



12745 N. Thornton Road
Lodi, CA 95242

phone (209) 333-6370
fax (209) 333-6374
web www.ncpa.com

LEC PPC Agenda

Date: November 7, 2016

Subject: November 14, 2016 Lodi Energy Center Project Participant Committee Meeting

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

Time: 10:00 a.m.

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

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

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

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

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

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

- 2. Meeting Minutes** - Approval of October 10, 2016 regular meeting minutes and approval of October 25, 2016 special meeting minutes.

MONTHLY REPORTS

- 3. Operational Report for October 2016** - (Jeremy Lawson)
- 4. Market Data Report for October 2016** – Verbal Report (Bob Caracristi)
- 5. Monthly Asset Report for September 2016** – (Michael DeBortoli)
- 6. Bidding Strategies Report** - Verbal Report and update regarding bidding strategies and regulation down revenues (Ken Goeke)

CONSENT CALENDAR

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

- 7. Treasurer's Report for October 2016** - Accept by all Participants
- 8. Financial Report for October 2016** - Approve by all Participants
- 9. GHG Reports (excerpted from monthly ARB)** - Accept by all Participants

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

- 10. GP Crane and Hoist Services Agreement** – Staff seeking approval of a five year Multi-Task General Services Agreement with GP Crane and Hoist Services for an amount not to exceed \$500,000.00 for crane and hoist inspection and maintenance services at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

- 11. FY 2016 Annual Billing Settlements** – Staff seeking approval of the FY16 Annual Billing Settlement for the period July 1, 2015 through June 30, 2016. *(Donna Stevener)*
- 12. LEC Operational Insurance Coverage** – Staff to provide renewal update and seek approval of the insurance program for policy year 2017. *(Donna Stevener)*

INFORMATIONAL/ DISCUSSION ITEMS

- 13. Other New Business**

ADJOURNMENT

Next Regular Meeting: December 12, 2016

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

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

1. Call Meeting to Order and Roll Call

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

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Morrow	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Forsythe	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	7	85.1858%
Absent	6	14.8142%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	October 10, 2016	

Public Forum

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

2. Meeting Minutes

The draft minutes of the regular meeting held on September 12, 2016 were considered. The LEC PPC considered the following motion:

Date: 10/10/2016

Motion: The PPC approves the minutes of the September 12, 2016 regular meeting as presented or *including any edits discussed at today's meeting.*

Moved by: Azusa

Seconded by: CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	7	85.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	14.8142%
Result:	Motion Passed.	

MONTHLY REPORTS

3. Operational Reports for September 2016

Jeremy Lawson presented the Operational Report for September. There were no OSHA recordable accidents, no permit violations and no NERC/WECC violations. The plant experienced an issue on September 25, 2016 when the plant was 20 minutes late to start due to a fuel gas compressor failed start. The gas compressor was cleared and restarted after the 20 minute lock-out.

The report reflected monthly production of 25,598 MWH, 114 service hours, and equivalent operating availability of 99.98%. The report set forth the Capacity Factor @ 280MW Pmax of 12.70% and @ 302MW Pmax of 11.77%. There were six hot starts, one warm start, and three

cold starts during the month. The next scheduled outage continues to be planned for May 2017. There was discussion regarding heat rate and whether the 280 MW capacity factor is still relevant.

4. Market Data Report for September 2016

Bob Caracristi discussed the operating and financial settlement results for the month. There was discussion on variable gas price for the month as well as daily profile financial results.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report and budget review for August 2016. Overall costs were above budget by 7.24%. Mike mentioned that variable costs were not down as much as they'd like and that the historical margin was the same margin as the previous year.

6. Bidding Strategies Report

Ken Goeke presented monthly Bidding Strategies for September 2016. Ken reported on model results and that no special strategies were implemented in September. There was further discussion on bidding strategies.

Consent Calendar (Items 7 – 14)

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

Date: 10/10/2016

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. 7. Treasurer's Report for September 2016; 8. Financial Reports for September 2016; 9. GHG Reports excerpted from monthly ARB; 10. ACCO Engineered Systems, Inc. five year Multi-Task General Services Agreement for not to exceed \$750,000 for HVAC maintenance services for use at NCPA, Members/SCPPA facilities; 11. Hart High-Voltage Apparatus Repair & Testing Co., Inc. five year Multi-Task General Services Agreement for not to exceed \$700,000 for electrical services for use at NCPA, Members/SCPPA facilities; 12. Burns & McDonnell five year Multi-Task Professional Services Agreement for not to exceed \$1,000,000 for consulting services related to project support and plant operations for use at NCPA, Members/SCPPA facilities; 13. LEC PPC Meeting Dates for 2017; and 14. LEC PMOA Schedule 1, Exhibit 8 - Settlement of CAISO Charge Codes and Allocations to Participants.

Moved by:

Lodi

Seconded by:

CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	7	85.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	14.8142%
Result:	Motion passed.	

BUSINESS ACTION ITEMS

15. **Siemens Energy, Inc. Amendment** – Ken Speer requested this item be pulled from the agenda and deferred.

INFORMATIONAL ITEMS

16. FY16 Annual Billing Settlements

Donna Stevener presented the FY16 Draft Annual Billing Settlement. The final Settlement will be presented in November for approval. Detailed documents will be posted to the NCPA data portal in approximately a week.

11. Other New Business

None

Adjournment

The next regular meeting of the PPC is scheduled for Monday, November 14, 2016. The meeting was adjourned at 10:45 a.m.

Submitted by: Tracy Kves

Lodi Energy Center
Project Participant Committee SPECIAL Meeting
October 25, 2016 - MEETING MINUTES
Location: Lodi Energy Center
12745 N. Thornton Rd, Lodi CA 95242
and by teleconference
4:00 P.M.

1. Call Meeting to Order and Roll Call

The PPC special meeting was called to order at 3:04 p.m. by Vice-Chairman Martin Caballero. He asked that roll be called as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Lehr	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Forsythe	Present	33.5000%
Gridley - Eckert	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Singh	Present	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	7	84.5536%
Absent	6	15.4464%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	October 25, 2016 Special Meeting	

Public Forum

Vice-Chairman Caballero asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items.

PWRPA was present as a member of the public as the required agenda posting at that specific location was not met in order to comply with the Brown Act.

BUSINESS ACTION ITEM

2. LEC Stack Stratification Correction Project

Jeremy Lawson presented a Staff Report and presentation for this item which proposes that the PPC approve the LEC stack stratification correction project and related expenditure to correct HRSG (heat recovery steam generator) stratification issues at the LEC and authorize the NCPA General Manager to approve Purchase Orders to carry out the project.

Jeremy reported that the LEC conducted an annual emissions source test on October 20, 2016 in which an uneven NOx level was observed and forced the plant offline. Staff mobilized to perform an inspection of the boiler. As a result of the inspection, there were several findings that need to be corrected. Jeremy reported that it will take approximately four days to get scaffolding in place in order to correct these findings. Method of correction will be utilizing high pressure CO2 to clean the boiler.

On October 21, a Purchase Order was issued to Precision Iceblast Corporation for mobilization and investigation into the issues. These initial investigation costs are included in the total not-to-exceed cost of the project. This project was not included in the current fiscal year budget, but funds will come from an existing budgeted maintenance account.

The LLC PPC considered the following motion:

Date: 10/25/2016

Motion: The PPC approves the LEC Stack Stratification Correction Project and Related Expenditures not-to-exceed \$430,000 and authorization for the NCPA General Manager to approve Purchase Orders to carry out the work, subject to Commission Approval.

Moved by: Santa Clara
CDWR

Seconded by:

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%

Vote Summary		
Total Ayes	7	84.5536%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	15.4464%
Result:	Motion Passed.	

Adjournment.

Vice-Chairman Caballero adjourned the special meeting at 3:25 p.m.

Submitted by: Tracy Kves

DRAFT



12745 N. Thornton Road
Lodi, CA 95242

phone (209) 333-6370
fax (209) 333-6374
web www.ncpa.com

Lodi Energy Center Project Participant Committee Operational Report

Agenda Item No.: 3

Date: 11/14/2016
To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents

Notice of Violations

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

Outage Summaries:

- 10/5/2016, 1 Hour - On start-up LEC lost condenser vacuum causing a plant trip. A LP header warm-up valve opened without appropriate steam conditions. Appropriate controls measure have be placed to prevent this scenario again.
- 10/18/2016, 3 Hours - On plant start-up the Auxiliary boiler failed and delayed schedule by 3 hours.
- 10/21/2016, 253.9 Hours - During the annual RATA test LEC failed on high stratification. Rapid ammonia salt and insulation build up within the HRSG caused uneven flow. The HRSG was cleaned to correct the breakdown, LEC was retested successfully and placed back into service.

Planned Outage Summaries:

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

Generating Unit Statistics:

LEC

Report**Date:**

Start Date 10/1/2016

End Date 10/31/201

6

1. Monthly Production 7,489 MWH

2. Productivity Factor

a. Service Hours 36 Hours

b. Service Factor 4.86 %

c. Capacity Factor @ 280MW Pmax 3.59 %

d. Capacity Factor @ 302MW Pmax 3.33 %

3. Equivalent Operating Availability (EOA) 99.98 %

4. Forced Outage Rate (FOR)

a. Combustion Turbine Generator 0.00 %

b. Steam Turbine Generator 0.00 %

5. Heat Rate Deviation (HRD)

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

MW Range		Average HR BTU/kW-Hr	PMOA HR BTU/kW-Hr	Deviation %	Production MWH	Cost \$
Seg. 1	296 - 302	6,850	6850	0.00%	0	\$0
Seg. 2	284 - 296	6,948	6870	1.13%	857	\$266
Seg. 3	275 - 284	6,983	6971	0.18%	1,952	\$97
Seg. 4	250 - 275	7,001	7081	-1.13%	1,591	-\$509
Seg. 5	225 - 250	7,058	7130	-1.01%	705	-\$203
Seg. 6	200 - 225	7,145	7315	-2.32%	420	-\$285
Seg. 7	175 - 225	7,296	7711	-5.38%	368	-\$611
Seg. 8	165 - 175	7,686	7856	-2.17%	649	-\$442
					6,543	-\$1,686

6. AGC Control Deviation

MW Range		High Dev MWH	Low Dev MWH	Absolute Dev MWH	Cost \$
Seg. 1	296 - 302	0	0	0	\$0
Seg. 2	284 - 296	3	-1	3	\$92
Seg. 3	275 - 284	5	-8	13	\$353
Seg. 4	250 - 275	9	-3	12	\$339
Seg. 5	225 - 250	5	-4	9	\$252
Seg. 6	200 - 225	4	-5	9	\$260
Seg. 7	175 - 225	3	-5	8	\$236
Seg. 8	165 - 175	4	-1	5	\$167
		33	-27	60	\$1,699

7. Starting Reliability

Start Type	Hot Starts	Warm Starts	Cold Starts
Number of Starts	2	1	1
Start Time Benchmark (Minutes)	85	160	235
Start Time Actual (Average Minute)	93.0	181.0	216.0
Start Time Deviation (%)	9.4%	13.1%	-8.1%
Start Fuel Benchmark PMOA (mmBTU)	1,967	5,200	5,430
Start Fuel Actual (Average mmBTU)	1,721	3,594	4,006
Fuel Deviation	-12.5%	-30.9%	-26.2%
Costs of Fuel Deviations (\$)	-\$982	-\$6,424	-\$5,698

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 = $(Actual\ Fuel\ Consumed - Expected\ Fuel) \times Cost\ of\ Fuel$



Historical Annual Margin Totals





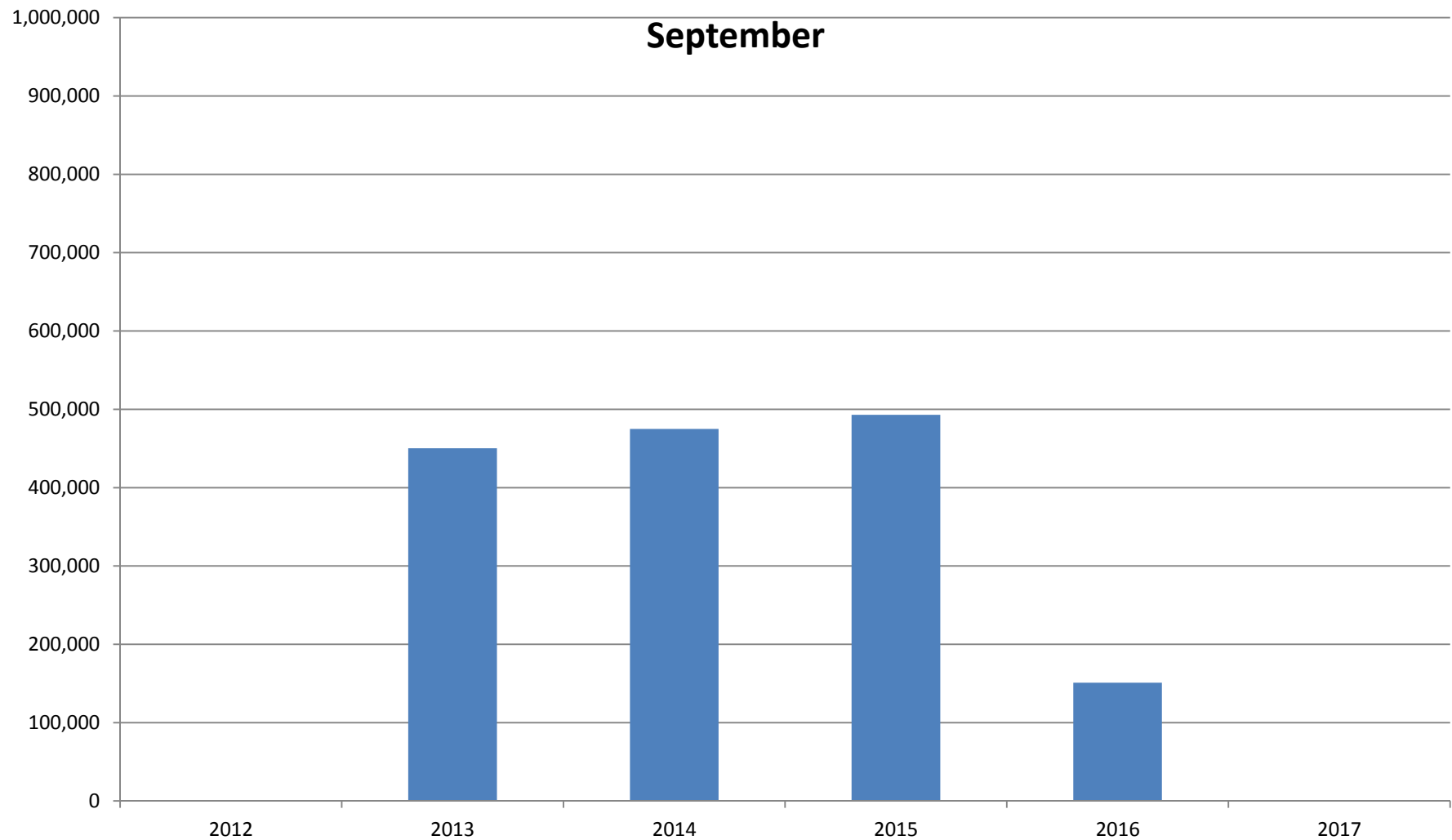
September Asset Report

	Most Recent			Above / (below)		Percent Difference
	Actual	Forecast	Budget	Forecast	Above / (below)	
Revenue	1,243,718	2,508,911	6,857,824	(1,265,192)	-50%	
VOM	1,067,517	1,903,885	5,430,363	(836,368)	-44%	
Fixed	900,424	727,695	924,030	172,729	24%	
Projects	131,250	171,250	233,750	(40,000)	-23%	
A&G	370,459	200,538	200,538	169,921	85%	
Debt	2,199,759	2,203,105	2,203,105	(3,346)	-0.15%	
Net Cost	(3,425,691)	(2,697,562)	(2,133,962)	(728,128)	27%	
Net Annual Cost		(36,166,443)	(31,768,945)	(\$4,397,498)		
				Above budget by 13.84%		

\$37,856,918 w/o
cost saving measures



Historical Margins



Cost Reductions

Combustion Turbine Specialist	182,000
iRig-B Time Stamping	30,000
Platforms (current FY)	150,000
DCS Software Upgrade	450,000
Ammonia Risk Reduction	560,000
Physical Security Upgrades	178,475
Cooling Tower Basin Clean-out	40,000
STG Outage	100,000
	1,690,475

\$11,738,895 Plant
Controllable Costs.

14.4% reduction

Rejected Potential Reductions

High Energy Pipe Inspection	135,000
Critical Valves (Bypass, Attemperator, Level)	200,000
HRSG Steam Relief's	110,000
HRSG Hot Spot Repair	350,000
	795,000

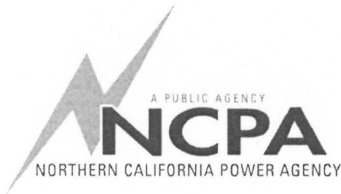


Other Considerations

Maintenance Reserve	No Change
Auxiliary Power	Over Budget

Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 11/07/2016

	July	August	September	October	November	December	January	February	March	April	May	June	Year	FY 2017 Budget	Percent Used	Comments
VOM	2,309,456	1,310,062	1,067,517	1,918,636	1,773,633	2,701,252	2,794,349	1,323,792	226,153	299,453	0	726,946	16,451,250	57,881,217	28.4%	
Capacity Factor	36%	15%	13%	16%	19%	29%	26%	14%	2%	1%	0%	8%	15%	67%	22.4%	
Fuel Consumed (mmBTU, estimated)	552,311	236,335	193,710	233,304	267,095	415,439	372,551	187,464	33,743	16,104	0	113,998	2,622,054	11,341,990	23.1%	
Avg Fuel Cost (\$/mmBTU)	3.44	4.30	4.54	4.38	4.54	4.72	4.77	4.78	4.70	4.48	0.00	4.42	4.35	3.89	111.8%	
Power Produced (MWHr, estimated)	76,008	31,654	25,598	34,059	38,992	60,648	54,387	27,367	4,926	2,351	0	16,642	372,632	1,655,765	22.5%	
Avg Power Price (\$/MWHr)	39.13	49.26	48.59	47.99	50.11	52.10	51.02	52.16	50.45	45.56	0.00	47.38	47.96	41.58	115.3%	
Operations / Variable / LTSA	3,746	120,596	43,703	507,191	38,212	59,435	362,144	26,820	4,827	202,535	0	60,183	1,429,392	5,106,876	28.0%	
Fuel (estimated)	1,901,128	1,015,383	879,760	1,238,085	1,536,952	2,333,118	2,136,775	1,148,315	194,568	84,147	0	576,364	13,044,595	44,100,578	29.6%	
AB32 GHG Offset (estimated)	373,676	161,082	133,422	159,396	182,483	283,833	273,132	137,437	24,738	11,807	0	83,576	1,824,581	8,001,632	22.8%	
CA ISO Charges (estimated)	30,906	13,001	10,632	13,964	15,987	24,866	22,299	11,220	2,020	964	0	6,823	152,682	672,131	22.7%	
Routine O&M (Fixed)	726,101	760,849	900,424	827,695	1,343,886	1,482,695	827,695	727,695	727,695	827,695	1,439,886	827,695	11,420,012	11,088,367	103.0%	
Maintenance / Fixed	141,434	207,472	302,678	230,251	474,045	230,251	230,251	230,251	230,251	230,251	585,045	230,251	3,322,428	3,250,596	102.2%	Refurbish bypass valve parts
Administration	8,597	10,027	2,573	18,889	18,889	18,889	18,889	18,889	18,889	18,889	18,889	18,889	191,194	226,663	84.4%	
Mandatory Costs	33,146	1,783	76,294	25,643	25,643	25,643	25,643	25,643	25,643	25,643	25,643	25,643	342,008	291,357	117.4%	
Inventory Stock	0	0	0	100,000	0	0	100,000	0	0	100,000	0	100,000	400,000	400,000	100.0%	
Labor	359,440	330,374	334,995	337,541	694,937	337,541	337,541	337,541	337,541	337,541	694,937	337,541	4,777,466	4,765,279	100.3%	
Insurance	72,853	73,333	73,253	0	15,000	755,000	0	0	0	0	0	0	989,439	770,000	128.5%	
Power Management & Settlements	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	110,631	1,327,568	1,327,566	100.0%	
Other Costs	0	27,229	0	4,742	4,742	4,742	4,742	4,742	4,742	4,742	4,742	4,742	69,909	56,906	122.8%	
Projects	135,218	228,984	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	1,676,702	2,805,000	59.8%	
Maintenance Reserve	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	131,250	1,575,000	1,575,000	100.0%	
Operations & Maintenance Projects	3,968	0	0	0	0	0	0	0	0	0	0	0	3,968	30,000	13.2%	
Capital Projects	0	97,734	0	0	0	0	0	0	0	0	0	0	97,734	1,200,000	8.1%	
A&G	137,131	111,701	370,459	200,538	200,538	200,538	200,538	200,538	200,538	200,538	200,538	200,538	2,424,131	2,406,453	100.7%	
Administrative & General (Allocated)	122,215	97,959	346,453	171,920	171,920	171,920	171,920	171,920	171,920	171,920	171,920	171,920	2,113,906	2,063,039	102.5%	
Generation Services Shared	14,916	13,742	24,006	28,618	28,618	28,618	28,618	28,618	28,618	28,618	28,618	28,618	310,225	343,414	90.3%	
Total O&M Cost	3,307,906	2,411,596	2,469,650	3,078,119	3,449,307	4,515,735	3,953,832	2,383,275	1,285,636	1,458,936	1,771,674	1,886,429	31,972,094	74,181,037	43.1%	
Debt Service	2,199,759	2,199,759	2,199,759	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	2,203,105	26,427,223	26,437,261	100.0%	
Revenues	7,334,108	1,560,351	1,243,718	1,634,484	1,953,813	3,159,949	2,774,824	1,427,542	248,497	107,103	0	788,484	22,232,874	68,849,353	32.3%	
ISO Energy Sales (estimated)	2,974,197	1,559,271	1,243,718	1,634,484	1,953,813	3,159,949	2,774,824	1,427,542	248,497	107,103	0	788,484	17,871,883	68,846,223	26.0%	
Other Income	4,359,911	1,080	0	0	0	0	0	0	0	0	0	0	4,360,991	3,130		
Net	\$1,826,443	(\$3,051,004)	(\$3,425,691)	(\$3,646,740)	(\$3,698,599)	(\$3,558,891)	(\$3,382,113)	(\$3,158,838)	(\$3,240,244)	(\$3,554,938)	(\$3,974,779)	(\$3,301,051)	(\$36,166,443)	(\$31,768,945)	Above budget by 13.84%	



651 Commerce Drive
Roseville, CA 95678

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

LEC Treasurer's Report

AGENDA ITEM NO.: 7

Date: November 14, 2016
To: LEC Project Participant Committee
Subject: Treasurer's Report for the Month Ended October 31, 2016

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

Cash - At month end cash totaled \$42,156.

Investments - The carrying value of the LEC's investment portfolio totaled \$34,078,699 at month end. The current market value of the portfolio totaled \$34,088,011.

The overall portfolio had a combined weighted average interest rate of 0.789% with a bond equivalent yield (yield to maturity) of 0.748%. Investments with a maturity greater than one year totaled \$10,293,000. During the month \$2.2 million was invested.

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

Interest Rates - During the month, rates on 90 day T-Bills increased by 9 basis points (from 0.27% to 0.36%) and rates on one year T-Bills increased by 8 basis points (from 0.59% to 0.67%).

To the best of my knowledge and belief, all securities held by LEC as of October 31, 2016 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

Environmental Analysis

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

Respectfully submitted,

DONNA STEVENER
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

OCTOBER 31, 2016

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, 2016

	CASH	INVESTMENTS	TOTAL	PERCENT	INVESTMENTS at MARKET
MANDATORY FUNDS					
Debt Service Account	-	11,010,439	11,010,439	32.27%	11,011,247
Debt Service Reserve	-	11,940,050	11,940,050	34.99%	11,953,505
O & M Reserve	-	11,056,790	11,056,790	32.40%	11,051,839
	-	34,007,279	34,007,279	99.67%	34,016,591
ADDITIONAL PROJECT FUNDS					
GHG Cash Account	-	71,419	71,419	0.21%	71,419
Transmission Upgrade Escrow ¹	42,156	-	42,156	0.12%	-
Participant Deposit Account	-	1	1	0.00%	1
	\$ 42,156	\$ 34,078,699	\$ 34,120,855	100.00%	\$ 34,088,011

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, 2016

	RECEIPTS			EXPENDITURES			CASH
	INTEREST		INVESTMENTS	INVESTMENTS		INTER-COMPANY/	INCREASE /
	OPS/CONSTR	(NOTE B)	(NOTE A)	OPS/CONSTR	(NOTE B)	FUND TRANSFERS	(DECREASE)
MANDATORY FUNDS							
Debt Service Account	\$ -	\$ 48	\$ -	\$ -	\$ (2,199,542)	\$ 2,199,494	\$ -
Debt Service Reserve	-	279	-	-	(279)	-	-
O & M Reserve	-	3,725	(3,725)	-	-	-	-
	-	4,052	(3,725)	-	(2,199,821)	2,199,494	-
ADDITIONAL PROJECT FUNDS							
GHG Cash Account	-	108	(108)	-	-	-	-
Transmission Upgrade Escrow ¹	-	4	-	-	-	-	4
Participant Deposit Account	-	-	-	-	-	-	-
TOTAL	\$ -	\$ 4,164	\$ (3,833)	\$ -	\$ (2,199,821)	\$ 2,199,494	\$ 4

NOTE A -Investment amounts shown at book carrying value.

NOTE B -Net of accrued interest purchased on investments.

¹ Amount held in escrow

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Investment Activity Summary
October 31, 2016

	PURCHASED	SOLD OR MATURED	(NON-CASH) DISC/(PREM) AMORT	(NON-CASH) GAIN/(LOSS) ON SALE	INVESTMENTS	
					TRANSFERS	INCREASE / (DECREASE)
MANDATORY FUNDS						
Debt Service Account	2,199,542	-	2,348	-	-	2,201,890
Debt Service Reserve	279	-	(50)	-	-	229
O & M Reserve	-	3,725	(1,510)	-	-	2,215
	<u>\$ 2,199,821</u>	<u>\$ 3,725</u>	<u>\$ 788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,204,334</u>
ADDITIONAL PROJECT FUNDS						
GHG Cash Account	-	108	-	-	-	108
Participant Deposit Acct.	-	-	-	-	-	-
TOTAL	<u><u>\$ 2,199,821</u></u>	<u><u>\$ 3,833</u></u>	<u><u>\$ 788</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,204,442</u></u>

Less Non- Cash Activity

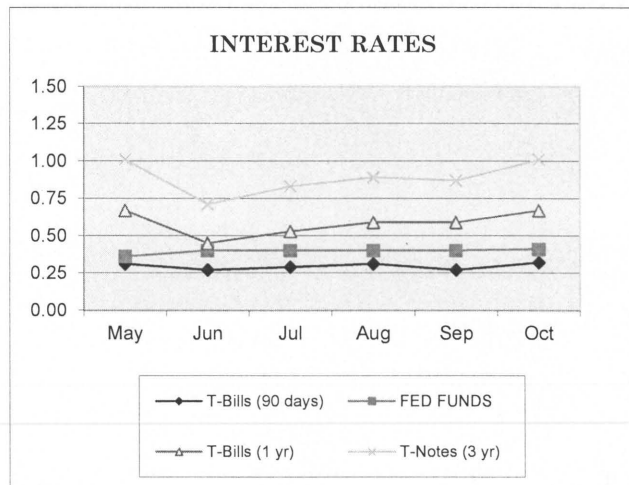
Disc/(Prem) Amortization & Gain/(Loss) on Sale	(788)
Net Change in Investment --Before Non-Cash Activity	<u><u>\$ 2,203,654</u></u>

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
October 31, 2016**

	WEIGHTED AVERAGE INTEREST RATE	BOND EQUIVALENT YIELD
OVERALL COMBINED	0.789%	0.748%
Debt Service Account	0.274%	0.278%
Debt Service Reserve	0.941%	0.976%
O & M Reserve	1.140%	0.970%
GHG Cash Account	0.603%	0.603%

KEY INTEREST RATES		
	CURRENT	PRIOR YEAR
Fed Fds (Ovrnight)	0.41%	0.12%
T-Bills (90da.)	0.32%	0.05%
Agency Disc (90da.)	0.36%	0.09%
T-Bills (1yr.)	0.67%	0.31%
Agency Disc (1yr.)	0.67%	0.33%
T-Notes (3yr.)	1.01%	0.99%



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

Type	0-7 Days	8-90 Days	91-180 Days	181-270 Days	271-365 Days	1-5 Years	6-10 Years	Total	Percent
US Government Agencies	\$ -	\$ 8,811	\$ -	\$ 3,100	\$ 4,170	\$ 10,293	\$ -	\$ 26,374	77.48%
US Bank Trust Money Market	5,611							5,611	16.49%
Commercial Paper								-	0.00%
Investment Trusts (LAIF)	2,044							2,044	6.01%
U.S.Treasury Market Acct.	9							9	0.03%
U.S.Treasury Bill								-	0.00%
Certificates of Deposit								-	0.00%
Total Dollars	\$ 7,664	\$8,811	\$ -	\$3,100	\$4,170	\$10,293	\$ -	\$ 34,038	100.00%
Total Percents	22.52%	25.89%	0.00%	9.11%	12.25%	30.24%	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

10/31/2016

LEC Issue#1 2010A DS Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	694,290	0.100	07/01/2013	694,290		1	0.100	694,290	SYS79003	79003	694,290
Federal Home Loan Ba	USBT	693,000	0.250	10/05/2016	692,755	11/25/2016	24	0.253	692,910	313384Q85	26373	692,885
Federal Home Loan Ba	USBT	694,000	0.370	07/28/2016	693,101	12/01/2016	30	0.375	693,879	313384R68	26350	693,786
Federal Home Loan Ba	USBT	695,000	0.309	08/29/2016	694,437	12/01/2016	30	0.314	694,878	313384R68	26364	694,820
Federal National Mtg	USBT	694,000	0.340	07/11/2016	693,063	12/01/2016	30	0.345	693,882	313588R64	26342	693,803
Fund Total and Average		\$ 3,470,290	0.274		\$ 3,467,646		23	0.278	\$ 3,469,839			\$ 3,469,584

LEC Issue #1 2010B DS Fund

US Bank Trust	USB	724,474	0.100	07/01/2013	724,474		1	0.100	724,474	SYS79004	79004	724,474
Federal Home Loan Ba	USBT	725,000	0.250	10/05/2016	724,743	11/25/2016	24	0.253	724,906	313384Q85	26374	724,879
Federal Home Loan Ba	USBT	726,000	0.370	07/28/2016	725,060	12/01/2016	30	0.375	725,873	313384R68	26351	725,776
Federal Home Loan Ba	USBT	725,000	0.310	08/29/2016	724,413	12/01/2016	30	0.314	724,873	313384R68	26365	724,813
Federal National Mtg	USBT	727,000	0.339	07/11/2016	726,018	12/01/2016	30	0.345	726,876	313588R64	26343	726,794
Fund Total and Average		\$ 3,627,474	0.274		\$ 3,624,708		23	0.278	\$ 3,627,002			\$ 3,626,736

LEC Issue #2 2010A DS Fund

US Bank Trust	USB	434,825	0.100	07/01/2013	434,825		1	0.100	434,825	SYS79011	79011	434,825
Federal Home Loan Ba	USBT	434,000	0.250	10/05/2016	433,846	11/25/2016	24	0.253	433,944	313384Q85	26375	433,928
Federal Home Loan Ba	USBT	435,000	0.370	07/28/2016	434,437	12/01/2016	30	0.375	434,924	313384R68	26352	434,866
Federal Home Loan Ba	USBT	434,000	0.309	08/29/2016	433,649	12/01/2016	30	0.314	433,924	313384R68	26366	433,888
Federal National Mtg	USBT	434,000	0.340	07/11/2016	433,414	12/01/2016	30	0.345	433,926	313588R64	26344	433,877
Fund Total and Average		\$ 2,171,825	0.274		\$ 2,170,171		23	0.278	\$ 2,171,543			\$ 2,171,384

LEC Issue #2 2010B DS Fund

US Bank Trust	USB	348,089	0.100	07/01/2013	348,089		1	0.100	348,089	SYS79012	79012	348,089
Federal Home Loan Ba	USBT	349,000	0.250	10/05/2016	348,876	11/25/2016	24	0.253	348,955	313384Q85	26376	348,942
Federal Home Loan Ba	USBT	349,000	0.370	07/28/2016	348,548	12/01/2016	30	0.375	348,939	313384R68	26353	348,892
Federal Home Loan Ba	USBT	348,000	0.309	08/29/2016	347,718	12/01/2016	30	0.314	347,939	313384R68	26367	347,910
Federal National Mtg	USBT	349,000	0.340	07/11/2016	348,529	12/01/2016	30	0.345	348,941	313588R64	26345	348,901
Fund Total and Average		\$ 1,743,089	0.274		\$ 1,741,760		23	0.278	\$ 1,742,863			\$ 1,742,734

GRAND TOTALS: \$ 11,012,678 0.274 \$ 11,004,285 23 0.278 \$ 11,011,247. \$ 11,010,438

*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 10/31/2016



Northern California Power Agency
Treasurer's Report
10/31/2016

LEC Issue #1 2010 DSR Fund

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
US Bank Trust	USB	59,082	0.100	07/01/2013	59,082		1	0.100	59,082	SYS79005	79005	59,082
Federal National Mtg	USB	4,170,000	0.875	05/30/2014	4,171,960	08/28/2017	300	0.977	4,178,590	3135GOMZ3	26136	4,170,498
Federal Farm Credit	USB	4,360,000	1.660	06/08/2016	4,360,000	05/25/2021	1,666	1.659	4,365,363	3133EGBZ7	26337	4,360,000
Fund Total and Average		\$ 8,589,082	1.268		\$ 8,591,042		991	1.318	\$ 8,603,035			\$ 8,589,580

LEC Iss#1 2010B BABS Subs Resv

US Bank Trust	USB	2,263,031	0.100	07/01/2013	2,263,031		1	0.100	2,263,031	SYS79006	79006	2,263,031
Fund Total and Average		\$ 2,263,031	0.100		\$ 2,263,031		1	0.100	\$ 2,263,031			\$ 2,263,031

LEC Issue #2 2010B DSR BABS

US Bank Trust	USB	1,087,439	0.100	07/01/2013	1,087,439		1	0.100	1,087,439	SYS79013	79013	1,087,439
Fund Total and Average		\$ 1,087,439	0.100		\$ 1,087,439		1	0.100	\$ 1,087,439			\$ 1,087,439
GRAND TOTALS:		\$ 11,939,552	0.940		\$ 11,941,512		713	0.976	\$ 11,953,505.			\$ 11,940,050

*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 10/31/2016

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



Northern California Power Agency
Treasurer's Report
10/31/2016

LEC O & M Reserve

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		1,972,548	0.602	07/01/2013	1,972,548		1	0.602	1,972,548	SYS70047	70047	1,972,548
Union Bank of Califo	UBOC	8,533	0.002	07/18/2013	8,533		1	0.002	8,533	SYS70041	70041	8,533
Federal Home Loan Ba	UBOC	3,100,000	0.625	06/27/2016	3,099,380	06/27/2017	238	0.645	3,099,287	3130A8LC5	26338	3,099,594
Federal National Mtg	UBOC	2,933,000	1.875	08/28/2015	2,998,142	02/19/2019	840	1.220	2,991,631	3135G0ZA4	26248	2,976,116
Federal National Mtg	UBOC	3,000,000	1.300	06/30/2016	3,000,000	06/30/2020	1,337	1.300	2,979,840	3136G3UJ2	26341	3,000,000
Fund Total and Average		\$ 11,014,081	1.140		\$ 11,078,603		656	0.970	\$ 11,051,839			\$ 11,056,791
GRAND TOTALS:		\$ 11,014,081	1.140		\$ 11,078,603		656	0.970	\$ 11,051,839			\$ 11,056,791

*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 10/31/2016
Investment # 26341 – FNMA - Callable on 6/30/17 only.



Northern California Power Agency

Treasurer's Report

10/31/2016

LEC GHG Auction Acct

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		71,419	0.602	07/01/2013	71,419		1	0.602	71,419	SYS70046	70046	71,419
Fund Total and Average		\$ 71,419	0.603		\$ 71,419		1	0.603	\$ 71,419			\$ 71,419
GRAND TOTALS:		\$ 71,419	0.603		\$ 71,419		1	0.603	\$ 71,419.			\$ 71,419

*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 10/31/2016



Northern California Power Agency

Treasurer's Report

10/31/2016

LEC Construction Revolving

Issuer	Trustee / Custodian	Stated Value	Interest Rate	Purchase Date	Purchased Price	Maturity Date	Days to Maturity	Bond* Equiv Yield	Market Value	CUSIP	Investment #	Carrying Value
Local Agency Investm		1	0.254	07/01/2013	1		1	0.254	1	SYS70040	70040	1
Fund Total and Average		\$ 1	0.254		\$ 1		1	0.254	\$ 1			\$ 1
GRAND TOTALS:		\$ 1	0.254		\$ 1		1	0.254	\$ 1.			\$ 1

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

Current Market Value is based on prices from Trustee/ Custodian Statements or bid prices from the Wall Street Journal as of 10/31/2016



651 Commerce Drive
Roseville, CA 95678

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

LEC Financial Reports

AGENDA ITEM NO: 8

Date: November 14, 2016

Subject: October 31, 2016 Financial Reports (Unaudited)

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

	October	
	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,419	\$ 71,066
Interest receivable	31,450	20,271
Inventory and supplies - at average cost	1,877,526	1,538,046
Prepaid insurance	64,167	114,038
Due from (to) Agency, net	11,458,025	22,392,551
TOTAL CURRENT ASSETS	13,502,587	24,135,972
RESTRICTED ASSETS		
Cash and cash equivalents	7,634,469	11,474,146
Investments	26,414,966	24,175,095
Interest receivable	38,202	39,523
TOTAL RESTRICTED ASSETS	34,087,637	35,688,764
ELECTRIC PLANT		
Electric plant in service	423,561,369	423,412,179
Less: accumulated depreciation	(57,202,824)	(42,600,414)
	366,358,545	380,811,765
Construction work-in-progress	102,031	83,779
TOTAL ELECTRIC PLANT	366,460,576	380,895,544
OTHER ASSETS		
Regulatory assets	19,781,485	17,313,086
TOTAL OTHER ASSETS	19,781,485	17,313,086
TOTAL ASSETS	\$ 433,832,285	\$ 458,033,366

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

	October	
	2016	2015
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 702,051	\$ 3,751,075
Operating reserves	11,913,561	14,345,055
Current portion of long-term debt	9,950,000	9,480,000
Accrued interest payable	6,842,834	7,056,841
TOTAL CURRENT LIABILITIES	29,408,446	34,632,971
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	1,715,391	5,491,105
Long-term debt, net	351,623,812	362,201,354
TOTAL NON-CURRENT LIABILITIES	353,339,203	367,692,459
TOTAL LIABILITIES	382,747,649	402,325,430
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	42,946,689	43,952,983
NET POSITION		
Invested in capital assets, net of related debt	(6,338,390)	(5,600,936)
Restricted	13,589,362	11,316,047
Unrestricted	886,975	6,039,842
TOTAL NET POSITION	8,137,947	11,754,953
TOTAL LIABILITIES AND NET POSITION	\$ 433,832,285	\$ 458,033,366

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

	Four Months Ended October	
	2016	2015
SALES FOR RESALE		
Participants	\$ 11,561,254	\$ 14,105,242
Other	7,493,160	20,775,878
TOTAL SALES FOR RESALE	19,054,414	34,881,120
OPERATING EXPENSES		
Operations	6,278,171	14,831,940
Depreciation	4,868,400	4,866,801
Purchased power	1,104,865	1,529,883
Maintenance	1,264,543	2,329,576
Administrative and general	1,302,097	1,232,907
Transmission	219,349	235,033
Intercompany (sales) purchases	75,505	66,309
TOTAL OPERATING EXPENSES	15,112,930	25,092,449
NET OPERATING REVENUES	3,941,484	9,788,671
OTHER REVENUES (EXPENSES)		
Interest expense	(5,304,628)	(5,412,315)
Interest income	45,031	112,853
Other	5,864,933	1,811,452
TOTAL OTHER REVENUES (EXPENSES)	605,336	(3,488,010)
FUTURE RECOVERABLE AMOUNTS	623,656	922,371
REFUNDS TO PARTICIPANTS	(14)	(70)
INCREASE IN NET POSITION	5,170,462	7,222,962
NET POSITION		
Beginning of year	2,967,485	4,531,991
End of period	\$ 8,137,947	\$ 11,754,953

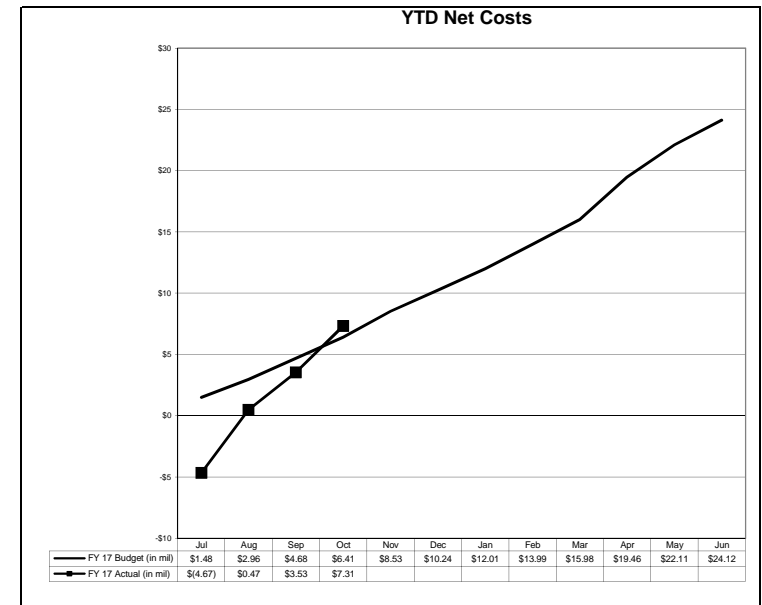
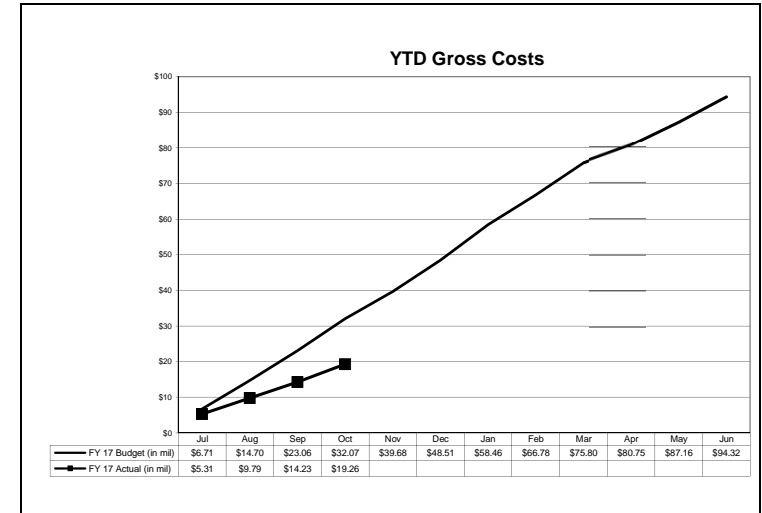
**Lodi Energy Center
FY 2017 Operating Costs
As of October 31, 2016**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
Routine O&M Costs					
Variable	\$ 5,106,876	\$ 220,609	\$ 4,886,267	96%	D
Fixed	3,250,596	1,064,149	2,186,447	67%	
Administration	226,663	27,459	199,204	88%	
Mandatory Costs	291,357	118,246	173,111	59%	
Inventory Stock	400,000	28,566	371,434	93%	
Routine O&M Costs without Labor	9,275,492	1,459,029	7,816,463	84%	
Labor	4,765,279	1,489,453	3,275,826	69%	
Total Routine O&M Cost	14,040,771	2,948,482	11,092,289	79%	
Other Costs					
Fuel	44,100,578	4,242,664	39,857,914	90%	A
CA ISO Charges	672,131	219,349	452,782	67%	
CA ISO Purchased Energy	1,702,141	1,104,865	597,276	35%	C
Debt Service	26,437,261	8,799,037	17,638,224	67%	
Insurance	770,000	227,760	542,240	70%	
Other Costs	56,906	27,479	29,427	52%	
Generation Services Shared	343,414	75,505	267,909	78%	
Administrative & General (Allocated)	2,063,039	539,324	1,523,715	74%	
Power Management Allocated Costs	1,327,566	442,522	885,044	67%	
Total O&M Cost	91,513,807	18,626,987	72,886,820	80%	
Projects					
Operations & Maintenance	30,000	3,968	26,032	87%	B
Capital	1,200,000	99,788	1,100,212	92%	
Maintenance Reserve	1,575,000	525,000	1,050,000	67%	
Total Projects	2,805,000	628,756	2,176,244	78%	
Annual Cost	94,318,807	19,255,743	75,063,064	80%	
Less: Third Party Revenue					
Interest Income	44,489	88,070	(43,581)	0%	B
ISO Energy Sales	68,846,223	7,356,971	61,489,252	89%	
Ancillary Services Sales	1,302,829	136,189	1,166,640	90%	
Other Income	3,130	4,360,991	(4,357,861)	0%	
	70,196,671	11,942,221	58,254,450	83%	
Net Annual Cost to Participants	\$ 24,122,136	\$ 7,313,522	\$ 16,808,614	70%	
Total Variable Costs	51,581,726	4,682,622	46,899,104		
Total Fixed Costs	42,737,081	14,573,121	28,163,960		
	\$ 94,318,807	\$ 19,255,743	\$ 75,063,064		

Net Cumulative Generation (MWh)	1,655,765	153,893
Total O&M Cost Per MWh	\$ 55.27	\$ 121.04
Net Annual Cost Per MWh	\$ 14.57	\$ 47.52

Footnotes:

- General** - During the month, there were 13 days when the plant was available but did not run for economic reasons.
From October 21 through the end of the month, the plant was offline for repairs resulting from failed emission tests.
- A** - Higher than budgeted costs due to CA ISO real time settlement resulting in additional market purchases by NCPA and for Participants purchasing energy from CA ISO using LEC as the SC.
- B** - Other Income includes PG&E mandated CPUC refund.
- C** - Payments for annual bank trust fees.
- D** - Payment for annual permit fees at Air Resources Board.





651 Commerce Drive
Roseville, CA 95678

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

LEC GHG Reports

AGENDA ITEM NO.: 9

Date: November 14, 2016

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	
HVAC/Water Heater (MT)														86,000
Monthly MT Emissions (MT)	0	32,027	39,019	48,280	51,403	12,397	31,281	46,967	36,371	35,091	37,365	39,827	52,178	462,206
Cumulative MT Obligation (MT)	0	32,027	71,046	119,326	170,730	183,127	214,407	261,375	297,745	332,836	370,201	410,028	462,206	462,206
Compliance Instrument Participant Transfers (to LEC)														
Auction Allowances	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	92,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	460,633
NCPA Compliance Instrument Purchases (for LEC)														
Auction Purchases	47,000	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	47,000	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Monthly Activity (MT)	139,695	5,350	0	13,644	105,000	50,632	30,628	1,600	102,200	12,594	0	0	46,290	507,633
Cumulative MT Account Balance [MTA] (MT)	139,695	145,045	145,045	158,689	263,689	314,321	344,949	346,549	448,749	461,343	461,343	461,343	507,633	507,633
MTA Shortfall (MT)	(139,695)	(113,018)	(73,999)	(39,363)	(92,959)	(131,194)	(130,542)	(85,174)	(151,004)	(128,507)	(91,142)	(51,315)	(45,427)	(45,427)

2014 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center													
	Actual												Compliance Year 2014
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	136,604	156,089	120,489	55,378	71,210	51,037	118,473	69,006	178,831	197,715	51,636	106,338	1,312,806
Gas Schedule (MMBtu)	951,700	1,092,730	858,805	391,272	512,068	371,695	836,762	496,327	1,251,547	1,371,546	372,826	759,691	9,266,969
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	
HVAC/Water Heater (MT)												173,000	
Monthly MT Emissions (MT)	51,358	58,969	46,345	21,115	27,634	20,059	45,156	26,784	67,540	74,015	20,120	41,170	500,265
Cumulative MT Obligation (MT)	513,564	572,533	618,879	639,994	667,628	687,686	732,842	759,626	827,166	901,181	782,385	823,555	823,555
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	138,916	0	138,916
Total Monthly Activity (MT)	102,347	50,000	48,066	25,000	1,290	138,448	0	0	13,586	50,520	100,350	350	529,957
Cumulative MT Account Balance [MTA] (MT)	609,980	659,980	708,046	733,046	734,336	872,784	872,784	872,784	886,370	936,890	898,324	898,674	898,674
MTA Shortfall (MT)	(96,416)	(87,447)	(89,167)	(93,052)	(66,708)	(185,098)	(139,942)	(113,158)	(59,204)	(35,709)	(115,939)	(75,119)	(75,119)

2015 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center													
	Actual												Compliance Year 2015
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total
Energy (MWh)	196,019	151,600	184,507	181,244	91,067	142,275	103,883	137,266	131,608	165,737	75,231	131,779	1,692,216
Gas Schedule (MMBtu)	1,368,474	1,073,330	1,299,294	1,269,481	646,027	1,009,450	740,553	971,283	927,730	1,171,129	541,136	940,340	11,958,227
Emissions Factor (MT/MMBtu)	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	0.054	
HVAC/Water Heater (MT)													
Monthly MT Emissions (MT)	73,850	57,922	70,116	68,508	34,863	54,475	39,964	52,415	50,065	63,200	29,202	50,745	645,326
Cumulative MT Obligation (MT)	897,404	955,327	1,025,443	1,093,951	1,128,814	1,183,288	1,223,252	1,275,668	1,325,733	1,388,933	592,071	642,816	642,816
Compliance Instrument Participant Transfers (to LEC)													
Auction Allowances	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
NCPA Compliance Instrument Purchases (for LEC)													
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	826,064	0	826,064
Total Monthly Activity (MT)	41,342	250	250,100	15,000	86,000	107,327	104,000	0	0	58,201	375	200	662,795
Cumulative MT Account Balance [MTA] (MT)	940,016	940,266	1,190,366	1,205,366	1,291,366	1,398,693	1,502,693	1,502,693	1,502,693	1,560,894	735,205	735,405	735,405
MTA Shortfall (MT)	(42,612)	15,061	(164,923)	(111,415)	(162,552)	(215,405)	(279,441)	(227,025)	(176,960)	(171,961)	(143,134)	(92,589)	(92,589)

	2016 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for the Lodi Energy Center													
	Actual									Estimated			Compliance Year 2016	Cumulative Totals
IDENTIFIER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	Total	Total
Energy (MWh)	97,230	27,160	91,578	45,437	3,423	66,596	76,008	31,653	25,597	35,616	35,093	54,583	589,973	4,805,940
Gas Schedule (MMBtu)	695,120	194,179	678,033	339,504	27,754	485,792	547,510	234,782	192,679	256,433	252,668	392,999	4,297,453	34,085,973
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	13,838	13,635	21,208	231,912	1,839,709
Cumulative MT Obligation (MT)	680,329	690,807	727,398	745,719	747,217	773,432	802,979	815,649	826,047	839,885	853,520	874,729	874,729	874,729
Compliance Instrument Participant Transfers (to LEC)														
Auction Allowances	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	1,995,966
Secondary Market Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offsets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Compliance Instrument Participant Transfers (MT)	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	1,995,966
NCPA Compliance Instrument Purchases (for LEC)														
Auction Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Secondary Market Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Sale Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offset Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total NCPA Compliance Instrument Purchases (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	47,000
Compliance Instruments Surrendered to CARB (MT)	0	0	0	0	0	0	0	0	0	0	0	0	0	964,980
Total Monthly Activity (MT)	211,481	0	2,500	31,000	0	41,000	0	56,600	0	0	0	0	342,581	2,042,966
Cumulative MT Account Balance [MTA] (MT)	946,886	946,886	944,386	913,386	913,386	872,386	872,386	928,986	928,986	928,986	928,986	928,986	928,986	928,986
MTA Shortfall (MT)	(266,557)	(256,079)	(216,988)	(167,667)	(166,169)	(98,954)	(69,407)	(113,337)	(102,939)	(89,101)	(75,466)	(54,257)	(54,257)	(54,257)

Forecast has been updated through December 2016!

NCPA All Resources Bill LEC GHG Obligation Detail Report (Cumulative) November 2016																
IDENTIFIER	AZUSA	BART	BIGGS	CDWR	GRI	HEA	LOD	LOM	MID	PLU	PWRPA	SNCL	UKI	TOTAL	Charge Code	Source
Allocation Percentages																
Generation Entitlement Share %	2.7857%	6.6000%	0.2679%	33.5000%	1.9643%	1.6428%	9.5000%	2.0357%	10.7143%	0.7857%	2.6679%	25.7500%	1.7857%	100%		MARS
Obligation Accounts																
Current MT Compliance Obligation (MTO) Balance (MT)	23,839	56,480	2,293	286,683	16,810	14,059	80,308	17,372	91,690	6,722	22,831	220,361	17,762	857,211		derived
Current MT Compliance Instrument Account (MTA) Balance (MT)	29,969	70,754	3,643	333,572	24,694	20,383	112,691	32,078	114,878	7,782	28,609	274,215	22,990	1,076,258		derived
MTA Shortfall (MT)	(6,130)	(14,273)	(1,350)	(46,889)	(7,884)	(6,324)	(32,383)	(14,706)	(23,188)	(1,059)	(5,778)	(53,854)	(5,228)	(219,047)	MTA SHORTFALL	Derived
Monthly GHG Price \$/MT	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	12.86	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 7, 2016

Meeting Date: November 14, 2016

To: Lodi Energy Center Project Participant Committee

Subject: GP Crane & Hoist Services – Five Year Multi-Task General Services Agreement; Applicable to the following projects: All NCPA locations and Members, SCPPA, and SCPPA Members

Recommendation

NCPA staff recommends that the PPC approve the Five Year Multi-Task General Services Agreement with GP Crane & Hoist Services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for crane inspection and maintenance services at all facilities owned and/or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA), or by SCPPA Members.

Background

Miscellaneous crane, hoist and boom truck inspections and maintenance services are needed at various NCPA locations as well as member facilities for the operation of the plants. GP Crane & Hoist Services is a provider of these services.

Selection Process

This five year contract does not commit NCPA to any expenditure of funds. When these services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA has additional enabling agreements in place with Sierra Crane and American Crane 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 the lowest cost and availability of the services needed at the time the service is required.

Fiscal Impact

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 GP Crane & Hoist Services



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
GP CRANE & HOIST SERVICES**

This agreement for general services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and GP Crane & Hoist Services, a corporation with its office located at 3933 Bristol Court, Napa, CA; mailing address P.O. Box 6497, Napa, CA 94581 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2016 ("Effective Date") in Roseville, California.

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

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

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

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED FIVE HUNDRED THOUSAND AND XX/100 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.** (Intentionally Omitted)
- 4.4 **Pollution Insurance** (Intentionally Omitted)
- 4.5 **All Policies Requirements.**
- 4.5.1 **Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2 **Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3 **Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4 **Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Agency shall the right to require Contractor to provide the certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.6 **Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.
- 4.7 **Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by

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

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 **Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 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 all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

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

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

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

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

Section 10. PROJECT SITE.

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

Section 11. WARRANTY.

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

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

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

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

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

Section 13 MISCELLANEOUS PROVISIONS.

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

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

GP Crane & Hoist Services
P.O. Box 6497
Napa, CA 94581
Attn: Brian Pinckney
brian@gpcraneandhoist.com

Any written notice to Agency shall be sent to:

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

With a copy to:

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

GP CRANE & HOIST SERVICES

Date_____

Date_____

RANDY HOWARD, General Manager

BRIAN PINCKNEY, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Ruthann G. Ziegler, Assistant General Counsel

EXHIBIT A

SCOPE OF WORK

As requested by Agency, GP Crane & Hoist Services, ("Contractor") shall perform inspection and maintenance services, including but not limited to the following, at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA), or SCPPA members:

- Quadrennial Proof Load Tests
- Annual OSHA Inspection

Such inspection and maintenance program shall include, but not limited to the following:

- Provide replacement parts,
- Misc. maintenance as required for building cranes.
- Issue a load test certificate to Agency for all passing units within ten (10) days of test.
- Perform work during normal business hours, Monday through Friday 7:00 a.m. to 4:00 p.m.

All services identified above shall be promptly provided by Contractor to Agency as directed by Agency and in accordance with all Agency specifications.

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:

The following hourly rates and or compensation for services are valid at the NCPA Geothermal facility:

- Labor \$90.00 per hour
- Fuel surcharge of \$99.18 each round trip onsite

All services will be billed according to Time & Material (T&M) Rates

Prices are subject to change with the giving of 30 days' advance written notice to Agency.

Pricing for services to be performed at other NCPA facilities, 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:

GP CRANE AND HOIST SERVICES

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

EXHIBIT D – NOT APPLICABLE

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

EXHIBIT E

ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND

MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

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

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 11

Date: November 7, 2016
To: Lodi Energy Center Project Participant Committee
Subject: FY 2016 Annual Billing Settlement

Proposal

The FY 2016 Annual Billing Settlement Summary for the period July 1, 2015 through June 30, 2016 is presented for approval and for recommendation to the Agency Commission for its approval.

Background

Total Annual Costs to Participants were approximately \$75.2 million. Fixed plant operations and maintenance costs were higher than projected by \$1.2 million offset by variable plant operations and maintenance costs that were \$0.7 million lower than projected. The net changes were primarily driven by higher than anticipated system repairs and maintenance related to the heat recovery steam generator transition duct replacement and repeated catalyst cleaning; in addition, the water treatment system injection well and clarifier maintenance costs were higher than projected. Variable operations and maintenance costs were lower than projected due to reduced generation output driven by market forces.

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

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

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

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

Fiscal Impact

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

Environmental Analysis

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

Recommendation

NCPA Staff recommends the PPC pass a motion to approve the FY 2016 Annual Billing Settlements and to recommend that the NCPA Commission also approve the Settlements.

Respectfully submitted,



DONNA STEVENER
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:



SONDRA AINSWORTH
Treasurer-Controller

Attachments: (3)

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

LODI ENERGY CENTER
Billing Settlement Summary
FY 2016

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

LODI ENERGY CENTER
Allocation of Project Actual
FY 2016

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

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

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

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

Explanations and Comments

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

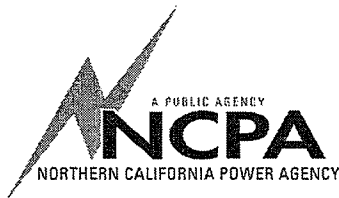
Routine O&M: Routine O&M costs were higher than collection by \$0.5 million primarily due to increase of \$1.2 million in fixed O&M costs offset by decrease of \$0.6 million for lower costs for variable O&M costs and decrease of \$0.1 million for lower allocated gas plant shared costs. The fixed O&M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

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

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

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

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



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 12

Date: November 14, 2016
To: Lodi Energy Center Project Participant Committee
Subject: LEC Insurance Renewal

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.

Lodi Energy Center Operational Insurance Programs Renewal Proposal

The Lodi Energy Center operational property and liability insurance renewals are proposed at the same limits. The annual premium costs are expected to be \$565,000 for property coverage and \$96,480 for general liability (with tax and fees included). The rate for property insurance premium remains flat. The increase in premium reflects the the increase of the insurable value. The rate for liability premium increased by 2% over last year, less than half of the normal increase 5% that AEGIS charges to "no loss" accounts.

Highlights of the Program

- Property insurance market remain soft, minimum premium increase on a already very competitive rates of LEC;
- Keep the same underwriters panel for continuity in consideration of the two pending claims;
- Increased sublimits, for example, unscheduled/unnamed locations from \$1 million to \$15 million;
- Liability premium rate increase is less than half of the normal 5% increase AEGIS imposes on "no loss" accounts on average;

Fiscal Impact

LEC insurance renewals have been accomplished within the Insurance Program budget. Total cost of the LEC project insurance, including taxes and fees, is about \$661,480. Funds are available in the 924-009-000-190-070-010 (property insurance) and 925-009-000-190-070-010 (Liability insurance) accounts to fund this program. Cost allocation will be based on generation entitlement share.

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.

Recommendation

Recommendation

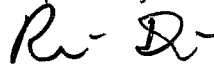
NCPA staff recommends that the PPC pass a motion to approve the proposed major insurance renewals and authorizes the General Manager or his designee to bind the coverage at amounts not to exceed the proposed premiums.

Respectfully submitted,



DONNA STEVENER
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:



RUI DAI
Energy Risk Manager

Attachment

- Lodi Insurance Renewal Overview 2017



N O R T H E R N C A L I F O R N I A P O W E R A G E N C Y

Lodi Energy Center Northern California Power Agency Operational Insurance Program Overview

November 14, 2016





NAMED INSURED	Lodi Energy Center
POLICY PERIOD	December 15, 2016 to December 15, 2017
PROPOSED	"All Risk" of Property Damage including Earth Movement, Flood, Boiler & Machinery
Terrorism	Included
Extra Expense/Replacement Cost Power (Optional)	

PROPERTY POLICY LOSS LIMIT

\$325,000,000 **Per occurrence (excludes BI)**

SELECT SUBLIMIT Enhancements

\$25,000,000 **Earth Movement per occurrence/annual
aggregate**

\$25,000,000 **Flood per occurrence/annual aggregate**

Enhancements

- USD ~~5~~10,000,000 Contingent Time Element
- USD ~~5~~15,000,000 Newly Acquired Locations; 90 day reporting
- USD ~~5~~15,000,000 Error and Omissions ~~Error in Description~~
- USD ~~5~~15,000,000 Transit
- USD ~~15~~,000,000 EDP Extra Expense
- USD ~~4~~5,000,000 EDP Media and Data Reconstruction Expenses
- USD ~~1~~15,000,000 Miscellaneous Unscheduled Locations
- USD ~~500~~2,000,000 Professional Fees

VALUATION **Property Damage – Replacement Cost
Time Element/Replacement Cost Power—Actual
Loss Sustained**

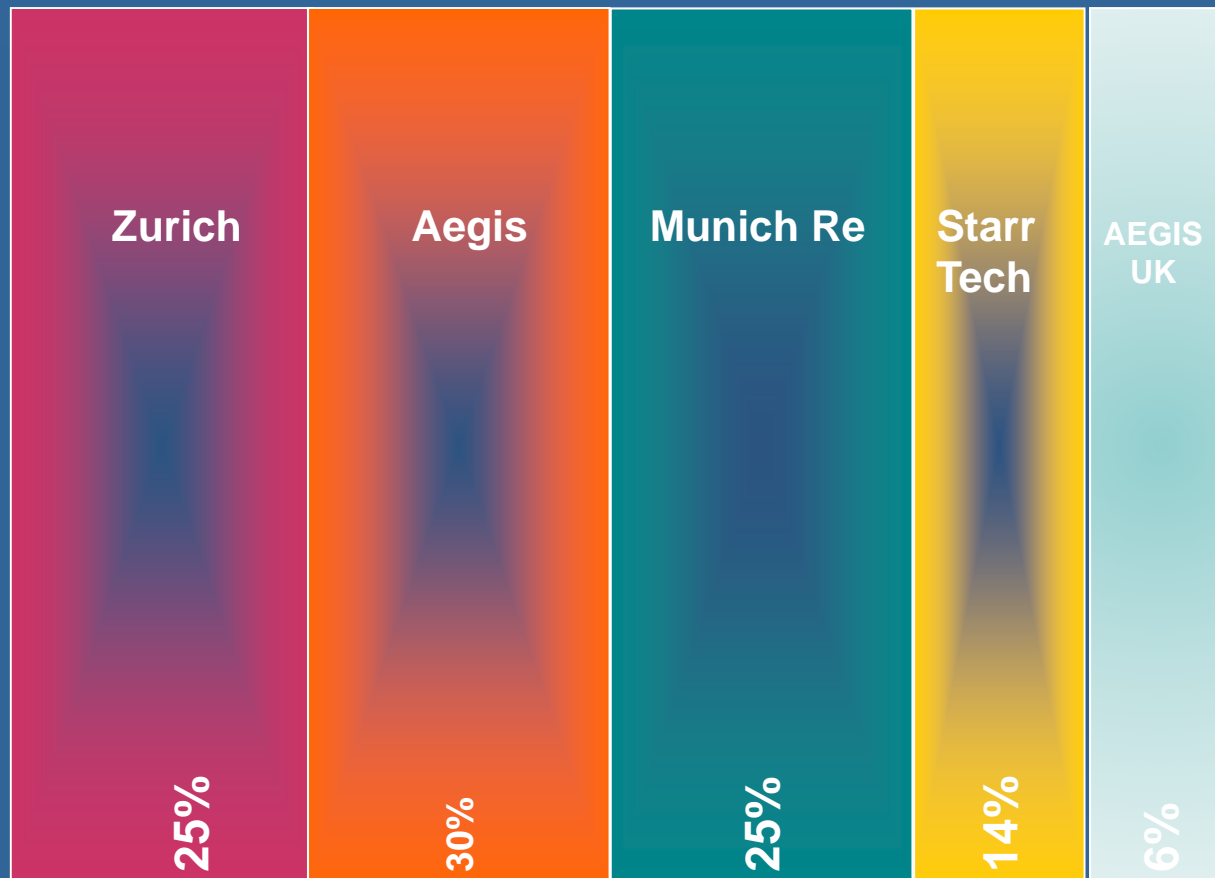
No Coinsurance or Margin Clauses

PREMIUM - Rate remains flat

PROPERTY **\$565,000
(0.159 per \$100 Total Insured Value of \$355,228,162)**

TIME ELEMENT **TBD – Currently Not Purchased
(Estimated annual Exposure of about \$11 million)
(Subject to 60 Day Waiting period)**

Underwriters Panel remains same: Pending Claims



Scope of Casualty Insurance

3rd Party Bodily Injury and Property Damage

Insurance coverage includes:

- ✓ General Liability
- ✓ Pollution Liability
- ✓ Automobile Liability
- ✓ Employer's Liability
- ✓ Employment Practices Liability

CASUALTY PREMIUMS

Primary: \$ 35,000,000 \$96,480;

- About 2% increase over last year's premium of \$94,588;
- Less than half of AEGIS "no loss" accounts increase of 5%

Self Insured Retention

\$ 200,000

▪ Casualty

➤ *Limits of Liability:*

- **\$35,000,000** Each Occurrence – Limit of Liability*
- **\$70,000,000** General Aggregate
- Joint Venture – refer to policy*
- \$35,000,000 Aggregate – Products Liability and Completed Operations Liability*
- \$35,000,000 Aggregate – Failure to Supply*
- \$35,000,000 Aggregate – Pollution
- \$35,000,000 Each Occurrence – Medical Malpractice Injury*
- \$35,000,000 Aggregate – Wildfire*

*Subject to \$70,000,000 General Aggregate

Excess Coverage Optional Quotes

LEC	AEGIS \$35M	TBD \$25M	TBD \$15M	TBD \$15M	TBD \$10M
Premium**	\$96,480	\$120,000	\$66,000	\$65,000	\$40,000

**Indicated Premiums do not include 3.2% Surplus Lines Taxes and Fees