settlement Refund equals Net Project Collections on All Resources Bills.

NCPA Operating Budget for FY18/19

Proposed Process and Recommendations



Commission Meeting
October 26, 2017

STRATEGIC PLAN 2016 - 2021

MISSION

To provide our members cost effective wholesale power, energy-related services, and advocacy on behalf of public power consumers through joint action.

VISION

To be the premier provider of energy services to public entities.

STRATEGIES

- Attract, develop and retain professional, high quality staff.
- Maintain position as credible, solution-oriented coalition builder and leader in state and federal legislative and regulatory policy arenas.
- Develop and maintain diverse generation resource portfolio in accordance with renewable portfolio standard and capacity obligations.
- Protect, utilize and build on the strengths and unique aspects of JPA structure to benefit NCPA's members.
- Develop/maintain strategies to control costs and minimize risks while maximizing the value of assets.
- Grow new revenue and/or reduce member costs by exploring new members/participants and expansion of current services.
- Help articulate and promote the value of NCPA and public power utilities to member communities.

Proposed Budget Process

- Continued approach to review draft budgets through Facilities and L&R Committees, UD meetings, etc.
- Budget is prepared on a project/program basis
- Allocation for all allocated costs (Power Management, Legislative & Regulatory, Judicial Action, Administrative and General and direct allocations) will use previously approved methods – no changes proposed
- Continued focus on NCPA controllable costs and additional sharing of costs (economies of scale)

Issues Impacting FY2018/19 Budget

- Union contracts end December 2018
 - Looking to control future OPEB costs
 - ½ year impact for any salary adjustments

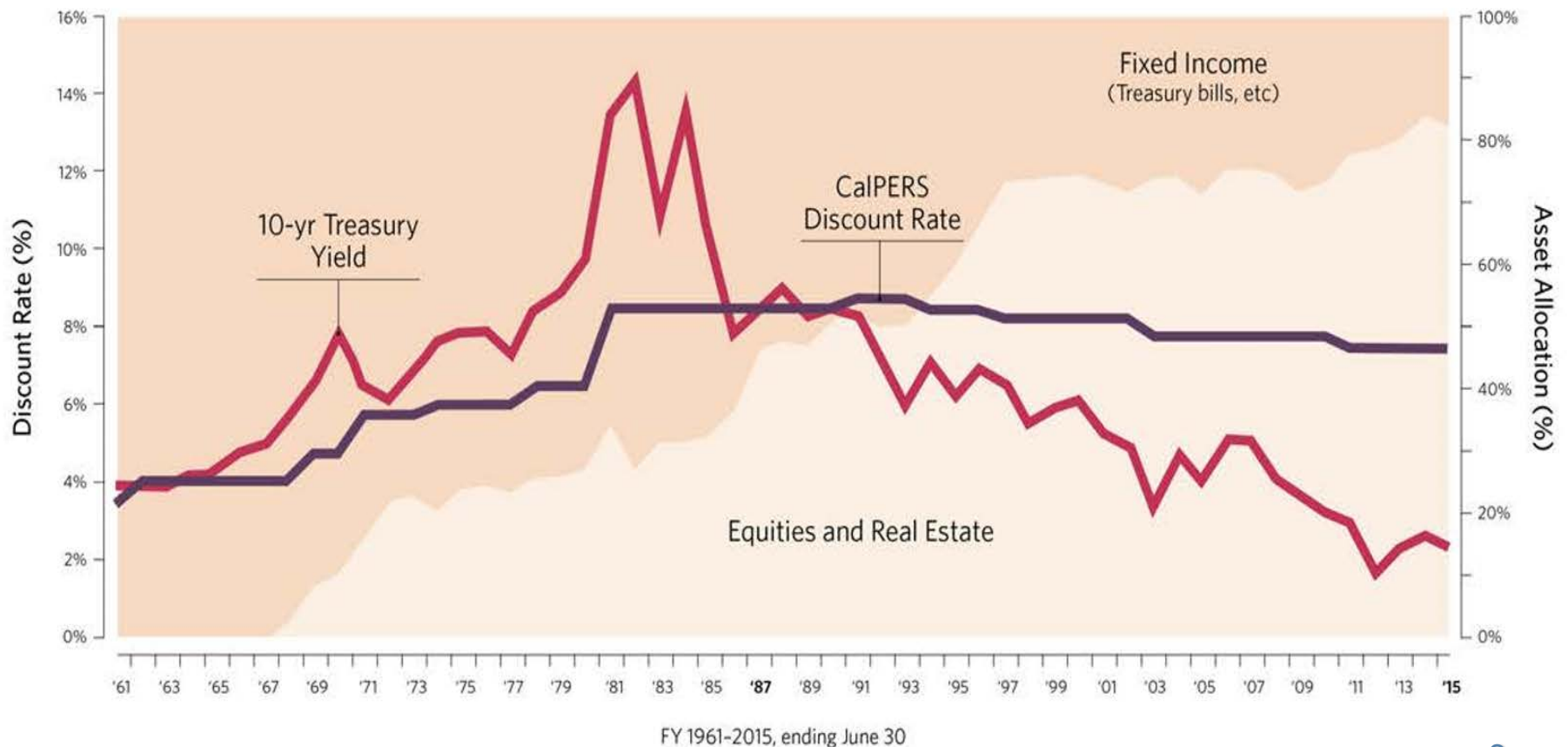
- Additional PM business?
 - Added MEID, PCWA, Pioneer, South Feather?
 - Update to the control room?
 - Additional staff?

- Operating budgets reduced over last two years
 - CPI Index as of August 2017 was 1.9%

Issues Impacting FY2018/19 Budget

- Capital & Maintenance of Assets
 - Purpose to keep assets in great, working condition
 - Need to consider some growth for previously delayed ancillary items
- FY17 results are not the norm
 - Refund due to: salary vacancies, insurance premium savings, interest income, staff being prudent with their budgets
- Pension Costs
 - OPEB
 - Should be relatively flat/small growth
 - PERS
 - Reduction of discount rate from 7.50% to 7.375%...then to 7.00%!
 - \$1.1 million increase or 14% from FY18 budget

Interest Rates vs CalPERS Investment Mix



Funding History

The table below shows the recent history of the actuarial accrued liability, the market value of assets, the funded ratio and the annual covered payroll.

Valuation Date		Accrued Liability		Market Value of Assets (MVA)		Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/11	\$	100,528,265	\$	49,383,313	\$	51,144,952	49.1%	17,682,597
06/30/12		106,400,959		52,231,911		54,169,048	49.1%	16,805,905
06/30/13		118,304,984		62,063,208		56,241,776	52.5%	17,083,944
06/30/14		130,733,429		74,802,107		55,931,322	57.2%	17,830,382
06/30/15		138,917,719		77,970,925		60,946,794	56.1%	17,593,485
06/30/16		146,696,486		79,154,505		67,541,981	54.0%	18,032,208

30-Year Amortization Schedule and Alternatives

Alternate Schedules

Current Amortization Schedule*

20 Year Amortization

15 Year Amortization

Date	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2018	68,143,493	4,761,313	68,143,493	5,093,896	68,143,493	6,198,048
6/30/2019	68,235,312	5,277,769	67,890,683	5,246,713	66,746,539	6,383,990
6/30/2020	67,798,742	5,642,696	67,460,877	5,404,114	65,053,885	6,575,511
6/30/2021	66,951,830	5,999,824	66,836,271	5,566,238	63,037,940	6,772,775
6/30/2022	65,672,394	6,290,763	65,997,604	5,733,225	60,668,909	6,975,958
6/30/2023	63,997,126	6,479,486	64,924,051	5,905,221	57,914,620	7,185,237
6/30/2024	62,002,748	6,673,871	63,593,096	6,082,378	54,740,344	7,400,794
6/30/2025	59,659,859	6,405,036	61,980,411	6,264,849	51,108,600	7,622,818
6/30/2026	57,422,753	6,598,639	60,059,710	6,452,795	46,978,950	7,851,502
6/30/2027	54,820,044	6,796,598	57,802,604	6,646,379	42,307,771	8,087,047
6/30/2028	51,820,258	7,000,499	55,178,442	6,845,770	37,048,016	8,329,659
6/30/2029	48,387,952	6,197,902	52,154,134	7,051,143	31,148,956	8,579,549
6/30/2030	45,534,178	6,383,837	48,693,972	7,262,677	24,555,900	8,836,935
6/30/2031	42,277,269	5,479,344	44,759,428	7,480,558	17,209,896	9,102,043
6/30/2032	39,717,416	5,395,062	40,308,939	7,704,975	9,047,415	9,375,104
6/30/2033	37,056,108	5,251,275	35,297,681	7,936,124		
6/30/2034	34,347,524	5,062,909	29,677,322	8,174,207		
6/30/2035	31,634,370	4,858,515	23,395,755	8,419,434		
6/30/2036	28,932,919	4,637,300	16,396,814	8,672,017		
6/30/2037	26,261,464	4,686,707	8,619,970	8,932,177		
6/30/2038	23,341,792	4,734,908				
6/30/2039	20,156,846	4,876,955				
6/30/2040	16,589,820	5,023,263				
6/30/2041	12,608,117	4,623,701				
6/30/2042	8,746,799	4,144,010				
6/30/2043	5,097,773	4,012,195				
6/30/2044	1,316,221	635,149				
6/30/2045	755,139	327,277				
6/30/2046	471,700	384,734				
6/30/2047	107,820	111,725				
Totals		144,753,262		136,874,890		115,276,969
Interest Paid		76,609,769		68,731,397		47,133,476
Estimated Savings				7,878,372		29,476,293

Budget Recommendations for 2018/19

Pass Throughs

- All of the following will be as based on information from outside entities:
 - Membership dues, Subscriptions, Transmission Services, WREGIS, and other Member Services Projects, etc.

Legal

- Judicial action and all other legal expenses will be rolled over based on previous year budget.
- Special assessment regarding CVPIA (not yet defined) may need to be added

Capital Outlay

- Capital projects for plants and Headquarters/Information Services to be specifically reviewed by Facilities Committee/LEC Participants

Budget Recommendations for 2018/19

Plant costs

- Debt service as scheduled plus trustee & administrative costs
- Fuel, as required for estimated plant operations
- Regular operating & maintenance – target **2.4%** increase
- Special maintenance projects – reviewed specifically with participants (Facilities Committee & LEC Participants)

Salaries and Benefits

- Salary & benefits - target **4.5%** increase. Will include additional **2.5%** for broad banding adjustments, merit, promotions, upgrades, certifications, etc.
- No new positions being considered

All other operating expenses

- Target **2.4%** increase from previous year base budget.

Salary and Benefits Overview

	FY18		FY18	FY18
	(budget)		Gross Budget	Net Budget
			\$619.70	\$361.70
	(in millions)		% of budget	% of budget
Salaries	23.3		3.76%	6.44%
PERS	7.9		1.27%	2.18%
Medical	3.2		0.52%	0.88%
Retiree Medical	2.7		0.44%	0.75%
Other	2.4		0.39%	0.66%
Total	39.5		6.37%	10.92%

Salary and Benefits FY2018/19 Estimate

	FY18	FY19		
	(budget)	(estimate)		
	(in millions)	(in millions)		Est Inc
Salaries	23.3	24.3		4.5%
PERS	7.9	9.0		13.9%
Medical	3.2	3.3		2.5%
Retiree Medical	2.7	2.8		2.5%
Other	2.4	2.5		2.5%
Total	39.5	41.9		6.0%
Target		41.3		4.5%
Variance		(0.6)		

Budget Recommendations for 2018/19

Plant costs

- Debt service as scheduled plus trustee & administrative costs
- Fuel, as required for estimated plant operations
- Regular operating & maintenance – target **2.4%** increase
- Special maintenance projects – reviewed specifically with participants (Facilities Committee & LEC Participants)

Salaries and Benefits

- Salary & benefits - target **4.5%** increase. Will include additional **2.5%** for broad banding adjustments, merit, promotions, upgrades, certifications, etc.
- No new positions being considered

All other operating expenses

- Target **2.4%** increase from previous year base budget.

Recommendation

- Commission approval of the budget guidelines for FY2018/19 as outlined in this report