



12745 N. Thornton Road
Lodi, CA 95242

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

LEC PPC Agenda

Date: December 4, 2019

Subject: December 9, 2019 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 106 Polo Rd Glenwood Springs, CO 81601 |
| CALIFORNIA DEPARTMENT OF WATER RESOURCES 2135 Butano Drive, Suite 100 Sacramento, CA 95825 | SILICON VALLEY POWER/CITY OF SANTA CLARA 881 Martin Avenue Santa Clara, CA 95050 | CITY OF UKIAH 300 Seminary Avenue Ukiah, CA 95482 |
| CITY OF AZUSA 729 N. Azusa Avenue Azusa, CA 91702 | | |

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

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

1. Review Safety Procedures

2. Call Meeting to Order and Roll Call

PUBLIC FORUM

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

3. Meeting Minutes – Approval of November 4, 2019 Regular Meeting Minutes

MONTHLY REPORTS

4. Operational Report for November 2019 – (*Rafael Santana*)

5. Market Data Report for November 2019 – Verbal Report (*Zakary Liske*)

6. Monthly Asset Report for October 2019 – (*Michael DeBortoli*)

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

CONSENT CALENDAR

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

8. Treasurer's Report for October 2019 – Accept by all Participants

9. Financial Report for October 2019 – Approve by all Participants

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

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- 11. Process Innovations, Inc. MTCSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task Consulting Services Agreement with Process Innovations, Inc. for OSIsoft PI software support services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.
- 12. Premium Inspection Company MTGSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task General Services Agreement with Premium Inspection Company for maintenance inspection services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.
- 13. Fossil Consulting Services, Inc. MTCSA** – Staff is seeking a recommendation for approval of a five-year Multi-Task Consulting Services Agreement with Fossil Consulting Services, Inc. for consulting services to review and update training and qualification manuals, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members.

Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

NONE

INFORMATIONAL/ DISCUSSION ITEMS

- 14. Update to 2020 Major Insurance Renewal** – Staff will provide an informational-only update regarding the NCPA/LEC major insurance renewals for 2020.
- 15. Additional Operational Updates** – Staff will provide an update on issues related to Operations.

ADJOURNMENT

Next Regular Meeting: January 6, 2020 at 10:00 a.m.

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6. Monthly Asset Report for October 2019 – (Michael DeBortoli)

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

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Consent Items pulled for discussion: _____

BUSINESS ACTION ITEMS

NONE

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

LEC PPC Meeting Minutes

Date: November 4, 2019

Time: 10:00am

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

Subject: Lodi Energy Center Project Participant Committee Meeting

1. Review Safety Procedures

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

2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:05am by Vice Chairman Ghassan Alqaser. He asked that roll be called for the Project Participants as listed below.

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

Meeting Date:

November 4, 2019

Public Forum

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

3. Meeting Minutes

The draft minutes from the October 7, 2019 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves the minutes from the October 7, 2019 Regular Meeting as presented including any edits discussed at today's meeting.

Moved by:

MID

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

MONTHLY REPORTS

4. Operational Reports for October 2019

Jeremy Lawson presented the Operational Report for October 2019. There were no OSHA recordable accidents, no NERC/WECC or permit violations, and no forced outages. Jeremy Lawson mentioned the recently installed steam blankets are working as predicted. Also changed out the pre-filters to prepare for the moisture and muddy season approaching. The upcoming major outage for the CT main transformer replacement in May 2020 is still on tract and the bid opening will be in December for the general contractor. The 6 week CT major inspection may occur in 2022/2023, based on the number of starts at that time.

The operational report reflected monthly production of 171,499 MWH, 645 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 302MW Pmax of 76.3%. There was 1 hot start, 12 warm starts, and 1 cold starts during the month.

5. Market Data Report for October 2019

Zackary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 31 out of 31 available days. Most startups were for mid to long-term runs with 17 24-hour runs in the month of October. Michael DeBortoli mentioned the PSPS did not affect LEC or schedule in October.

6. Monthly Asset Report

Michael DeBortoli presented the monthly asset report for September. Michael mentioned September has improved with the new forecast. The month of September was not as good as 2017, however, better than other years.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for October 2019. Jesse reviewed bidding and calculating net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 8-23)

The consent calendar was considered. Vice Chairman Alqaser asked if any Participant wished to have any item removed for separate discussion. Michael DeBortoli pulled item#16 Process Innovations, Inc. MTCSA and #21 Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy MTSGA from the Consent Calendar. Process Innovations, Inc. was not ready for review by the Board and EMCOR Services needed additional scope of work added before review. Vice Chairman Alqaser, 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: 11/4/2019

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.:
8. Treasurer's Report for September 2019; **9.** Financial Report for September

2019; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Brown & Kysar, Inc. MTPSA for engineering related services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **12.** Hatton Crane & Rigging, Inc. MTGSA for crane and rigging support services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **13.** Contra Costa Electric, Inc. MTGSA for electrical maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **14.** CTi Controltech MTGSA for boiler and burner maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **15.** American Cooling Tower, Inc. MTGSA for cooling tower maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **17.** Reliability Optimization, Inc. MTGSA for predictive maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **18.** RAM Mechanical, Inc. MTGSA for general time and materials (T&M) mechanical maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **19.** Custom Valve Solutions, Inc. dba Custom Valve Solutions MTGSA for machining services, not to exceed \$1,500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **20.** Farwest Insulation Contracting MTGSA for insulation related services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **22.** American Industrial Scaffolding, Inc. MTGSA for scaffolding and insulation services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **23.** Di Drill Survey Services, Inc. MTGSA for labor and equipment for downhole wireline services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities.

Moved by:
Seconded by:

Lodi
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 | Absent | 2.6679% |

| | | |
|----------------------|---------------|----------|
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

Item#21 Mesa Engery System, Inc. dba EMCORE Services Mesa Energy MTGSA was pulled from the Consent Calendar to add Burner Maintenance and Inspection Services to the scope of work. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy ("Contractor") shall provide chiller, HVAC, boiler and burner maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members. The Scope of Work will be amended to now include boiler and burner maintenance and inspection services.

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |

| | | |
|---------------------|---------------|----------|
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

BUSINESS ACTION ITEMS

24. FY2019 Annual Billing Settlements

Monty Hanks presented information on the FY2019 annual billing statement for approval for July 1, 2018 to June 30, 2019. This fiscal year resulted in a higher generation from market demand and plant availability, resulting in a refund for all participants. It will be presented for approval at the December 5th Commission Meeting. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves the Annual Billing Settlement Summary for fiscal year ended June 30, 2019.

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% |
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| Modesto | Yes | 10.7143% |
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| PWRPA | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| | | |
| Vote Summary | | |
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| Total Noes | 0 | 0.0000% |

| | | |
|---------------|---------------|----------|
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

25. FY2020 Major Insurance Renewal

Monty Hanks presented an update on the insurance renewal for FY2020. The insurance companies had not submitted their bids to NCPA in time for this meeting and he hopes to have the results before the December 5, 2019 Commission Meeting. The premiums may increase due to the California wildfires. Monty asked for approval in advance for the General Manager to negotiate coverage not to exceed \$810,000. Monty will provide an update at the next LEC PPC meeting on December 9, 2019. We will have a special PPC meeting if the insurance rates exceed this amount. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves delegating authority to the General Manager to negotiate and bind property damage and liability coverage amounts as presented (or better) and a not-to-exceed proposed premium of approximately \$810,000. (\$675,000 for property and \$135,000 for liability).

Moved by:

Lodi

Seconded by:

CDWR

Discussion: There was no further discussion.

| Vote Summary on Motion | | |
|------------------------|--------|-------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
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INFORMATIONAL ITEMS

26. MSG Modeling Market Simulation

Gillian Biedler discussed the status of the MSG modeling market simulation. The two configurations used to model LEC against bidding and scheduling with MSG were with the gas turbine by itself, and the other simulation included both the gas and steam turbines together. NCPA is currently, working with a consultant and NCPA's IS Department to create these simulations. Vice Chairman Alqaser, requested a presentation on the simulation results for review of the software with configurations and parameters. Melissa Price requested a business case presentation for costs affecting the budget. Gillian Biedler will send a presentation to Michelle Schellentrager to distribute to the group.

27. Additional Operational Updates

None.

Adjournment

The next regular meeting of the PPC is scheduled for Monday December 9, 2019 at 10:00am.

The meeting was adjourned at 11:15am.

Submitted by: Melissa Conrad

Lodi Energy Center Project Participant Committee

Operational Report

Agenda Item No.: 4

Date: 12/09/2019

To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents.

Notice of Violations

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

Outage Summaries:

- None.

Planned Outage Summaries:

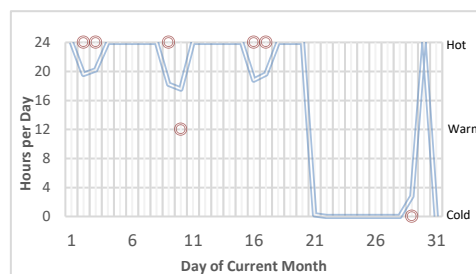
- 2020 MAY – CTG Main Transformer Replacement
- 2022/2023 CT – Major Inspection (6 weeks outage)

Generating Unit Statistics:**Date:**

11/1/201

9

| | | |
|--|---------|-------|
| 1. Monthly Production | 127,653 | MWH |
| 2. Productivity Factor | | |
| a. Service Hours | 477 | Hours |
| b. Service Factor | 66.2% | % |
| c. Capacity Factor @ 302MW Pmax | 58.6 | % |
| 3. Equivalent Operating Availability (EOA) | 75.0 | % |
| 4. Forced Outage Rate (FOR) | 27.4 | % |



5. Heat Rate Deviation

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

| MW Range | PMOA HR BTU/kW- Hr | Average HR BTU/kW-Hr | Deviation % | Production MWH | Cost \$ |
|------------------|--------------------------|-------------------------|----------------|-------------------|------------|
| Seg. 1 296 + | 6850 | 0 | 0.00% | 0 | \$0 |
| Seg. 2 284 - 296 | 6870 | 6,947 | 1.12% | 20,058 | \$6,153 |
| Seg. 3 275 - 284 | 6971 | 6,972 | 0.02% | 46,626 | \$245 |
| Seg. 4 250 - 275 | 7081 | 6,993 | -1.24% | 47,444 | -\$16,642 |
| Seg. 5 225 - 250 | 7130 | 7,026 | -1.47% | 9,275 | -\$3,877 |
| Seg. 6 200 - 225 | 7200 | 7,090 | -1.53% | 1,247 | -\$549 |
| Seg. 7 175 - 225 | 7450 | 7,320 | -1.74% | 502 | -\$261 |
| Seg. 8 165 - 175 | 7760 | 7,910 | 1.93% | 222 | \$133 |
| | 7,164 | 7,180 | -0.67% | 125,374 | -\$14,798 |

6. AGC Control Deviation

| MW Range | High Dev MWH | Low Dev MWH | Total Dev MWH | Cost \$ |
|------------------|-----------------|----------------|------------------|------------|
| Seg. 1 296 + | 0 | 0 | 0 | \$0 |
| Seg. 2 284 - 296 | 0 | -49 | 49 | \$1,364 |
| Seg. 3 275 - 284 | 0 | -56 | 56 | \$1,570 |
| Seg. 4 250 - 275 | 3 | -4 | 6 | \$179 |
| Seg. 5 225 - 250 | 2 | -4 | 7 | \$187 |
| Seg. 6 200 - 225 | 2 | -5 | 7 | \$204 |
| Seg. 7 175 - 225 | 0 | -10 | 10 | \$296 |
| Seg. 8 165 - 175 | 0 | 0 | 0 | \$11 |
| | 7 | -129 | 136 | \$3,810 |

7. Starting Reliability

| Start Type | Hot Starts | Warm Starts | Cold Starts |
|------------------------------------|------------|-------------|-------------|
| Number of Starts | 5 | 1 | 1 |
| Start Time Benchmark (Minutes) | 75 | 110 | 200 |
| Start Time Actual (Average Minute) | 68 | 65 | 177 |
| Start Time Deviation (%) | -9% | -41% | -12% |
| Start Fuel Benchmark PMOA (mmBTU) | 1,300 | 1,800 | 3,500 |
| Start Fuel Actual (Average mmBTU) | 1,246 | 1,185 | 3,662 |
| Fuel Deviation (%) | -4% | -34% | 5% |
| Costs of Fuel Deviations (\$) | -\$1,083 | -\$2,461 | \$649 |



LEC PPC Meeting

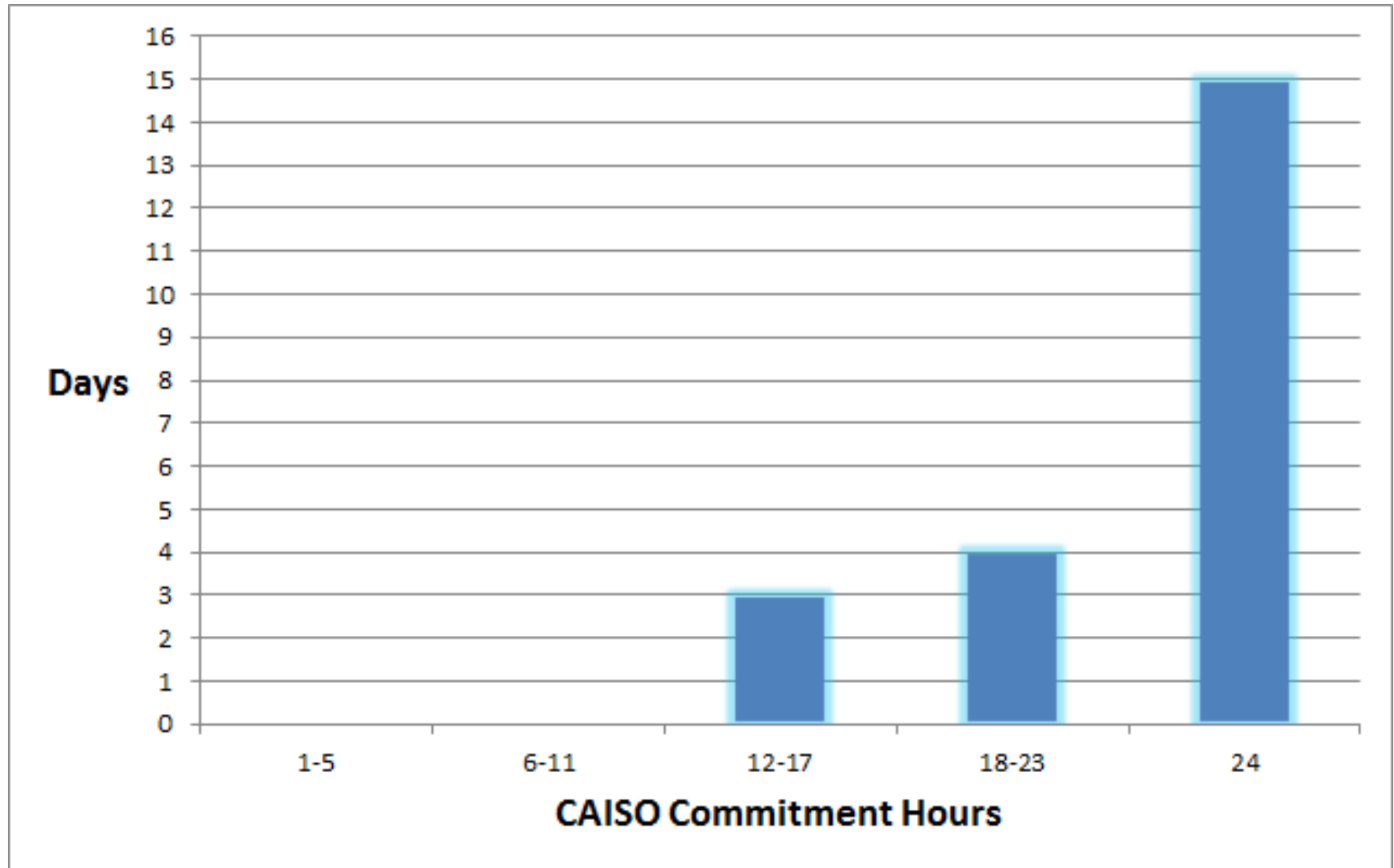
December 9, 2019

November 2019 Market Financial Results

LEC Operational Results for November 2019

- Resource Adequacy Availability Metrics:
 - 71.1% - Monthly Assessment Generic Performance
 - 78.3% - Monthly Assessment Flexible Performance
 - Vs
 - 96.5% Availability Standard
- Initial RAAIM Incentive Payment amounts:
 - \$88,400 for Generic RA based on claimed 82.07 mw
 - \$30,300 for Flexible RA based on claimed 58.52 mw
- LEC was committed by CAISO for Market energy 22 of 30 available days
 - 8 days not committed due to planned/forced outage
 - 0 days not committed due to economics

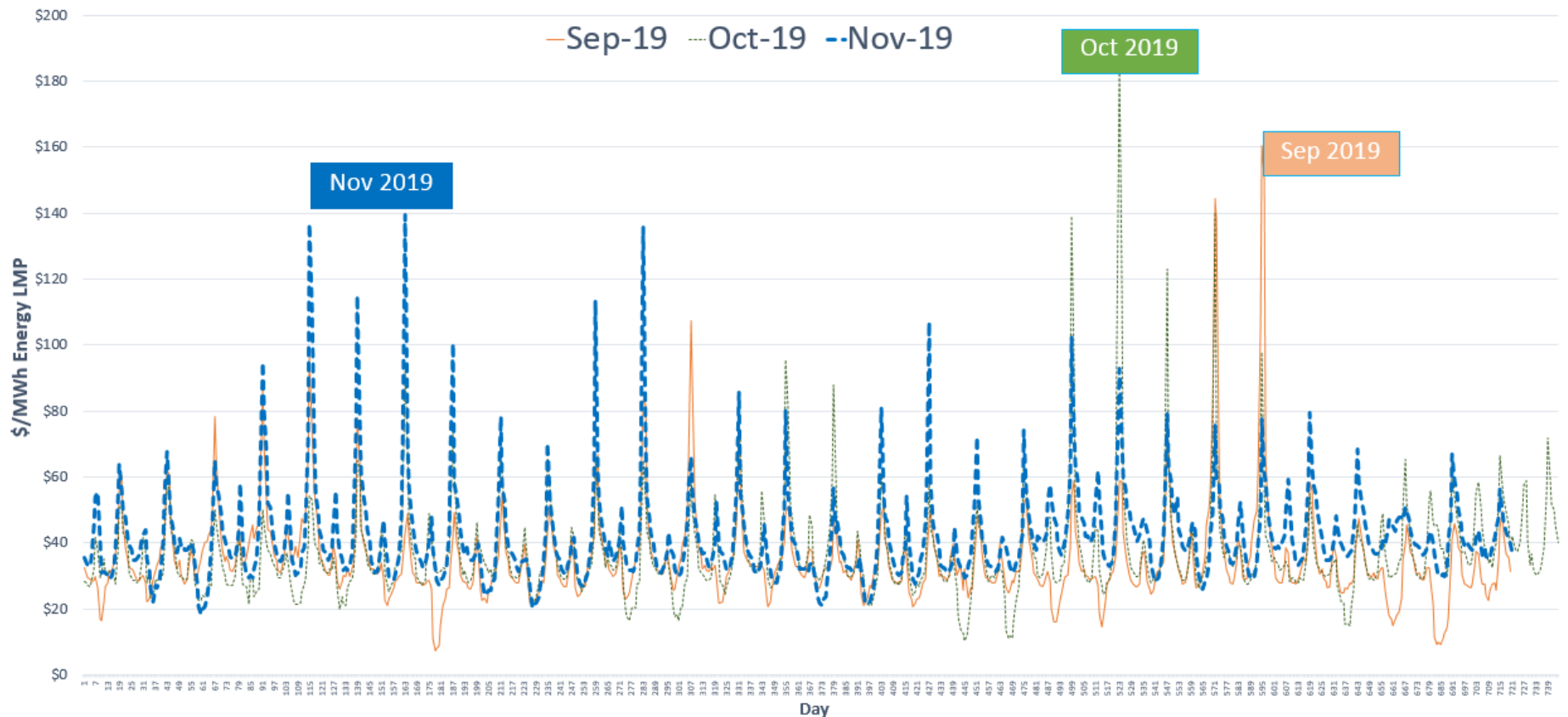
Frequency Tabulation of Daily CAISO commitment hours for November 2019



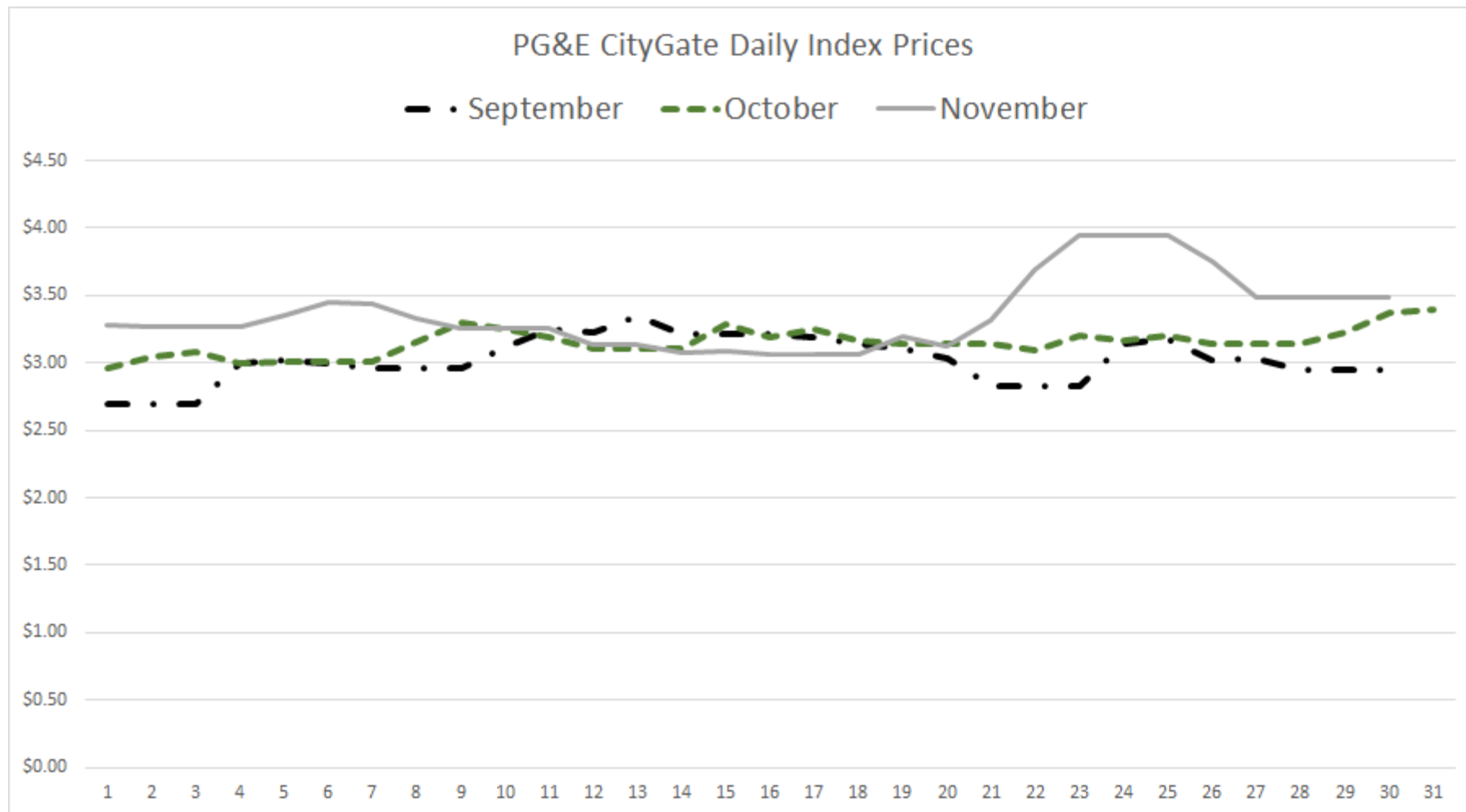
The Gantt chart displays the 24-hour schedule of a power plant over a 30-day month. The x-axis represents the Days of Month (1 to 30) and the y-axis represents the Hour (1 to 24). The chart is divided into three main sections: Day Ahead IFM (blue), Real Time IIE (purple), and weekend (pink). A 'Forced Outage' is indicated by a white box on the right side. The legend indicates that blue represents Day Ahead IFM, purple represents Real Time IIE, and pink represents weekend. The chart shows that the power plant is operating 24 hours a day for most of the month, with some periods of Real Time IIE and weekend operation. A forced outage occurs on the right side of the chart, spanning from Day 23 to Day 24.

November 2019 Day Ahead Energy LMP values experienced more frequent high peak prices

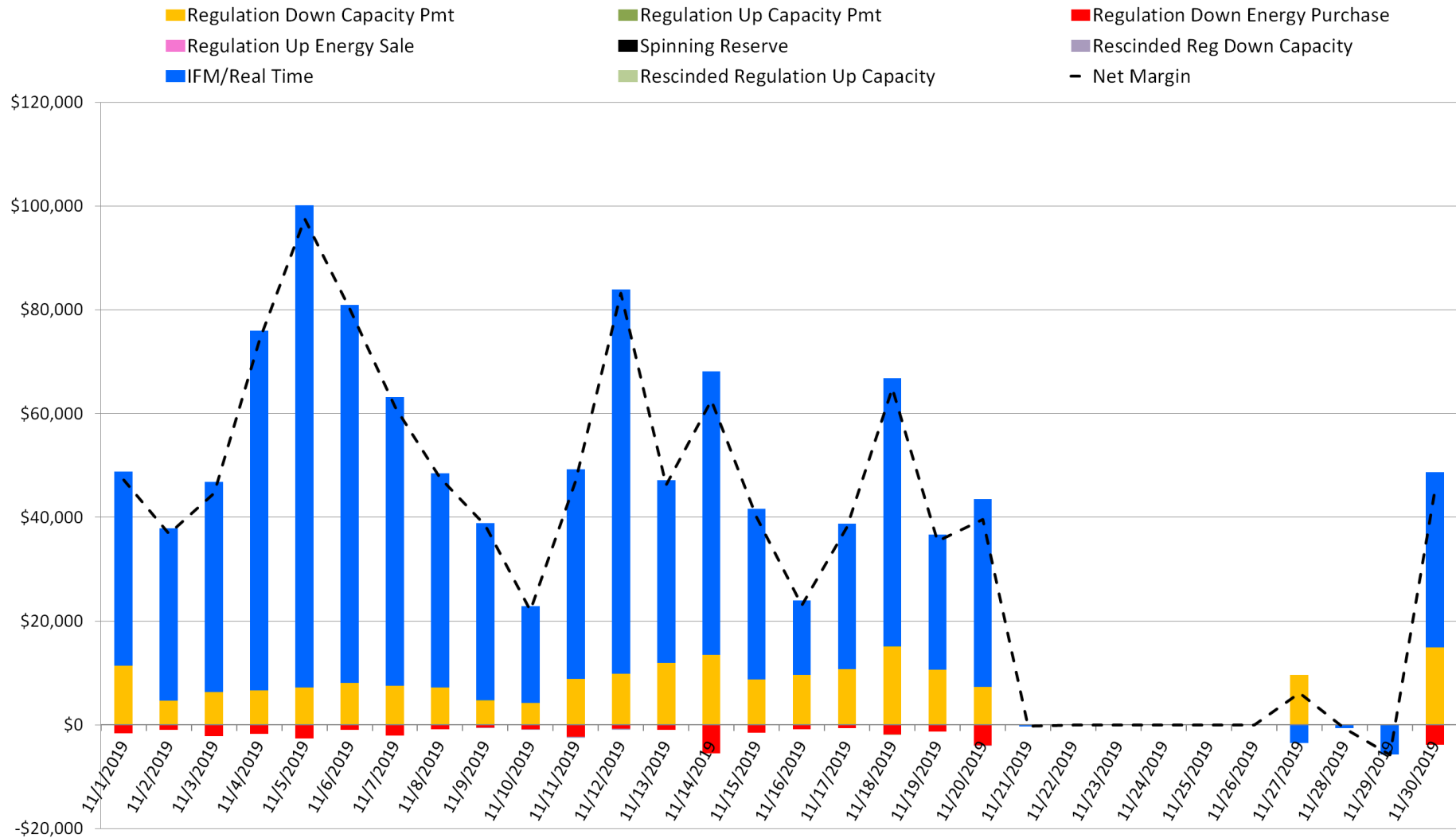
LEC PROJECT HOURLY DAY AHEAD LMP VALUES for Sep 2019 through November 2019



November 2019 Daily PG&E CityGate Gas Index traded higher during the first and last weeks



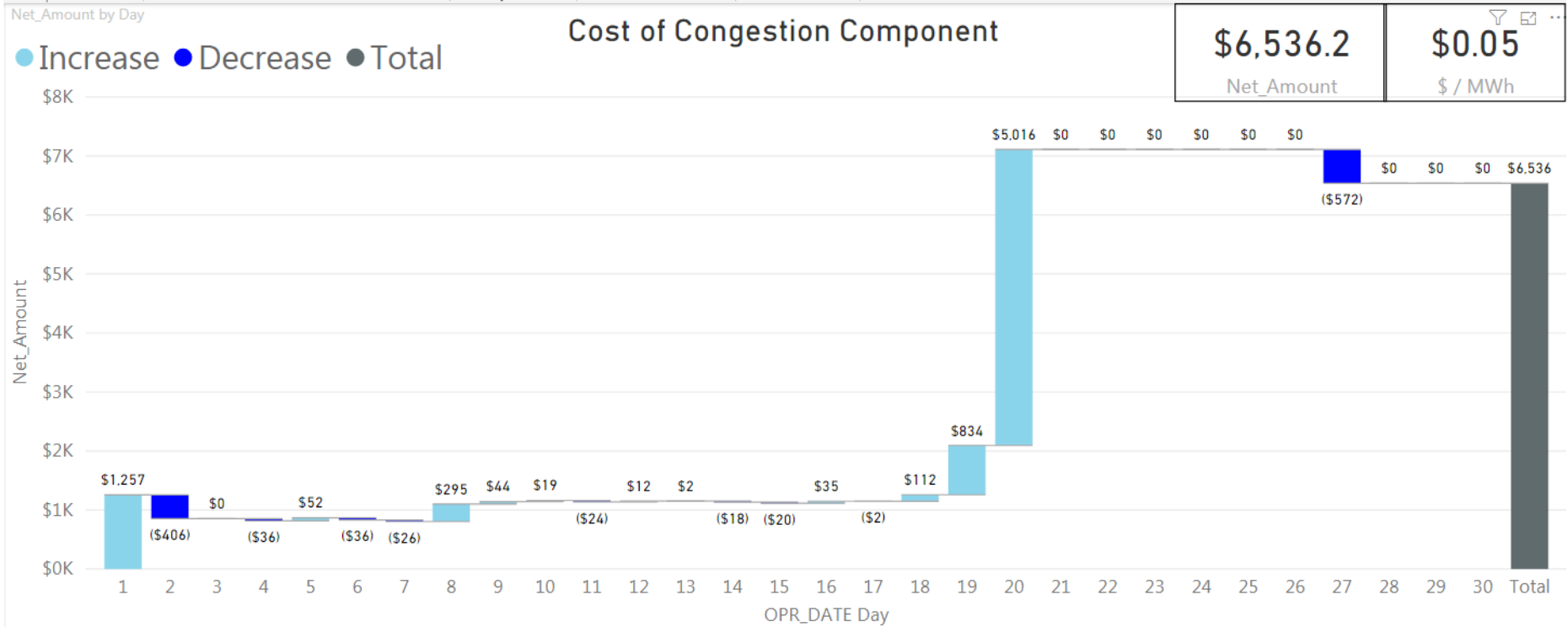
November 2019 LEC Daily Margin Profile by Product



November 2019 LEC Project Cumulative Monthly Margin

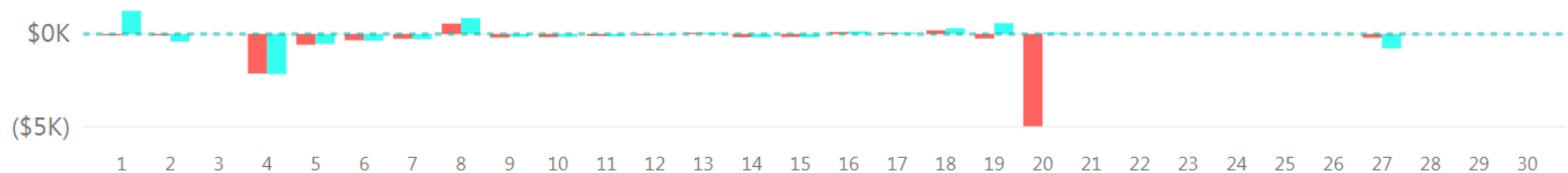
| | | |
|--|----------------|----------------|
| IFM/RTM Gross Revenues | \$ 5,738,100 | |
| Regulation Up Capacity | \$ 200 | |
| Regulation Down Capacity | \$ 198,900 | |
| Spinning Reserve | \$ - | |
| Total Gross LEC Revenue | | \$ 5,937,200 |
| LEC CAISO GMC Costs | \$ (54,700) | |
| CAISO Energy & Capacity Buyback Costs | \$ (384,500) | |
| Total Monthly LEC Fuel Cost | \$ (3,137,800) | |
| Total Monthly GHG Obligation | \$ (833,800) | |
| Variable Operations & Maintenance Cost | \$ (402,100) | |
| Total Costs | | \$ (4,812,900) |
| Net Cumulative Monthly Margin | | \$ 1,124,300 |
| Average Margin \$/MWh | \$ | 8.8 |

Comparison of Day Ahead Congestion LEC vs NP15 Trade Hub



NP15_Cost and LEC_Cost by Day

● NP15_Cost ● LEC_Cost



Comparison of Day Ahead Loss Component LEC vs NP15 Trade Hub

Net_Amount by Day

● Increase ● Decrease ● Total

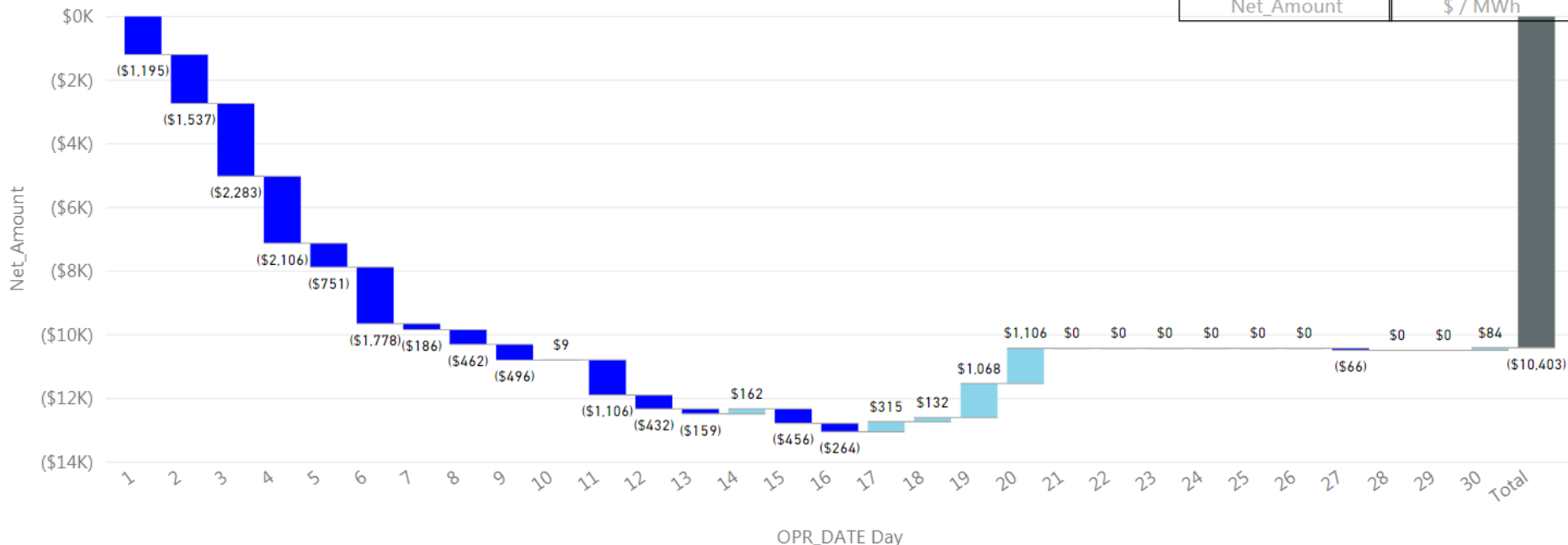
Cost of Loss Component

(\$10.4K)

Net_Amount

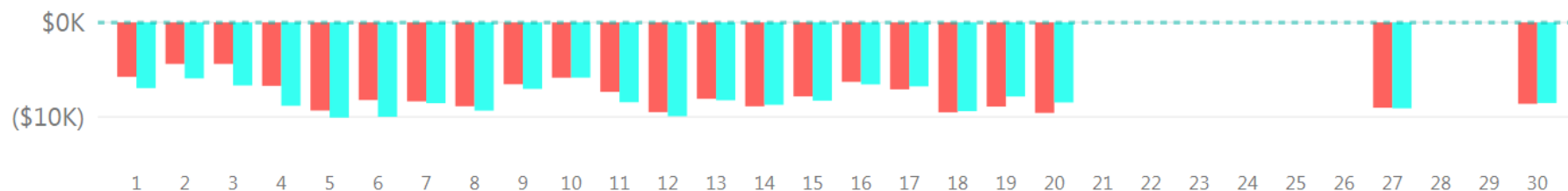
(\$0.08)

\$ / MWh



NP15_Cost and LEC_Cost by Day

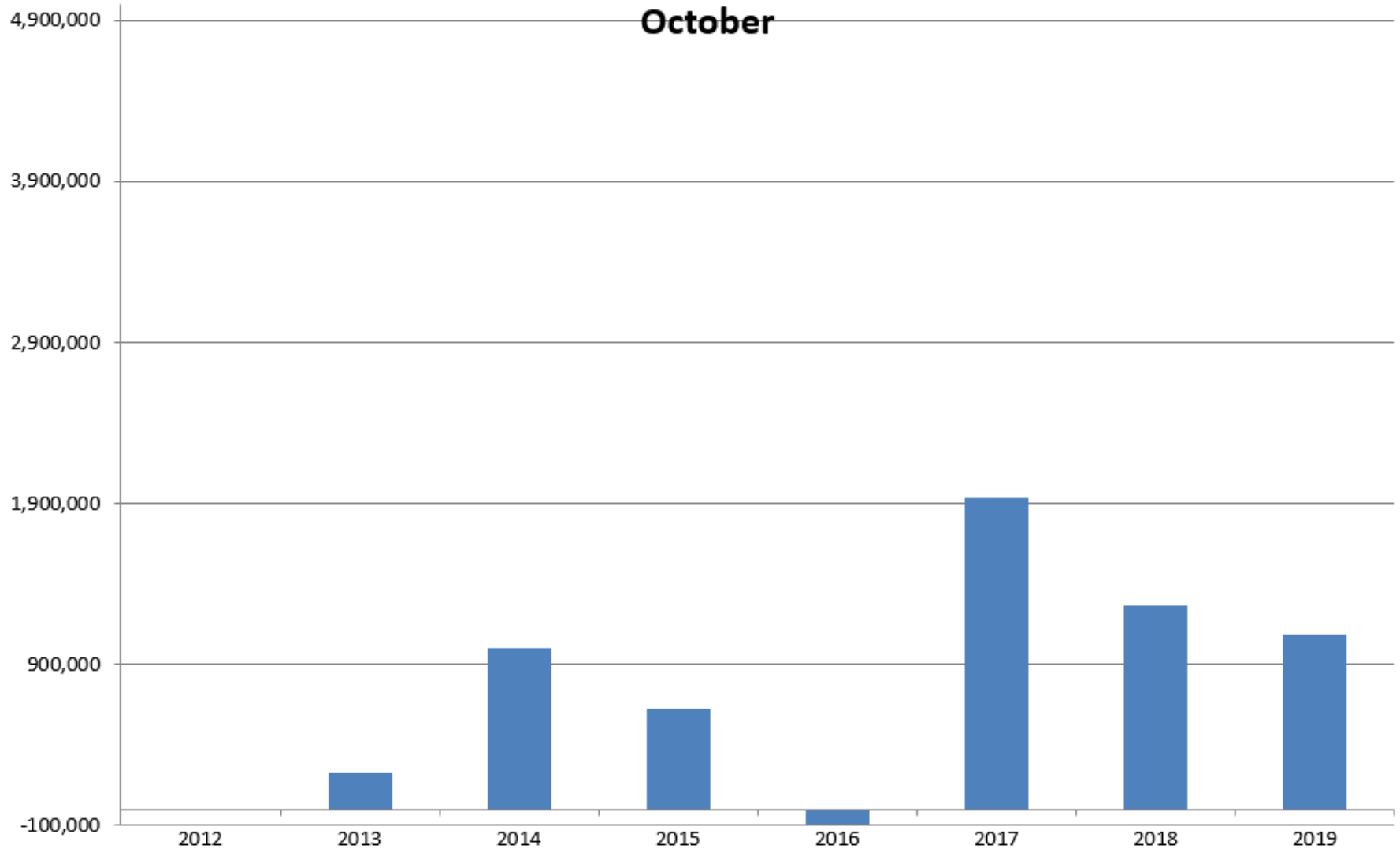
● NP15_Cost ● LEC_Cost



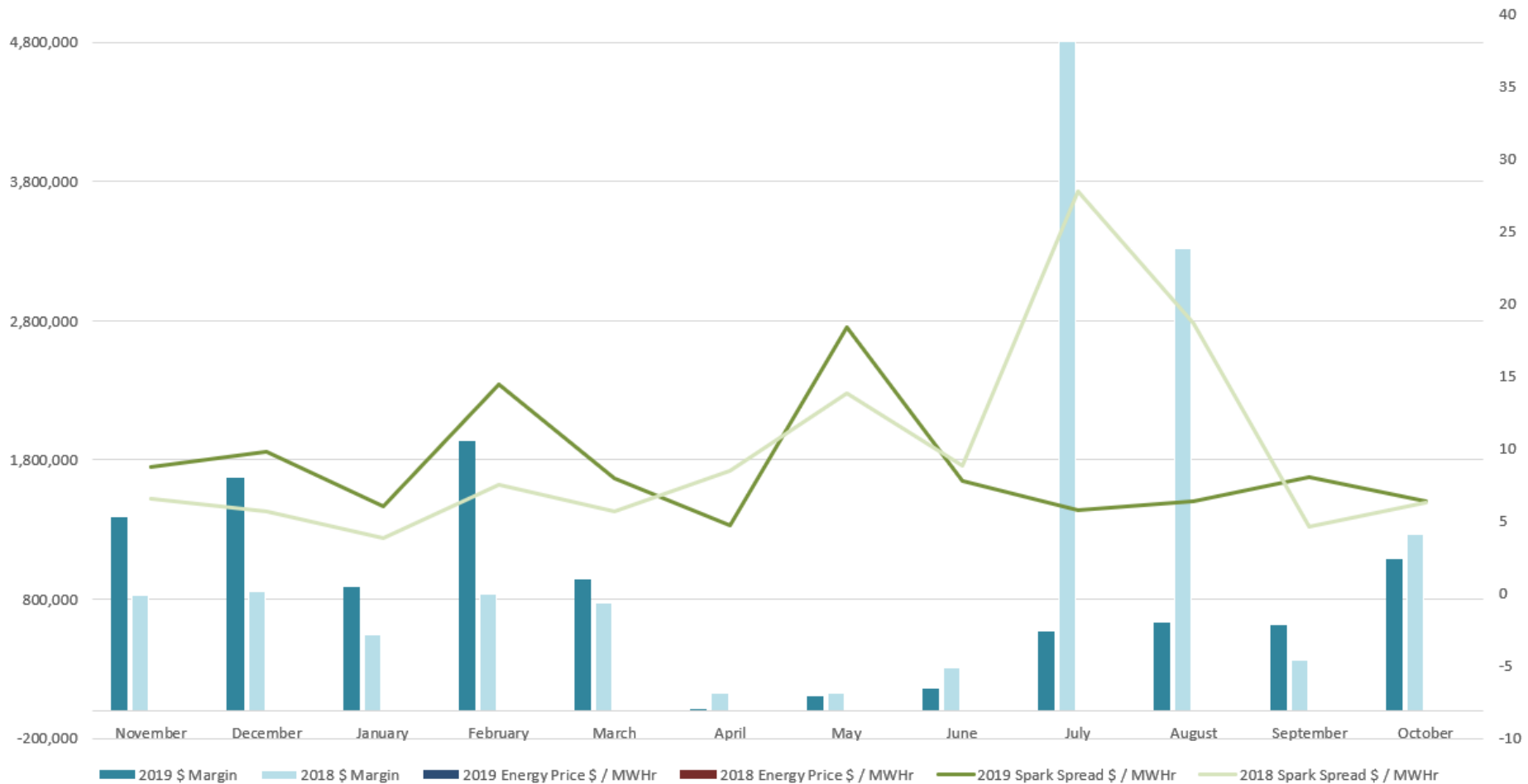
October Asset Report

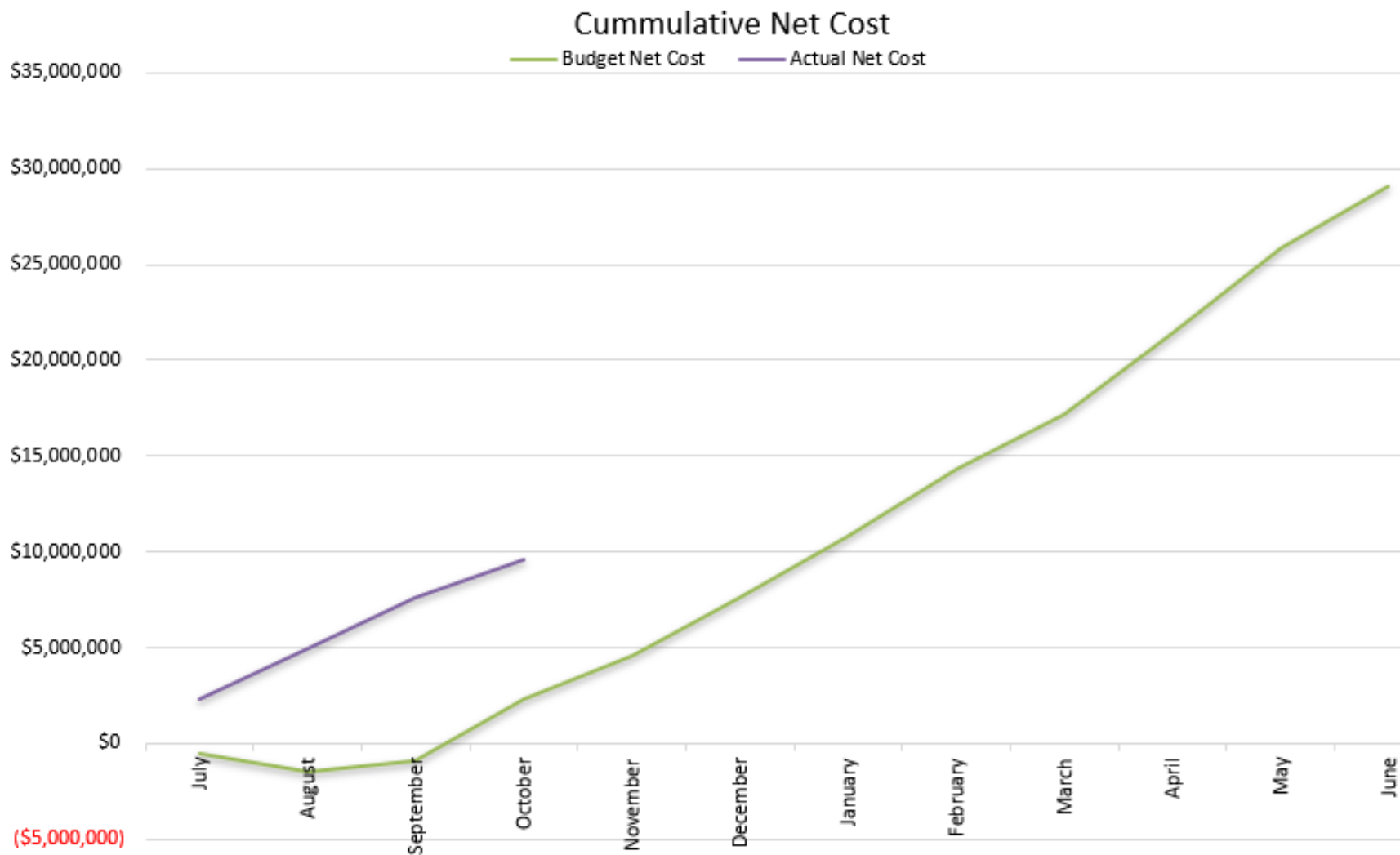
| | | Most Recent | | Above / (below) | Percent Difference | |
|--------------------|-------------|--------------|--------------|---------------------------|-----------------------|--|
| | Actual | Forecast | Budget | Forecast | Above / (below) | |
| Revenue | 7,106,533 | 3,336,970 | 7,037,085 | 3,769,563 | 7,106,533 | |
| VOM | 5,699,893 | 3,913,314 | 6,957,374 | 1,786,579 | 5,699,893 | |
| Fixed | 848,446 | 768,768 | 792,972 | 79,678 | 848,446 | |
| Projects | 150,977 | 707,853 | 124,681 | (556,876) | 150,977 | |
| A&G | 174,248 | 203,798 | 203,798 | (29,550) | 174,248 | |
| Debt | 2,171,202 | 2,171,202 | 2,171,202 | (0) | 2,171,202 | |
| Net Cost | (1,938,233) | (4,427,965) | (3,212,942) | 2,489,732 | (1,938,233) | |
| | | | | | | |
| Net Annual Cost | | (35,209,047) | (29,095,641) | (\$6,113,406) | | |
| | | | | Above budget by 21.01% | | |

Historical Margins



Historical Monthly Comparison





Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 12/03/2019

| | July | August | September | October | November | December | January | February | March | April | May | June | Year | FY2020 Budget | Percent Used | Comments |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|------------------|------------------------|-----------------------------|
| VOM | 2,772,444 | 3,225,558 | 2,624,722 | 5,699,893 | 4,565,279 | 6,671,709 | 7,953,783 | 5,542,213 | 2,583,621 | 1,263,366 | 1,989,925 | 4,256,824 | 49,149,337 | 58,722,261 | 83.7% | |
| Capacity Factor | 44% | 44% | 35% | 76% | 63% | 89% | 92% | 79% | 30% | 7% | 15% | 66% | 53% | 65% | 81.8% | |
| Fuel Consumed (mmBTU, estimated) | 714,247 | 730,946 | 553,405 | 1,235,256 | 933,648 | 1,366,808 | 1,422,889 | 1,138,292 | 466,793 | 97,092 | 229,180 | 979,872 | 9,868,428 | 10,956,328 | 90.1% | |
| Avg Fuel Cost (\$/mmBTU) | 3.13 | 3.03 | 3.45 | 3.41 | 3.26 | 3.37 | 3.33 | 3.32 | 3.93 | 4.05 | 3.74 | 2.84 | 3.30 | 3.60 | 91.7% | |
| Power Produced (MWhr, estimated) | 98,359 | 99,594 | 76,532 | 171,502 | 136,299 | 199,534 | 207,721 | 166,174 | 68,145 | 14,174 | 33,457 | 143,047 | 1,414,538 | 1,599,464 | 88.4% | Strong October run Schedule |
| Avg Power Price (\$/MWhr) | 39.94 | 40.07 | 43.72 | 41.44 | 36.47 | 41.63 | 41.45 | 40.93 | 42.50 | 42.28 | 40.86 | 37.91 | 40.54 | 45.39 | 89.3% | |
| Operations / Variable / LTSA | -121,438 | 147,423 | 108,211 | 106,050 | 192,031 | 273,156 | 1,327,463 | 234,565 | 118,838 | 762,680 | 900,749 | 557,643 | 4,607,369 | 5,381,630 | 85.6% | |
| Fuel (estimated) | 2,236,397 | 2,215,007 | 1,909,046 | 4,214,370 | 3,045,831 | 4,601,561 | 4,734,378 | 3,776,024 | 1,833,396 | 393,275 | 856,043 | 2,787,083 | 32,602,412 | 39,476,805 | 82.6% | |
| AB32 GHG Offset (estimated) | 672,330 | 691,213 | 517,581 | 1,145,369 | 856,230 | 1,253,473 | 1,346,032 | 1,076,808 | 441,580 | 91,848 | 216,801 | 926,945 | 9,236,209 | 9,153,594 | 100.9% | |
| CA ISO Charges (estimated) | -14,846 | 171,915 | 89,884 | 234,104 | 471,187 | 543,519 | 545,910 | 454,816 | 189,806 | 15,564 | 16,332 | -14,846 | 2,703,347 | 4,710,232 | 57.4% | |
| Routine O&M (Fixed) | 996,862 | 1,042,833 | 909,568 | 848,446 | 812,049 | 1,106,092 | 1,094,373 | 813,293 | 737,049 | 768,768 | 1,064,965 | 1,072,049 | 11,266,344 | 10,961,591 | 102.8% | |
| Maintenance / Fixed | 391,756 | 237,917 | 310,680 | 240,925 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 2,848,671 | 2,646,090 | 107.7% | |
| Administration | 4,543 | 18,198 | 17,869 | 21,614 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 202,121 | 209,845 | 96.3% | |
| Mandatory Costs | 32,062 | 89,598 | 45,292 | 4,356 | 15,475 | 15,475 | 15,475 | 60,000 | 15,475 | 15,475 | 15,475 | 15,475 | 339,633 | 304,750 | 111.4% | |
| Inventory Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | 0.0% | |
| Labor | 448,571 | 552,843 | 415,797 | 398,827 | 440,000 | 396,719 | 385,000 | 396,719 | 365,000 | 396,719 | 692,916 | 700,000 | 5,589,112 | 5,558,310 | 100.6% | |
| Insurance | 0 | 0 | 0 | 51,020 | 0 | 337,324 | 337,324 | 0 | 0 | 0 | 0 | 0 | 725,668 | 674,648 | 107.6% | |
| Power Management & Settlements | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 1,439,157 | 1,439,156 | 100.0% | |
| Other Costs | 0 | 24,347 | 0 | 11,774 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 121,982 | 128,792 | 94.7% | |
| Projects | 124,681 | 124,681 | 124,681 | 150,977 | 324,681 | 999,439 | 124,681 | 1,291,024 | 124,681 | 124,681 | 1,136,950 | 124,681 | 4,775,839 | 5,332,715 | 89.6% | |
| Maintenance Reserve | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 1,496,173 | 1,496,174 | 100.0% | |
| Operations & Maintenance Projects | 0 | 0 | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 720,683 | 0 | 920,683 | 920,683 | 100.0% | |
| Capital Projects | 0 | 0 | 0 | 26,296 | 0 | 874,757 | 0 | 1,166,343 | 0 | 0 | 291,586 | 0 | 2,358,982 | 2,915,858 | 80.9% | |
| A&G | 202,865 | 223,945 | 172,362 | 174,248 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 2,403,803 | 2,445,575 | 98.3% | |
| Administrative & General (Allocated) | 174,966 | 186,176 | 135,492 | 131,135 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 2,031,630 | 2,105,792 | 96.5% | |
| Generation Services Shared | 27,899 | 37,769 | 36,870 | 43,113 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 372,173 | 339,783 | 109.5% | |
| Total O&M Cost | 4,096,852 | 4,617,017 | 3,831,333 | 6,873,564 | 5,905,807 | 8,981,037 | 9,376,635 | 7,850,328 | 3,649,148 | 2,360,612 | 4,395,638 | 5,657,352 | 67,595,323 | 77,462,142 | 87.3% | |
| Debt Service | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 26,054,427 | 26,054,428 | 100.0% | |
| Revenues | 3,928,611 | 3,990,879 | 3,514,451 | 7,297,753 | 5,111,510 | 8,497,197 | 8,809,917 | 6,920,431 | 2,912,166 | 603,645 | 1,392,638 | 5,461,503 | 58,440,702 | 74,420,929 | 78.5% | |
| ISO Energy Sales (estimated) | 3,928,611 | 3,990,879 | 3,346,118 | 7,106,533 | 4,970,294 | 8,305,670 | 8,609,887 | 6,802,066 | 2,896,255 | 599,314 | 1,367,017 | 5,423,183 | 57,345,828 | 72,602,551 | 79.0% | |
| Other Income | 0 | 0 | 168,333 | 191,221 | 141,215 | 191,528 | 200,030 | 118,366 | 15,911 | 4,331 | 25,621 | 38,320 | 1,094,874 | 1,818,378 | | |
| Net | (\$2,339,443) | (\$2,797,339) | (\$2,488,084) | (\$1,747,013) | (\$2,965,500) | (\$2,655,042) | (\$2,737,920) | (\$3,101,099) | (\$2,908,184) | (\$3,928,170) | (\$5,174,202) | (\$2,367,052) | (\$35,209,047) | (\$29,095,641) | Above budget by 21.01% | |



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web www.ncpa.com

LEC Treasurer's Report

AGENDA ITEM NO.: 8

Date: December 9, 2019
To: LEC Project Participant Committee
Subject: Treasurer's Report for the Month Ended October 31, 2019

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 \$43,449.

Investments - The carrying value of the LEC's investment portfolio totaled \$35,004,688 at month end. The current market value of the portfolio totaled \$35,010,486.

The overall portfolio had a combined weighted average interest rate of 1.905% with a bond equivalent yield (yield to maturity) of 1.763%. Investments with a maturity greater than one year totaled \$11,955,000. During the month \$4,921,630 was invested.

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

Interest Rates - During the month, rates on 90 day T-Bills decreased 29 basis points (from 1.88% to 1.59%) and rates on one year T-Bills decreased 22 basis points (from 1.79% to 1.57%).

To the best of my knowledge and belief, all securities held by LEC as of October 31, 2019 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

Environmental Analysis

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

Respectfully submitted,

MONTY HANKS
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

OCTOBER 31, 2019

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| 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, 2019

| | CASH | INVESTMENTS | TOTAL | PERCENT | INVESTMENTS at MARKET |
|--|------------------|----------------------|----------------------|----------------|--------------------------|
| MANDATORY FUNDS | | | | | |
| Debt Service Account | \$ 1,003 | \$ 11,081,567 | \$ 11,082,570 | 31.62% | \$ 11,083,236 |
| Debt Service Reserve | - | 12,421,550 | 12,421,550 | 35.44% | 12,425,315 |
| O & M Reserve | - | 11,426,468 | 11,426,468 | 32.60% | 11,426,832 |
| | 1,003 | 34,929,585 | 34,930,588 | 99.66% | 34,935,383 |
| ADDITIONAL PROJECT FUNDS | | | | | |
| GHG Cash Account | - | 75,103 | 75,103 | 0.21% | 75,103 |
| Transmission Upgrade Escrow ¹ | 42,446 | - | 42,446 | 0.12% | - |
| Participant Deposit Account | - | - | - | 0.00% | - |
| | \$ 43,449 | \$ 35,004,688 | \$ 35,048,137 | 100.00% | \$ 35,010,486 |

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, 2019

| | RECEIPTS | | | EXPENDITURES | | | CASH |
|--|-------------|----------------------|-------------------------|--------------|-------------------------|----------------------------------|--------------------------|
| | OPS/CONSTR | INTEREST (NOTE B) | INVESTMENTS (NOTE A) | OPS/CONSTR | INVESTMENTS (NOTE B) | INTER-COMPANY/ FUND TRANSFERS | INCREASE / (DECREASE) |
| MANDATORY FUNDS | | | | | | | |
| Debt Service Account | \$ - | \$ 284 | \$ 470 | \$ - | \$ (2,171,832) | \$ 2,171,202 | \$ 124 |
| Debt Service Reserve | - | 3 | - | - | (3) | - | - |
| O & M Reserve | - | 8,381 | 2,740,954 | - | (2,749,335) | - | - |
| | - | 8,668 | 2,741,424 | - | (4,921,170) | 2,171,202 | 124 |
| ADDITIONAL PROJECT FUNDS | | | | | | | |
| GHG Cash Account | - | 460 | - | - | (460) | - | - |
| Transmission Upgrade Escrow ¹ | - | 6 | - | - | - | - | 6 |
| Participant Deposit Account | - | - | - | - | - | - | - |
| TOTAL | \$ - | \$ 9,134 | \$ 2,741,424 | \$ - | \$ (4,921,630) | \$ 2,171,202 | \$ 130 |

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, 2019**

| | PURCHASED | SOLD OR MATURED | (NON-CASH) DISC/(PREM) AMORT | (NON-CASH) GAIN/(LOSS) ON SALE | INVESTMENTS | |
|---------------------------------|---------------------|-----------------------|------------------------------------|--------------------------------------|-------------|--------------------------|
| | | | | | TRANSFERS | INCREASE / (DECREASE) |
| MANDATORY FUNDS | | | | | | |
| Debt Service Account | \$ 2,171,832 | (470) | \$ 14,182 | \$ - | \$ - | \$ 2,185,544 |
| Debt Service Reserve | 3 | - | (1,551) | - | - | (1,548) |
| O & M Reserve | 2,749,335 | (2,740,954) | (43) | - | - | 8,338 |
| | <u>4,921,170</u> | <u>(2,741,424)</u> | <u>12,588</u> | <u>-</u> | <u>-</u> | <u>2,192,334</u> |
| ADDITIONAL PROJECT FUNDS | | | | | | |
| GHG Cash Account | 460 | - | - | - | - | 460 |
| Participant Deposit Acct. | - | - | - | - | - | - |
| TOTAL | <u>\$ 4,921,630</u> | <u>\$ (2,741,424)</u> | <u>\$ 12,588</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,192,794</u> |

Less Non- Cash Activity

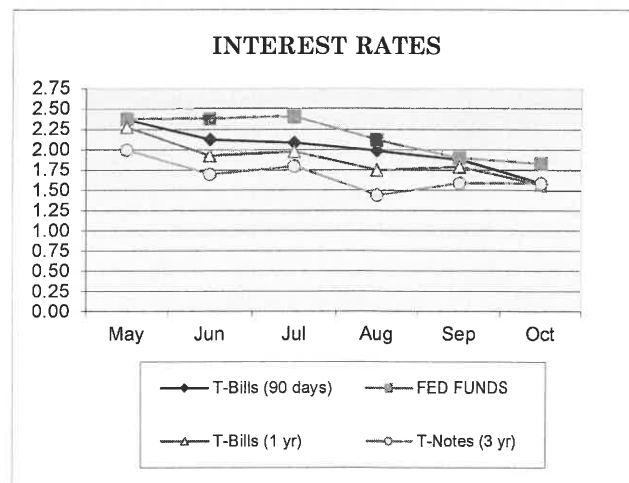
| | |
|--|----------------------------|
| Disc/(Prem) Amortization & Gain/(Loss) on Sale | (12,588) |
| Net Change in Investment --Before Non-Cash Activity | <u><u>\$ 2,180,206</u></u> |

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
October 31, 2019**

| | WEIGHTED AVERAGE INTEREST RATE | BOND EQUIVALENT YIELD |
|-------------------------|---|--------------------------------------|
| OVERALL COMBINED | <u>1.905%</u> | <u>1.763%</u> |
| Debt Service Account | 1.805% | 1.838% |
| Debt Service Reserve | 2.150% | 1.722% |
| O & M Reserve | 1.733% | 1.730% |
| GHG Cash Account | 2.446% | 2.446% |

| KEY INTEREST RATES | | |
|---------------------------|----------------|-----------------------|
| | CURRENT | PRIOR YEAR |
| Fed Funds (Overnight) | 1.83% | 1.92% |
| T-Bills (90da.) | 1.59% | 2.20% |
| Agency Disc (90da.) | 1.47% | 2.16% |
| T-Bills (1yr.) | 1.57% | 2.59% |
| Agency Disc (1yr.) | 1.45% | 2.59% |
| T-Notes (3yr.) | 1.59% | 2.89% |



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
October 31, 2019**

| 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 | \$ - | \$ 10,662 | \$0 | \$ 8,910 | \$ - | \$ 11,360 | \$ - | \$ 30,932 | 88.45% |
| Corporate Bonds (MTN) | - | - | - | - | - | 595 | - | 595 | 1.70% |
| US Bank Trust Money Market | 441 | - | - | - | - | - | - | 441 | 1.26% |
| Commercial Paper | - | - | - | - | - | - | - | - | 0.01% |
| Investment Trusts (LAIF) | 1,540 | - | - | - | - | - | - | 1,540 | 4.40% |
| Investment Trusts (CAMP) | - | - | - | - | - | - | - | - | 0.01% |
| U.S.Treasury Market Acct. * | - | - | - | - | - | - | - | - | 0.00% |
| U.S.Treasury Bill/Note | - | 1,462 | - | - | - | - | - | 1,462 | 4.18% |
| Certificates of Deposit | - | - | - | - | - | - | - | - | 0.00% |
| Total Dollars | \$ 1,981 | \$12,124 | \$0 | \$8,910 | \$0 | \$11,955 | \$0 | \$ 34,970 | 100.00% |
| Total Percents | 5.66% | 34.67% | 0.00% | 25.48% | 0.00% | 34.19% | 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
10/31/2019

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 | 455 | 0.600 | 07/01/2013 | 455 | | 1 | 0.600 | 455 | SYS79003 | 79003 | 455 |
| Federal Home Loan Ba | USBT | 1,120,000 | 1.940 | 07/25/2019 | 1,112,154 | 12/02/2019 | 31 | 1.980 | 1,118,387 | 313384PZ6A | 26837 | 1,118,129 |
| Federal Home Loan Ba | USBT | 501,000 | 1.810 | 08/26/2019 | 498,531 | 12/02/2019 | 31 | 1.844 | 500,279 | 313384PZ6A | 26863 | 500,219 |
| Federal Home Loan Ba | USBT | 500,000 | 1.910 | 09/25/2019 | 498,196 | 12/02/2019 | 31 | 1.943 | 499,280 | 313384PZ6A | 26882 | 499,178 |
| Federal Home Loan Ba | USBT | 499,000 | 1.680 | 10/29/2019 | 498,208 | 12/02/2019 | 31 | 1.706 | 498,281 | 313384PZ6A | 26901 | 498,278 |
| Fund Total and Average | | \$ 2,620,455 | 1.860 | | \$ 2,507,544 | | 31 | 1.895 | \$ 2,616,682 | | | \$ 2,616,259 |

LEC Issue #1 2010B DS Fund

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|----|-------|--------------|------------|-------|--------------|
| US Bank Trust | USB | 177 | 0.600 | 07/01/2013 | 177 | | 1 | 0.600 | 177 | SYS79004 | 79004 | 177 |
| Federal Home Loan Ba | USBT | 1,520,000 | 1.939 | 07/25/2019 | 1,509,352 | 12/02/2019 | 31 | 1.980 | 1,517,811 | 313384PZ6A | 26838 | 1,517,461 |
| Federal Home Loan Ba | USBT | 727,000 | 1.810 | 08/26/2019 | 723,418 | 12/02/2019 | 31 | 1.844 | 725,953 | 313384PZ6A | 26864 | 725,867 |
| Federal Home Loan Ba | USBT | 726,000 | 1.910 | 09/25/2019 | 723,381 | 12/02/2019 | 31 | 1.943 | 724,955 | 313384PZ6A | 26883 | 724,806 |
| Federal Home Loan Ba | USBT | 724,000 | 1.680 | 10/29/2019 | 722,851 | 12/02/2019 | 31 | 1.706 | 722,957 | 313384PZ6A | 26902 | 722,953 |
| Fund Total and Average | | \$ 3,697,177 | 1.858 | | \$ 3,679,179 | | 31 | 1.893 | \$ 3,691,853 | | | \$ 3,691,264 |

LEC Issue #2 2010A DS Fund

| | | | | | | | | | | | | |
|------------------------|-----|------------|-------|------------|------------|--|---|-------|------------|----------|-------|------------|
| US Bank Trust | USB | 435,622 | 0.600 | 07/01/2013 | 435,622 | | 1 | 0.600 | 435,622 | SYS79011 | 79011 | 435,622 |
| Fund Total and Average | | \$ 435,622 | 0.600 | | \$ 435,622 | | 1 | 0.600 | \$ 435,622 | | | \$ 435,622 |

LEC Issue #2 2010B DS Fund

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|----|-------|--------------|------------|-------|--------------|
| US Bank Trust | USB | 336 | 0.600 | 07/01/2013 | 336 | | 1 | 0.600 | 336 | SYS79012 | 79012 | 336 |
| Federal Home Loan Ba | USBT | 1,181,000 | 1.940 | 07/25/2019 | 1,172,726 | 12/02/2019 | 31 | 1.980 | 1,179,299 | 313384PZ6A | 26839 | 1,179,027 |
| Federal Home Loan Ba | USBT | 786,000 | 1.810 | 08/26/2019 | 782,127 | 12/02/2019 | 31 | 1.844 | 784,868 | 313384PZ6A | 26865 | 784,775 |
| Federal Home Loan Ba | USBT | 784,000 | 1.910 | 09/25/2019 | 781,172 | 12/02/2019 | 31 | 1.943 | 782,871 | 313384PZ6A | 26884 | 782,711 |
| Federal Home Loan Ba | USBT | 783,000 | 1.680 | 10/29/2019 | 781,758 | 12/02/2019 | 31 | 1.706 | 781,872 | 313384PZ6A | 26903 | 781,867 |
| Fund Total and Average | | \$ 3,534,336 | 1.847 | | \$ 3,518,119 | | 31 | 1.881 | \$ 3,529,246 | | | \$ 3,528,716 |

LEC Issue#1 2017A DS Fund

| | | | | | | | | | | | | |
|------------------------|------|------------|-------|------------|------------|------------|----|-------|------------|------------|-------|------------|
| Federal Home Loan Ba | USBT | 303,000 | 1.939 | 07/25/2019 | 300,877 | 12/02/2019 | 31 | 1.980 | 302,564 | 313384PZ6A | 26840 | 302,494 |
| Federal Home Loan Ba | USBT | 170,000 | 1.810 | 08/26/2019 | 169,162 | 12/02/2019 | 31 | 1.844 | 169,755 | 313384PZ6A | 26866 | 169,735 |
| Federal Home Loan Ba | USBT | 169,000 | 1.909 | 09/25/2019 | 168,390 | 12/02/2019 | 31 | 1.943 | 168,757 | 313384PZ6A | 26885 | 168,722 |
| Federal Home Loan Ba | USBT | 169,000 | 1.680 | 10/29/2019 | 168,732 | 12/02/2019 | 31 | 1.706 | 168,757 | 313384PZ6A | 26904 | 168,756 |
| Fund Total and Average | | \$ 811,000 | 1.852 | | \$ 807,161 | | 31 | 1.887 | \$ 809,833 | | | \$ 809,707 |

| | | | | | | | | | | | |
|---------------|----|------------|-------|----|------------|----|-------|----|-------------|----|------------|
| GRAND TOTALS: | \$ | 11,098,590 | 1.805 | \$ | 11,047,625 | 30 | 1.838 | \$ | 11,083,236. | \$ | 11,081,568 |
|---------------|----|------------|-------|----|------------|----|-------|----|-------------|----|------------|

*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 10/31/2019



Northern California Power Agency
Treasurer's Report

10/31/2019

LEC Issue #1 2010 DSR Fund

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|------------------------|---------------------|--------------|---------------|---------------|-----------------|---------------|------------------|-------------------|--------------|-----------|--------------|----------------|
| US Bank Trust | USB | 1,521 | 0.600 | 07/01/2013 | 1,521 | 1,521 | 1 | 0.600 | 1,521 | SYS79005 | 79005 | 1,521 |
| U.S. Treasury | USB | 333,000 | 2.000 | 07/25/2019 | 329,633 | 01/23/2020 | 83 | 2.048 | 331,835 | 912796TC3 | 26844 | 331,465 |
| Federal Farm Credit | USB | 4,360,000 | 1.660 | 06/08/2016 | 4,360,000 | 05/25/2021 | 571 | 1.659 | 4,342,996 | 3133ECBZ7 | 26337 | 4,360,000 |
| Federal Home Loan Mt | USB | 150,000 | 1.125 | 07/28/2017 | 146,648 | 08/12/2021 | 650 | 1.699 | 148,808 | 3137EAE09 | 26454 | 148,522 |
| Federal Home Loan Ba | USB | 4,100,000 | 2.125 | 08/28/2017 | 4,168,306 | 06/10/2022 | 952 | 1.760 | 4,156,703 | 313379Q69 | 26463 | 4,137,247 |
| Fund Total and Average | | \$ 8,944,521 | 1.878 | | \$ 9,006,108 | | 730 | 1.721 | \$ 8,981,863 | | | \$ 8,978,755 |

LEC Iss#1 2010B BABS Subs Resv

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|-----|-------|--------------|-----------|-------|--------------|
| US Bank Trust | USB | 992 | 0.600 | 07/01/2013 | 992 | 992 | 1 | 0.600 | 992 | SYS79006 | 79006 | 992 |
| Federal Home Loan Ba | USB | 2,145,000 | 3.375 | 07/28/2017 | 2,255,146 | 06/12/2020 | 224 | 1.540 | 2,167,565 | 313370E38 | 26455 | 2,168,542 |
| Federal Home Loan Ba | UBOC | 150,000 | 1.920 | 07/25/2019 | 147,080 | 07/24/2020 | 266 | 1.980 | 148,250 | 313384ZU6 | 26845 | 147,872 |
| Fund Total and Average | | \$ 2,295,992 | 3.281 | | \$ 2,403,218 | | 227 | 1.568 | \$ 2,316,807 | | | \$ 2,317,406 |

LEC Issue #2 2010B DSR BABS

| | | | | | | | | | | | | |
|------------------------|-----|---------------|-------|------------|---------------|------------|-----|-------|---------------|-----------|-------|---------------|
| US Bank Trust | USB | 1,596 | 0.600 | 07/01/2013 | 1,596 | 1,596 | 1 | 0.600 | 1,596 | SYS79013 | 79013 | 1,596 |
| U.S. Treasury | USB | 1,123,000 | 1.999 | 07/25/2019 | 1,117,585 | 01/23/2020 | 83 | 2.048 | 1,125,049 | 912796TC3 | 26846 | 1,123,794 |
| Fund Total and Average | | \$ 1,130,596 | 1.998 | | \$ 1,119,181 | | 83 | 2.046 | \$ 1,126,645 | | | \$ 1,125,390 |
| GRAND TOTALS: | | \$ 12,371,109 | 2.150 | | \$ 12,528,507 | | 577 | 1.722 | \$ 12,425,315 | | | \$ 12,421,651 |

*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 10/31/2019
Investment #26337 FFCB Callable anytime



Northern California Power Agency
Treasurer's Report
10/31/2019

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 | | 1,464,496 | 2.446 | 07/01/2013 | 1,464,496 | | 1 | 2.446 | 1,464,496 | SYS70047 | 70047 | 1,464,496 |
| Union Bank of Califo | UBOC | 0 | 0.002 | 07/18/2013 | 0 | | 1 | 0.002 | 0 | SYS70041 | 70041 | 0 |
| Federal Home Loan Ba | UBOC | 3,615,000 | 1.540 | 06/30/2017 | 3,613,952 | 06/05/2020 | 217 | 1.550 | 3,614,205 | 3130ABJ00 | 26440 | 3,614,787 |
| Federal National Mtg | UBOC | 3,000,000 | 1.300 | 06/30/2016 | 3,000,000 | 06/30/2020 | 242 | 1.300 | 2,992,170 | 3136G3UJ2 | 26341 | 3,000,000 |
| Federal Farm Credit | UBOC | 500,000 | 1.500 | 10/15/2019 | 499,335 | 04/15/2021 | 531 | 1.590 | 499,145 | 3133EKY83 | 26892 | 499,355 |
| Federal Farm Credit | UBOC | 1,000,000 | 1.920 | 10/21/2019 | 1,000,000 | 04/21/2022 | 902 | 1.920 | 1,000,140 | 3133EK2S4 | 26894 | 1,000,000 |
| US Bank, N.A. | UBOC | 595,000 | 2.650 | 05/31/2019 | 598,290 | 05/23/2022 | 934 | 2.456 | 606,501 | 90331HPC1 | 26822 | 597,830 |
| Federal Home Loan Mt | UBOC | 1,250,000 | 2.000 | 10/16/2019 | 1,250,000 | 10/16/2023 | 1,445 | 2.000 | 1,250,175 | 3134GUJB7 | 26893 | 1,250,000 |
| Fund Total and Average | | \$ 11,424,496 | 1.733 | | \$ 11,426,073 | | 441 | 1.730 | \$ 11,426,832 | | | \$ 11,426,468 |
| GRAND TOTALS: | | \$ 11,424,496 | 1.733 | | \$ 11,426,073 | | 441 | 1.730 | \$ 11,426,832 | | | \$ 11,426,468 |

*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 10/31/2019
Investment #26822 USB Callable on and anytime after 4/22/2022
Investment #26893 FFLMC Callable on and anytime after 4/16/2020
Investment #26894 FFCB Callable on and anytime after 01/21/2020



Northern California Power Agency
Treasurer's Report
10/31/2019

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 | | 75,103 | 2.446 | 07/01/2013 | 75,103 | | 1 | 2.446 | 75,103 | SYS70046 | 70046 | 75,103 |
| Fund Total and Average | | \$ 75,103 | 2.446 | | \$ 75,103 | | 1 | 2.446 | \$ 75,103 | | | \$ 75,103 |
| GRAND TOTALS: | | \$ 75,103 | 2.446 | | \$ 75,103 | | 1 | 2.446 | \$ 75,103. | | | \$ 75,103 |

*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 10/31/2019



Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO.: 9

Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: October 31, 2019 Financial Reports (Unaudited)

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

| | October | |
|--|-----------------------|-----------------------|
| | 2019 | 2018 |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 75,103 | \$ 73,264 |
| Interest receivable | 178 | 87 |
| Inventory and supplies - at average cost | 2,202,633 | 2,110,854 |
| Prepaid insurance | 67,928 | 56,681 |
| Due from (to) Agency, net | 24,729,597 | 24,828,151 |
| TOTAL CURRENT ASSETS | 27,075,439 | 27,069,037 |
| RESTRICTED ASSETS | | |
| Cash and cash equivalents | 4,130,513 | 7,874,843 |
| Investments | 30,848,972 | 27,309,247 |
| Interest receivable | 138,300 | 157,412 |
| TOTAL RESTRICTED ASSETS | 35,117,785 | 35,341,502 |
| ELECTRIC PLANT | | |
| Electric plant in service | 423,879,333 | 423,810,113 |
| Less: accumulated depreciation | (101,043,456) | (86,424,994) |
| | 322,835,877 | 337,385,119 |
| Construction work-in-progress | 182,398 | 182,398 |
| TOTAL ELECTRIC PLANT | 323,018,275 | 337,567,517 |
| OTHER ASSETS | | |
| Unamortized excess cost on advance refunding of debt, net | 1,717,375 | 2,027,711 |
| Regulatory assets | 24,987,543 | 24,340,518 |
| TOTAL OTHER ASSETS | 26,704,918 | 26,368,229 |
| TOTAL ASSETS | 411,916,417 | 426,346,285 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Asset retirement obligations | 179,706 | - |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 179,706 | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 412,096,123 | \$ 426,346,285 |

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

| | October | |
|---|-----------------------|-----------------------|
| | 2019 | 2018 |
| LIABILITIES & NET POSITION | | |
| CURRENT LIABILITIES | | |
| Accounts and retentions payable | \$ 4,199,179 | \$ 5,867,079 |
| Operating reserves | 15,098,492 | 14,136,505 |
| Current portion of long-term debt | 12,040,000 | 11,480,000 |
| Accrued interest payable | 5,826,231 | 6,067,700 |
| TOTAL CURRENT LIABILITIES | 37,163,902 | 37,551,284 |
| NON-CURRENT LIABILITIES | | |
| Operating reserves and other deposits | 1,158,830 | 1,717,110 |
| Asset retirement obligations | 179,706 | |
| Long-term debt, net | 319,050,000 | 331,158,767 |
| TOTAL NON-CURRENT LIABILITIES | 320,388,536 | 332,875,877 |
| TOTAL LIABILITIES | 357,552,438 | 370,427,161 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Regulatory credits | 38,267,160 | 40,383,830 |
| NET POSITION | | |
| Invested in capital assets, net of related debt | (19,633,967) | (16,718,495) |
| Restricted | 16,886,888 | 17,956,853 |
| Unrestricted | 19,023,604 | 14,296,936 |
| TOTAL NET POSITION | 16,276,525 | 15,535,294 |
| TOTAL LIABILITIES AND NET POSITION | \$ 412,096,123 | \$ 426,346,285 |

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

| | | Four Months Ended October | |
|--|----|---------------------------|--------------------|
| | | 2019 | 2018 |
| SALES FOR RESALE | | | |
| Participants | \$ | 14,637,239 | \$ 11,138,864 |
| Other | | 18,358,770 | 33,764,322 |
| TOTAL SALES FOR RESALE | | 32,996,009 | 44,903,186 |
| OPERATING EXPENSES | | | |
| Operations | | 12,803,208 | 19,891,042 |
| Depreciation | | 4,872,995 | 4,871,477 |
| Purchased power | | 351,197 | 2,169,533 |
| Maintenance | | 1,312,262 | 1,235,981 |
| Administrative and general | | 1,581,221 | 1,590,987 |
| Transmission | | 258,296 | 319,876 |
| Intercompany (sales) purchases | | 145,651 | 97,696 |
| TOTAL OPERATING EXPENSES | | 21,324,830 | 30,176,592 |
| NET OPERATING REVENUES | | 11,671,179 | 14,726,594 |
| OTHER REVENUES (EXPENSES) | | | |
| Interest expense | | (4,763,281) | (4,919,337) |
| Interest income | | 369,657 | 792,496 |
| Other | | 1,191,318 | 1,140,043 |
| TOTAL OTHER REVENUES (EXPENSES) | | (3,202,306) | (2,986,798) |
| FUTURE RECOVERABLE AMOUNTS | | 305,976 | 552,004 |
| REFUNDS TO PARTICIPANTS | | (33) | (39) |
| INCREASE IN NET POSITION | | 8,774,816 | 12,291,761 |
| NET POSITION | | | |
| Beginning of year | | 7,501,709 | 3,243,533 |
| End of period | \$ | 16,276,525 | \$ 15,535,294 |

**Lodi Energy Center
FY 2020 Operating Costs
As of October 31, 2019**

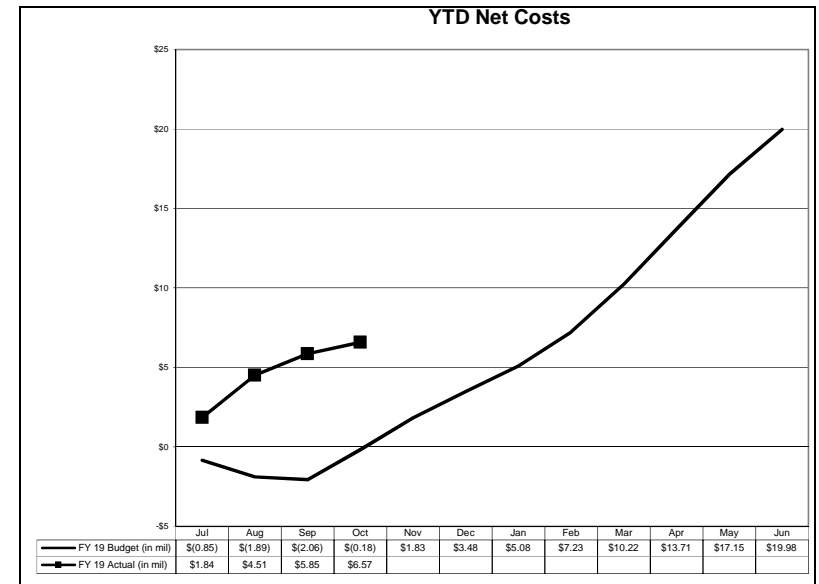
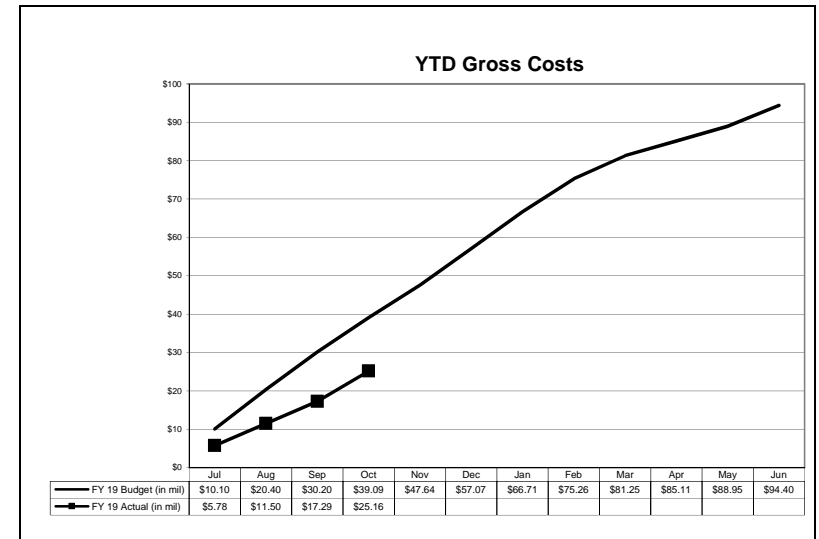
| | Annual Budget | Actual | Remaining | YTD % Remaining | Notes |
|--|----------------------|----------------------|----------------------|--------------------|----------|
| Routine O&M Costs | | | | | |
| Variable | \$ 5,381,629 | \$ 240,246 | \$ 5,141,383 | 96% | A |
| Fixed | 2,646,090 | 1,181,278 | 1,464,812 | 55% | |
| Administration | 209,845 | 62,224 | 147,621 | 70% | |
| Mandatory Costs | 304,750 | 171,309 | 133,441 | 44% | |
| Routine O&M Costs without Labor | 8,542,314 | 1,655,057 | 6,887,257 | 81% | B |
| Labor | 5,558,310 | 1,816,038 | 3,742,272 | 67% | |
| Total Routine O&M Cost | 14,100,624 | 3,471,095 | 10,629,529 | 75% | |
| Other Costs | | | | | |
| Fuel | 39,513,147 | 10,376,524 | 29,136,623 | 74% | |
| CA ISO Charges | 883,969 | 258,296 | 625,673 | 71% | |
| CA ISO Purchased Energy | 3,826,263 | 351,197 | 3,475,066 | 91% | |
| Debt Service | 26,054,428 | 8,684,809 | 17,369,619 | 67% | |
| Insurance | 674,648 | 204,081 | 470,567 | 70% | |
| Other Costs | 128,792 | 36,120 | 92,672 | 72% | |
| Generation Services Shared | 339,783 | 145,651 | 194,132 | 57% | |
| Administrative & General (Allocated) | 2,105,792 | 627,769 | 1,478,023 | 70% | |
| Power Management Allocated Costs | 1,439,156 | 479,719 | 959,437 | 67% | |
| Total O&M Cost | 89,066,602 | 24,635,261 | 64,431,341 | 72% | |
| Projects | | | | | |
| Operations & Maintenance | 920,683 | - | 920,683 | 100% | |
| Capital | 2,915,858 | 26,296 | 2,889,562 | 99% | |
| Maintenance Reserve | 1,496,174 | 498,725 | 997,449 | 67% | |
| Total Projects | 5,332,715 | 525,021 | 4,807,694 | 90% | |
| Annual Cost | 94,399,317 | 25,160,282 | 69,239,035 | 73% | |
| Less: Third Party Revenue | | | | | |
| Interest Income | 385,845 | 230,168 | 155,677 | 40% | |
| ISO Energy Sales | 72,602,551 | 17,940,949 | 54,661,602 | 75% | |
| Ancillary Services Sales | 1,432,533 | 417,821 | 1,014,712 | 71% | |
| | 74,420,929 | 18,589,468 | 55,831,461 | 75% | |
| Net Annual Cost to Participants | \$ 19,978,388 | \$ 6,570,814 | \$ 13,407,574 | 67% | |
| Total Variable Costs | 49,605,008 | 11,226,263 | 38,378,745 | | |
| Total Fixed Costs | 44,794,309 | 13,934,019 | 30,860,290 | | |
| | \$ 94,399,317 | \$ 25,160,282 | \$ 69,239,035 | | |
| Net Cumulative Generation (MWh) | 1,599,464 | 445,481 | | | |
| Total O&M Cost Per MWh | \$ 55.69 | \$ 55.30 | | | |
| Net Annual Cost Per MWh | \$ 12.49 | \$ 14.75 | | | |

Footnotes:

General - The plant ran 31 days during the month.

A - Higher costs resulting from additional maintenance costs during annual outage.

B - Higher costs due to annual permit fees payment in July, costs expected to level out for remainder of the year.





Lodi Energy Center Project Participant Committee

LEC GHG Reports

AGENDA ITEM NO.: 10

Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: GHG Reports (excerpted from monthly ARB)

| NCPA All Resources Bill Imports GHG Obligation Report (Cumulative) | | | | | | | | | | | | | | |
|--|---------|--------|-------|----------|---------|------------|--------|--------|--------|--------|--------|----------|--------|-----------|
| December 2019 | | | | | | | | | | | | | | |
| IDENTIFIER | AZU L&P | BART | Biggs | CDWR | Gridley | Healdsburg | Lodi | Lompoc | MID | Plumas | PWR | SVP | Ukiah | Total |
| Allocation Percentages | | | | | | | | | | | | | | |
| Generation Entitlement Share(%) | 2.79% | 6.60% | 0.27% | 33.50% | 1.96% | 1.64% | 9.50% | 2.04% | 10.71% | 0.79% | 2.67% | 25.75% | 1.79% | 100.00% |
| Obligation Accounts | | | | | | | | | | | | | | |
| Current MT Compliance Obligation (MTO) Balance (MT) | 23,590 | 55,901 | 2,272 | 300,614 | 16,634 | 13,917 | 80,461 | 17,212 | 90,738 | 6,655 | 22,594 | 218,086 | 15,121 | 863,795 |
| Current MT Compliance Instrument Account (MTA) Balance (MT) | 23,590 | 56,009 | 2,329 | 371,688 | 16,808 | 13,989 | 80,633 | 17,479 | 90,162 | 7,002 | 20,607 | 271,685 | 15,144 | 987,125 |
| MTA Shortfall (MT) | 0 | (108) | (57) | (71,074) | (174) | (72) | (172) | (267) | 576 | (347) | 1,987 | (53,599) | (23) | (123,330) |
| Monthly GHG Price \$/MT | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 |
| GHG Minimum Cash Compliance Obligation (\$) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,913 | 0 | 34,196 | 0 | 0 | 44,109 |
| Current Month CCA Balance (\$)* | 60,991 | 0 | 143 | 0 | 1,103 | 4,780 | 775 | 0 | 0 | 0 | 0 | 0 | 2,652 | 70,444 |
| Net GHG Obligation (\$) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,913 | 0 | 34,196 | 0 | 0 | 44,109 |

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

| | CY 2019 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for Lodi Energy Center | | | | | | | | | | | | | |
|--|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| | Actual | | | | | | | | | | Estimated | | CY 2019 | Cumulative |
| IDENTIFIER | January | February | March | April | May | June | July | August | September | October | November | December | Total | Total |
| Energy (MWh) | 146,027 | 133,884 | 117,768 | 1,241 | 5,501 | 20,678 | 98,354 | 99,589 | 76,531 | 171,504 | 116,849 | 199,531 | 1,187,457 | 8,067,715 |
| Gas Schedule (MMBtu) | 1,038,014 | 946,354 | 840,962 | 10,778 | 46,907 | 149,686 | 706,073 | 722,379 | 548,076 | 1,213,984 | 906,750 | 1,548,363 | 8,678,326 | 57,677,071 |
| Emissions Factor (MT/MMBtu) | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | | |
| HVAC/Water Heater (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 259 |
| Monthly MT Obligation (MTO) | 56,016 | 51,070 | 45,382 | 582 | 2,531 | 8,078 | 38,103 | 38,983 | 29,577 | 65,513 | 48,933 | 83,557 | 468,325 | 3,113,650 |
| Annual Cal e-GGRT/MT Obligation True Up (MTO) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cumulative MT Obligation (MTO) | 596,123 | 647,193 | 692,575 | 693,157 | 695,688 | 703,766 | 741,869 | 780,852 | 810,429 | 713,310 | 762,243 | 845,800 | 845,800 | 845,800 |
| Compliance Instrument Participant Transfers | | | | | | | | | | | | | | |
| Carryover Allowances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Auction Allowances | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 105,623 | 0 | 421,976 | 3,195,652 |
| 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) | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 105,623 | 0 | 421,976 | 3,195,652 |
| NCPA Compliance Instrument Purchases | | | | | | | | | | | | | | |
| Auction Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,000 |
| Secondary Market Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reserve Sale Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Offsets Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Compliance Instrument NCPA Purchases (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,000 |
| Compliance Instruments Internal Transfers (LEC from/to STIG) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (678) | 0 | (678) | (678) |
| Compliance Instruments Surrendered to CARB (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 162,632 | 0 | 0 | 162,632 | 2,267,850 |
| Total Monthly Activity (MT) | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 104,945 | 0 | 421,298 | 3,241,974 |
| Cumulative MT Account Balance (MTA) | 804,296 | 804,296 | 804,296 | 804,596 | 988,244 | 1,008,814 | 1,030,411 | 1,031,811 | 1,031,811 | 869,179 | 974,802 | 974,802 | 974,802 | 974,802 |
| MTA Shortfall (MT) | (208,173) | (157,103) | (111,721) | (111,439) | (292,556) | (305,048) | (288,542) | (250,959) | (221,382) | (155,869) | (212,559) | (129,002) | (129,002) | (129,002) |
| Current Month CCA Balance (\$) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 70,444.00 |
| Monthly GHG Price | 15.78 | 15.83 | 16.09 | 17.14 | 17.79 | 17.31 | 17.39 | 17.29 | 17.04 | 16.97 | 17.15 | 17.21 | | |



Lodi Energy Center Project Participant Committee

Staff Report

AGENDA ITEM NO.: 11

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

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

Proposal

Approve the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Process Innovations, Inc. for OSIsoft Plant Information (PI) software support services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

OSIsoft PI software support services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA had a previous agreement in place with Process Innovations, Inc., which is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. NCPA has an additional agreement in place with DST Controls for similar services. NCPA desires to put this new agreement in place so we can continue to use them going forward.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the Agreement is not-to-exceed \$500,000 over five years to be used out of NCPA approved annual operating 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Consulting Services Agreement with Process Innovations, Inc.



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND PROCESS INNOVATIONS, INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Process Innovations, Inc., a corporation with its office located at 63 Weber Creek Road, PO Box 82, Centennial, WY 82055 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 20__ ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

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

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

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

4.4 All Policies Requirements.

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

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

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

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and

policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or SCPPA member.

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Cyber Security.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) will at its sole expense follow applicable NERC CIP standards for cyber security for the applicable Agency facility. Furthermore, Consultant shall notify Agency no less than 24-hours after discovery of a potential compromise of Consultant's network, computers, applications, or electronic systems in any way that Consultant determines could provide unauthorized access or negatively impact the confidentiality, integrity, security, or availability of Agency systems.

Section 8. TERMINATION AND MODIFICATION.

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

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

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

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

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

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

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that,

unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confident; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any

permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

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

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

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

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

Section 10. MISCELLANEOUS PROVISIONS.

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

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

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this

Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

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

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

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

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

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

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

Process Innovations, Inc.
Attention: Joe Devine
2519 South Shields Street, Suite 166
Fort Collins, CO 80526

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

PROCESS INNOVATIONS, INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

JOE DEVINE,
President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Process Innovations, Inc. ("Consultant") shall provide OSIsoft PI Software support services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

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

- Provide OSIsoft Software Support - Support OSI soft software on Agency supplied server and interface hardware. This software will be prepared to accept the connections from all Agency data sources.
- Provide Onsite Client Tool Training - This task will involve providing Process Innovations client tool training. Ideally each participant should have their own computer for training as the class involves many hands-on exercises to leverage acquired data to perform real time evaluations. Develop some base reports and graphics in the class to provide a foundation for further development.
- Provide Value Added Applications - This task will involve the development of value added applications and features. This will include report building and calculated tag development.
- Design Diagrams - Design and provide detailed architectural network diagrams and review with NCPA for approval (Diagrams shall include, but not limited to, detailed specifications of all network connections, protocols, addresses, ports, etc.)
- Provide Diagrams - Provide final ("As Built") architectural network diagrams and review with NCPA for approval
- Compliance - Ensure all network modifications and implementations meet North American Electric Reliability Corporation (NERC) reliability standards

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

| Service Provider | Hourly Rates | | | |
|-------------------------------|----------------------------|---------------------------|-------------|-----------------|
| | Onsite Consulting Services | Offsite (Remote) Services | Travel Time | Onsite Training |
| Principal Engineer/Consultant | \$ 250 | \$ 200 | \$ 170 | \$ 320 |
| Sr. Application Consultant | \$ 235 | \$ 185 | \$ 155 | \$ 295 |
| Application Engineer | \$ 170 | \$ 145 | \$ 95 | \$ 270 |

Notes:

Billing is in hourly increments

Travel and living expenses are in addition to Onsite Rates

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

Process Innovations, Inc.
(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 12

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: Premium Inspection Company – Five Year Multi-Task General Services Agreement for maintenance inspection services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

Proposal

Approve the Multi-Task General Services Agreement with Premium Inspection Company for maintenance inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

Maintenance inspection services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA utilized this vendor recently at its geothermal facility when it was the successful bidder for the P-Site and Q-Site Well Workover Project. During their work the vendor performed efficiently while focused on safety. NCPA has enabling agreements in place for similar scopes of work with Team Industrial Services, Inc. and Quality Tong Services, Inc. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the agreement is not-to-exceed \$500,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

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

Submitted by:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with American Industrial Scaffolding, Inc.



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
PREMIUM INSPECTION COMPANY**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Premium Inspection Company, a limited liability company with its office located at 6300 Seven Seas, Bakersfield, CA 93308 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 20____ ("Effective Date") in Roseville, California.

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

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

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

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

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

4.3 Professional Liability Insurance. Intentionally 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, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

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

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

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

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

Section 7. LEGAL REQUIREMENTS.

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

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

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to

timely comply with this provision may subject the Contractor to penalties pursuant to state law.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

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

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

have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

Section 10. PROJECT SITE.

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

applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

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

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

Section 11. WARRANTY.

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

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the

Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

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

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

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

conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

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

Section 13. MISCELLANEOUS PROVISIONS.

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

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

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

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

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

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

Joe Elliott Jr., President
Premium Inspection Company
6300 Seven Seas
Bakersfield, CA 93308

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

13.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

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

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

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

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

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCLPA or SCLPA 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

PREMIUM INSPECTION COMPANY

Date_____

Date_____

RANDY S. HOWARD, General Manager

JOE ELLIOTT JR., President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Premium Inspection Company ("Contractor") shall provide maintenance inspection services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but not limited to the following:

- **Visual Inspection**
- **Tubular I. D. Camera with DVR Recording**
- **Dimensional Inspection and Verification**
- **Magnetic Particle, both color contrast and ultraviolet (ferrous Material)**
- **Dye Penetrant, both color contrast and ultraviolet (Non-Ferrous Material)**
- **Ultrasonic Thickness examination**
- **EMI Logging – Drill Pipe 2 3/8" up to 5 1/2", DS-1 Category 1-5 Inspection**
- **RIG Site Bottom Hole Assembly Inspection**
- **Trip Check of BHA Components**
- **API and Proprietary Rotary Shoulder Connection Inspection**
- **Field repair of API and Proprietary Rotary Shoulder Connections (RSC)**
- **Top Drive Inspection**
- **Rig Structural Inspection**
- **Hardbanding of Drill Pipe, Hevi-Wate Drill Pipe and BHA Tools**
- **Hardbanding of Non Magnetic BHA Tools**
- **3rd Party Verification Services**
- **In-House Services**
- **Digital real time reporting and data base**
- **Equipment**

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

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Used Drill Pipe Services

Price List

| DESCRIPTION | SIZE | PRICE PER LENGTH |
|---|--------------|------------------|
| DS-1 Category 3 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connections | 3 1/2" to 5" | \$38.00 |
| DS-1 Category 4 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connections Magnetic Particle Inspection Of External Upsets | 3 1/2" to 5" | \$48.00 |
| DS-1 Category 5 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connection Wet Magnetic Particle Inspection Of Connection Magnetic Particle Inspection Of External upsets | 3 1/2" to 5" | \$68.00 |

Optional Drill Pipe Services

Price List

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|--|-------------|-------------------------|
| Clean and Visual Inspection Of Threads and Shoulders | ALL | \$10.00 per end |
| DS-1 Dimensional 2 of Connections Wet Fluorescent Magnetic Particle Inspection of Connections | ALL | \$ 25.00 per end |
| Wet Fluorescent Particle Inspection of Rotary Shoulder Connection | ALL | \$ 15.00 per end |
| End Area Inspection of Internal Upset run out Areas Optical Video Scope with Magnetic Particle | ALL | \$ 45.75 per end |

FIELD REPAIR OF CONNECTIONS

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|---|-------------|-------------------------|
| Tool Joint Refacing: Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to Remove Burrs, Raised Metal, Galling | ALL | \$ 15.00 per end |

| <u>PIPE STRAIGHTENING</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|-------------------------------|--------------|-------------------------|
| Straightening of Bent Pipe | 3 1/2" to 5" | Special Quote |

DRILL PIPE HARBANDING SERVICES

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER TOOL JOINT</u> |
|---|--------------|-----------------------------|
| Casing Friendly Wire 3 one inch bands per tool Joint | 3 1/2" to 5" | \$60.00 per length |
| CUSTOMER REQUEST WIRE | 3 1/2" to 5" | SPECIAL QUOTE |

Hevi-Wate Drill Pipe Inspection Services Price List

| <u>TYPE INSPECTION</u> | <u>SIZES</u> | <u>PRICE PER LENGTH</u> |
|---|--------------|-------------------------|
| DS-1 Category 3-5 | | |
| Clean and Visual Inspection Of Rotary Shoulder Connections Dimensional 3 Inspection Of Connections Wet Fluorescent Magnetic Particle Inspection of Connections | ALL | \$85.00 per length |
| DS-1 Category 3-5 | | |
| Magnetic Particle Inspection of Upsets | ALL | \$ 10.00 per upset |

| FIELD REPAIR OF CONNECTIONS | | |
|---|-------------|-------------------------|
| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
| Tool Joint Refacing Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to remove Raised Metal, Burrs, Galling | ALL | \$ 15.00 per end |

Hevi-Wate Drill Pipe Services Price List

HARDBANDING SERVICES

| <u>HARDBANDING SERVICES</u> | <u>SIZES</u> | <u>PRICE PER BAND</u> |
|---|--------------|-----------------------|
| Casing Friendly Wire 4 inch bands per tool joint | 3 ½" to 5" | \$ 25.00 per inch |
| CUSTOMER WIRE 4 inch bands per tool joint | 3 ½" to 5" | SPECIAL QUOTE |

HARDBAND REMOVAL RE-APPLICATION

| | | |
|---------|--|---------------|
| REMOVAL | ALL HEVI-WATE STRAIGHTNEING SERVICE | SPECIAL QUOTE |
|---------|--|---------------|

HEAVI-WATE DRILL PIPE STRAIGHTNEING SERVICES

| DESCRIPTION | SIZE | PRICE PER LENGTH |
|---------------------------------------|------|------------------|
| Straightening of Crooked or Bent Pipe | ALL | SPECIAL QUOTE |

Bottom Hole Assembly Inspection Services Price List

| TYPE INSPECTION | SIZES | PRICE |
|--|-------|----------------------|
| DS-1 Category 3-5 | | |
| Clean and Visual Inspection Of Rotary Shoulder Connection Dimensional 3 Inspection of Connection Wet Fluorescent Magnetic Particle Inspection of Connection | ALL | \$ 85.00 per length |
| NON MAG Collars, Subs Stabilizers Liquid Penetrant inspection In conjunction with Cat 3-5 Inspection | ALL | \$ 100.00 per length |

OPTIONAL INSPECTION SERVICES

| DESCRIPTION | SIZE | PRICE PER LENGTH |
|--|------|--------------------|
| 1. Dry Magnetic Particle Inspection Of External Upsets In conjunction with Cat 3-5 | ALL | \$ 20.00 per upset |
| 2. Liquid Penetrant Inspection Of Tool Bodies | ALL | \$ 50.00 per foot |
| 3. AC Yoke Magnetic Particle Inspection of Tool Bodies | ALL | \$ 25.00 per foot |

FIELD REPAIR OF CONNECTIONS

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE</u> |
|---|-------------|------------------|
| Tool Joint Refacing Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to Remove Raised Metal, Burrs, Galling | ALL | \$ 15.00 per end |

BOTTOM HOLE ASSEMBLY HARBANDING SERVICE DRILL COLLARS, SUBS

| <u>TYPE WIRE</u> | <u>SIZE</u> | <u>PER 1" BAND</u> |
|----------------------|-----------------------------|--------------------|
| Casing Friendly Wire | Under 5 1/2" Over 5 1/2" | \$25.00 \$29.00 |
| | | |
| Customer Wire | | SPECIAL QUOTE |

MISCELLANEOUS SERVICES MAGNETIC PARTICLE

| <u>DESCRIPTION</u> | | <u>PRICE</u> |
|--|-------------------------|---|
| Trip Check Inspection of BHA Rig Components and Load Bearing Areas Blocks , Hooks , Bails , Slips Top Drive Welds Flanges | 1 Inspector 1 Helper | \$ 135.00 per hour \$ 60.00 per hour |

ULTRASONIC THICKNESS

| <u>DESCRIPTION</u> | | <u>PRICE</u> |
|---|-------------------------|--|
| UT Wall Thickness Measurement Flow Line Wall Thickness Measurement Mud Line Wall Thickness Measurement Tank Wall Thickness Measurement | 1 Inspector 1 Helper | \$ 225.00 per hour \$ 151.00 per hour |

| | | | |
|--|--|-----------------|----------|
| Shop Rate | | PER HOUR | \$125.00 |
| Part-Off | | Under 6" O.D. | \$19.50 |
| Part-Off | | Over 6" O.D. | \$25.50 |
| Non-Mag | | ADD | 20% |
| Spiral Collar or Left Hand Connection | | ADD | 10% |
| Kellys, etc. | | ADD | 20% |
| Mud Groove or Benchmark Groove | | ADD | \$2.50 |
| Boreback/Stress Relief Groove | | ADD | \$85.00 |
| Machine Identification Groove/Identification Stencil, Pin Tool Joint | | ADD | \$55.00 |
| For Additional Grooves Same Joint | | ADD | \$10.00 |
| Band Saw Cut | | ADD (PER CUT) | \$37.00 |
| Re-Cut Bevel Diameters/Re-Face | | ADD (PER EA) | \$26.67 |
| Set Screw | | ADD | \$172.50 |
| Float Bore | | ADD | \$255.00 |
| Standard Wrench Flats 2"x1/2" | | ADD (Per Piece) | \$175.00 |
| Set up Fee | | ADD | \$125.00 |
| Rush Jobs | | ADD | 25% |
| Overtime: After 4:00pm till 6:00am. In Addition to Machine Work | | PER HOUR | \$170.00 |
| Weekend/Holidays Call Out Rate 4hr Min. In Addition to Machine Work | | PER HOUR | \$170.00 |
| Transportation within a 20 Mile Radius | | ROUND TRIP | \$85.00 |

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

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

NOT APPLICABLE

EXHIBIT E

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

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

The undersigned hereby certifies and agrees that:

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

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 13

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: Fossil Consulting Services, Inc. – Five Year Multi-Task Consulting Services Agreement for developing, reviewing and updating training and qualification manuals; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

Proposal

Approve the Multi-Task Consulting Services Agreement with Fossil Consulting Services, Inc. for developing, reviewing and updating training and qualification manual services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

Developing, reviewing and updating of training and qualification manuals are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA had a previous agreement in place with Fossil Consulting Services, Inc. which has since expired. Fossil Consulting Services, Inc. assisted NCPA in the development of training and qualification manuals for the Geothermal Facility as well as the Lodi Energy Center. They worked closely with the staff and supervisors and conducted themselves in a professional manner while meeting NCPA's expectations. NCPA has an enabling agreement in place for a similar scope of work with Reliability Management Group. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the overall best value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the agreement is not-to-exceed \$1,000,000 over five years 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Consulting Services Agreement with Fossil Consulting Services, Inc.



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND FOSSIL CONSULTING SERVICES, INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Fossil Consulting Services, Inc., a corporation with its office located at 5457 Twin Knolls Road, Suite 304, Columbia, MD 21045 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2019 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

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

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** ONE MILLION dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance.

4.4 All Policies Requirements.

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

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

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

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

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

- 4.5 Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

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

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

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

subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

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

Herman P. Stone II
President
5457 Twin Knolls Road, Suite 304
Columbia, MD 21045

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

10.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails,

the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

10.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

FOSSIL CONSULTING SERVICES, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

HERMAN P. STONE II, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Fossil Consulting Services, Inc. ("Consultant") shall provide services to review and update training and qualification manuals, as requested by Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

Services to include, but not limited to the following:

- Update System Training Manuals (STM) to reflect changes and updates in plant configuration.
- Develop a multi-level qualification program for several plant disciplines.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

| Position | Hourly Rate |
|----------------------|-------------|
| Project Manager | \$110.00 |
| Principal Specialist | \$104.00 |
| Senior Specialist | \$96.00 |
| Graphic Designer | \$51.00 |

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



651 Commerce Drive
Roseville, CA 95678

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

LEC PPC Meeting Minutes

Date: November 4, 2019

Time: 10:00am

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

Subject: Lodi Energy Center Project Participant Committee Meeting

1. Review Safety Procedures

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

2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:05am by Vice Chairman Ghassan Alqaser. He asked that roll be called for the Project Participants as listed below.

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

Meeting Date:

November 4, 2019

Public Forum

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

3. Meeting Minutes

The draft minutes from the October 7, 2019 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves the minutes from the October 7, 2019 Regular Meeting as presented including any edits discussed at today's meeting.

Moved by:

MID

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

MONTHLY REPORTS

4. Operational Reports for October 2019

Jeremy Lawson presented the Operational Report for October 2019. There were no OSHA recordable accidents, no NERC/WECC or permit violations, and no forced outages. Jeremy Lawson mentioned the recently installed steam blankets are working as predicted. Also changed out the pre-filters to prepare for the moisture and muddy season approaching. The upcoming major outage for the CT main transformer replacement in May 2020 is still on tract and the bid opening will be in December for the general contractor. The 6 week CT major inspection may occur in 2022/2023, based on the number of starts at that time.

The operational report reflected monthly production of 171,499 MWH, 645 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 302MW Pmax of 76.3%. There was 1 hot start, 12 warm starts, and 1 cold starts during the month.

5. Market Data Report for October 2019

Zackary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 31 out of 31 available days. Most startups were for mid to long-term runs with 17 24-hour runs in the month of October. Michael DeBortoli mentioned the PSPS did not affect LEC or schedule in October.

6. Monthly Asset Report

Michael DeBortoli presented the monthly asset report for September. Michael mentioned September has improved with the new forecast. The month of September was not as good as 2017, however, better than other years.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for October 2019. Jesse reviewed bidding and calculating net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 8-23)

The consent calendar was considered. Vice Chairman Alqaser asked if any Participant wished to have any item removed for separate discussion. Michael DeBortoli pulled item#16 Process Innovations, Inc. MTCSA and #21 Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy MTSGA from the Consent Calendar. Process Innovations, Inc. was not ready for review by the Board and EMCOR Services needed additional scope of work added before review. Vice Chairman Alqaser, 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: 11/4/2019

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.:
8. Treasurer's Report for September 2019; **9.** Financial Report for September

2019; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Brown & Kysar, Inc. MTPSA for engineering related services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **12.** Hatton Crane & Rigging, Inc. MTGSA for crane and rigging support services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **13.** Contra Costa Electric, Inc. MTGSA for electrical maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **14.** CTi Controltech MTGSA for boiler and burner maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **15.** American Cooling Tower, Inc. MTGSA for cooling tower maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **17.** Reliability Optimization, Inc. MTGSA for predictive maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **18.** RAM Mechanical, Inc. MTGSA for general time and materials (T&M) mechanical maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **19.** Custom Valve Solutions, Inc. dba Custom Valve Solutions MTGSA for machining services, not to exceed \$1,500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **20.** Farwest Insulation Contracting MTGSA for insulation related services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **22.** American Industrial Scaffolding, Inc. MTGSA for scaffolding and insulation services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **23.** Di Drill Survey Services, Inc. MTGSA for labor and equipment for downhole wireline services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities.

Moved by:
Seconded by:

Lodi
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 | Absent | 2.6679% |

| | | |
|----------------------|---------------|----------|
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

Item#21 Mesa Energy System, Inc. dba EMCORE Services Mesa Energy MTGSA was pulled from the Consent Calendar to add Burner Maintenance and Inspection Services to the scope of work. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves Mesa Energy Systems, Inc. dba EMCOR Services Mesa Energy ("Contractor") shall provide chiller, HVAC, boiler and burner maintenance services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members. The Scope of Work will be amended to now include boiler and burner maintenance and inspection services.

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |

| | | |
|---------------------|---------------|----------|
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

BUSINESS ACTION ITEMS

24. FY2019 Annual Billing Settlements

Monty Hanks presented information on the FY2019 annual billing statement for approval for July 1, 2018 to June 30, 2019. This fiscal year resulted in a higher generation from market demand and plant availability, resulting in a refund for all participants. It will be presented for approval at the December 5th Commission Meeting. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves the Annual Billing Settlement Summary for fiscal year ended June 30, 2019.

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |

| | | |
|---------------|---------------|----------|
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

25. FY2020 Major Insurance Renewal

Monty Hanks presented an update on the insurance renewal for FY2020. The insurance companies had not submitted their bids to NCPA in time for this meeting and he hopes to have the results before the December 5, 2019 Commission Meeting. The premiums may increase due to the California wildfires. Monty asked for approval in advance for the General Manager to negotiate coverage not to exceed \$810,000. Monty will provide an update at the next LEC PPC meeting on December 9, 2019. We will have a special PPC meeting if the insurance rates exceed this amount. The LEC PPC considered the following motion:

Date: 11/4/2019

Motion: The PPC approves delegating authority to the General Manager to negotiate and bind property damage and liability coverage amounts as presented (or better) and a not-to-exceed proposed premium of approximately \$810,000. (\$675,000 for property and \$135,000 for liability).

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 | Absent | 2.6679% |
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| Vote Summary | | |
| Total Ayes | 6 | 82.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |

| | | |
|--------------|---------------|----------|
| Total Absent | 7 | 17.4821% |
| Result: | Motion Passes | |

INFORMATIONAL ITEMS

26. MSG Modeling Market Simulation

Gillian Biedler discussed the status of the MSG modeling market simulation. The two configurations used to model LEC against bidding and scheduling with MSG were with the gas turbine by itself, and the other simulation included both the gas and steam turbines together. NCPA is currently, working with a consultant and NCPA's IS Department to create these simulations. Vice Chairman Alqaser, requested a presentation on the simulation results for review of the software with configurations and parameters. Melissa Price requested a business case presentation for costs affecting the budget. Gillian Biedler will send a presentation to Michelle Schellentrager to distribute to the group.

27. Additional Operational Updates

None.

Adjournment

The next regular meeting of the PPC is scheduled for Monday December 9, 2019 at 10:00am.

The meeting was adjourned at 11:15am.

Submitted by: Melissa Conrad

Lodi Energy Center Project Participant Committee

Operational Report

Agenda Item No.: 4

Date: 12/09/2019

To: Lodi Energy Center Project Participant Committee

Safety

- OSHA Recordable: 0 Accidents.

Notice of Violations

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

Outage Summaries:

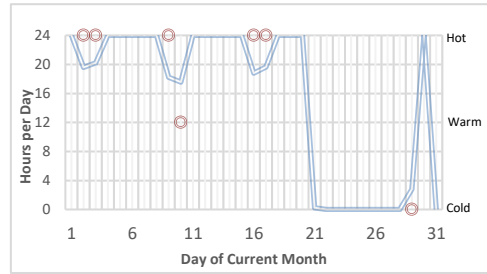
- 11/21-11/26/2019: HP steam line failure, OMS #7983031
- 11/25-11/26/2019: Excitation system trouble, OMS #8018941

Planned Outage Summaries:

- 2020 MAY – CTG Main Transformer Replacement
- 2022/2023 CT – Major Inspection (6 weeks outage)

Generating Unit Statistics:**Date:** 11/1/2019

| | | |
|--|---------|-------|
| 1. Monthly Production | 127,653 | MWH |
| 2. Productivity Factor | | |
| a. Service Hours | 477 | Hours |
| b. Service Factor | 66.2% | % |
| c. Capacity Factor @ 302MW Pmax | 58.6 | % |
| 3. Equivalent Operating Availability (EOA) | 75.0 | % |
| 4. Forced Outage Rate (FOR) | 27.4 | % |



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

| MW Range | PMOA HR BTU/kW- Hr | Average HR BTU/kW-Hr | Deviation % | Production MWH | Cost \$ |
|-----------------------|--------------------------|-------------------------|----------------|-------------------|------------|
| Seg. 1 296 + | 6850 | 0 | 0.00% | 0 | \$0 |
| Seg. 2 284 - 296 | 6870 | 6,947 | 1.12% | 20,058 | \$6,153 |
| Seg. 3 275 - 284 | 6971 | 6,972 | 0.02% | 46,626 | \$245 |
| Seg. 4 250 - 275 | 7081 | 6,993 | -1.24% | 47,444 | -\$16,642 |
| Seg. 5 225 - 250 | 7130 | 7,026 | -1.47% | 9,275 | -\$3,877 |
| Seg. 6 200 - 225 | 7200 | 7,090 | -1.53% | 1,247 | -\$549 |
| Seg. 7 175 - 225 | 7450 | 7,320 | -1.74% | 502 | -\$261 |
| Seg. 8 165 - 175 | 7760 | 7,910 | 1.93% | 222 | \$133 |
| | 7,164 | 7,180 | -0.67% | 125,374 | -\$14,798 |

6. AGC Control Deviation

| MW Range | High Dev MWH | Low Dev MWH | Total Dev MWH | Cost \$ |
|-----------------------|-----------------|----------------|------------------|------------|
| Seg. 1 296 + | 0 | 0 | 0 | \$0 |
| Seg. 2 284 - 296 | 0 | -49 | 49 | \$1,364 |
| Seg. 3 275 - 284 | 0 | -56 | 56 | \$1,570 |
| Seg. 4 250 - 275 | 3 | -4 | 6 | \$179 |
| Seg. 5 225 - 250 | 2 | -4 | 7 | \$187 |
| Seg. 6 200 - 225 | 2 | -5 | 7 | \$204 |
| Seg. 7 175 - 225 | 0 | -10 | 10 | \$296 |
| Seg. 8 165 - 175 | 0 | 0 | 0 | \$11 |
| | 7 | -129 | 136 | \$3,810 |

7. Starting Reliability

| Start Type | Hot Starts | Warm Starts | Cold Starts |
|------------------------------------|------------|-------------|-------------|
| Number of Starts | 5 | 1 | 1 |
| Start Time Benchmark (Minutes) | 75 | 110 | 200 |
| Start Time Actual (Average Minute) | 68 | 65 | 177 |
| Start Time Deviation (%) | -9% | -41% | -12% |
| Start Fuel Benchmark PMOA (mmBTU) | 1,300 | 1,800 | 3,500 |
| Start Fuel Actual (Average mmBTU) | 1,246 | 1,185 | 3,662 |
| Fuel Deviation (%) | -4% | -34% | 5% |
| Costs of Fuel Deviations (\$) | -\$1,083 | -\$2,461 | \$649 |



LEC PPC Meeting

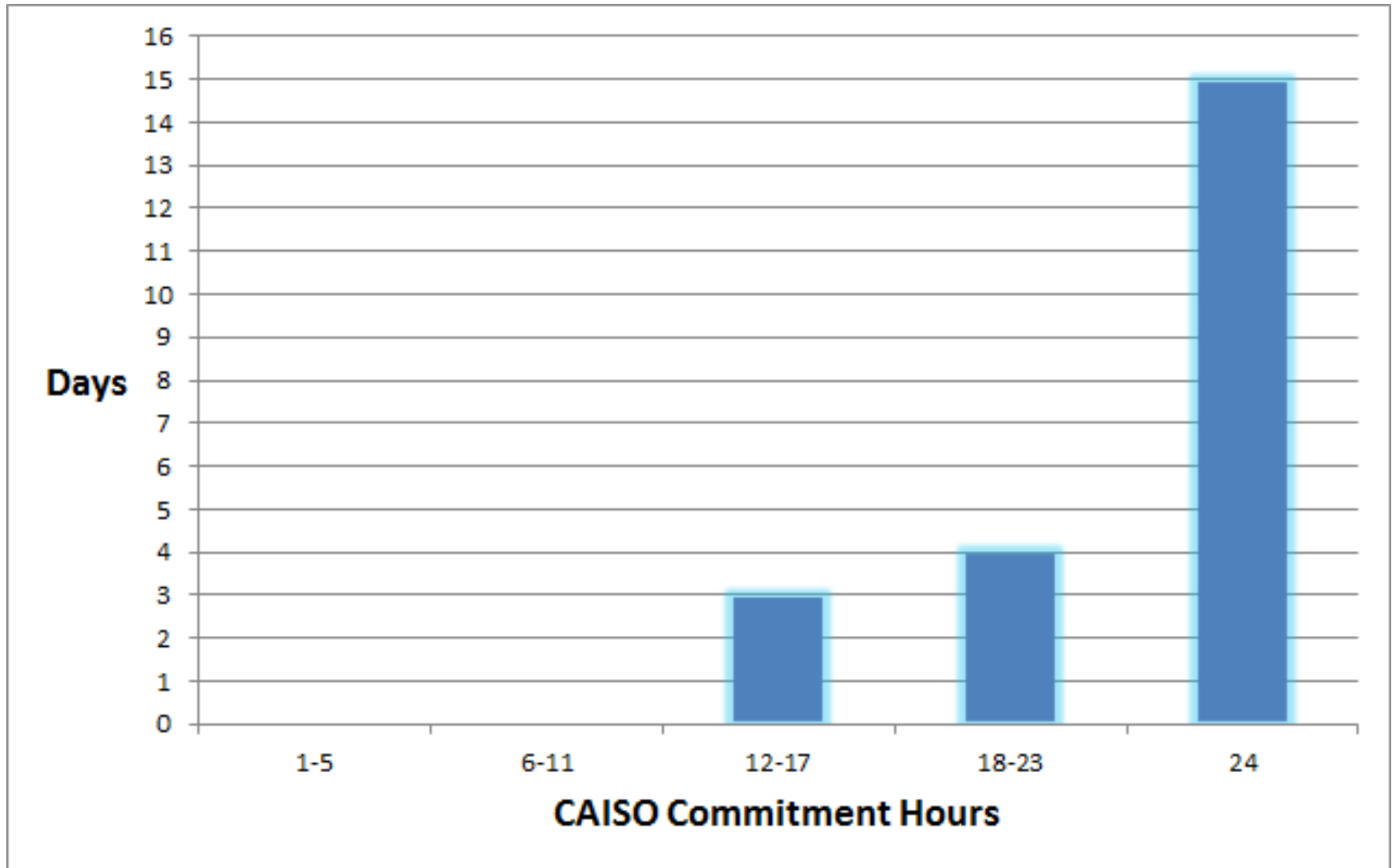
December 9, 2019

November 2019 Market Financial Results

LEC Operational Results for November 2019

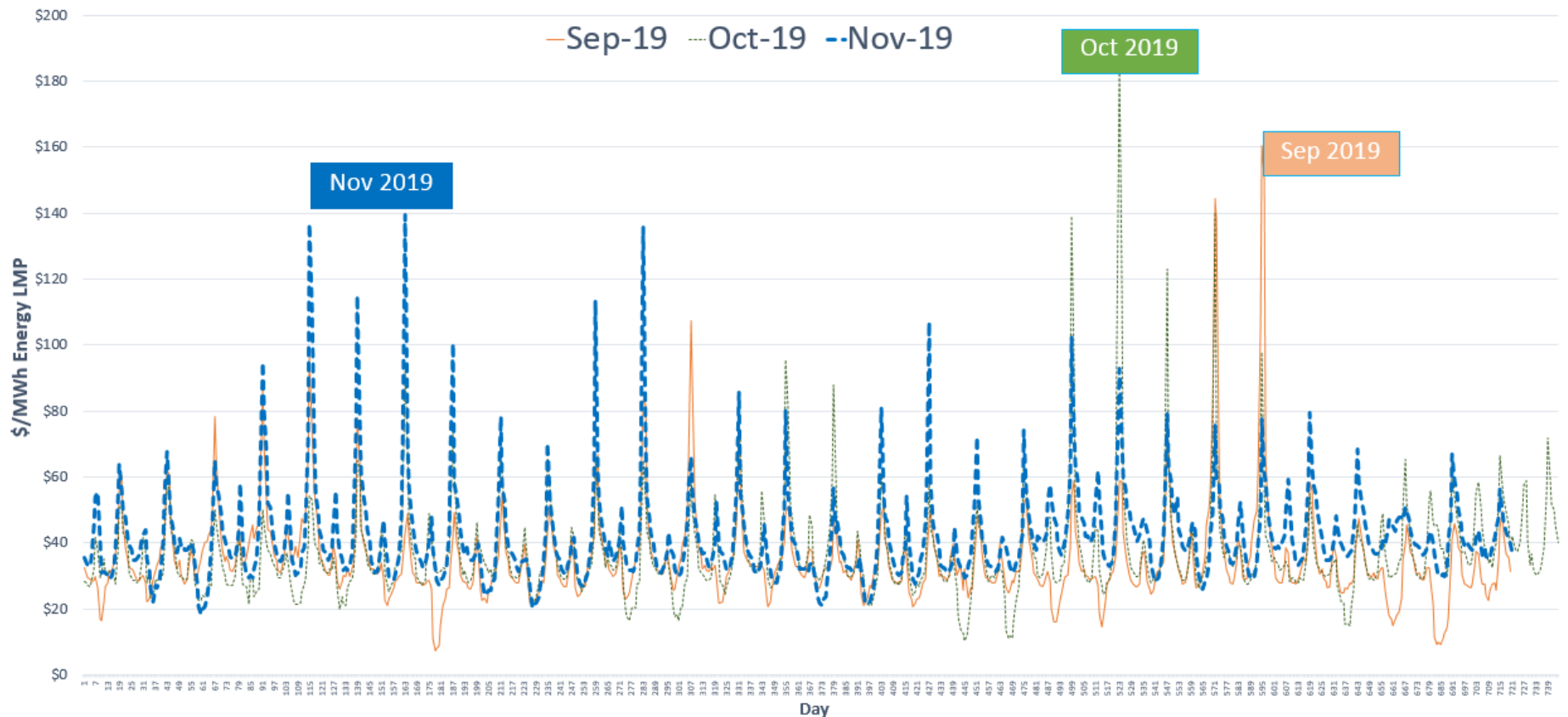
- Resource Adequacy Availability Metrics:
 - 71.1% - Monthly Assessment Generic Performance
 - 78.3% - Monthly Assessment Flexible Performance
 - Vs
 - 96.5% Availability Standard
- Initial RAAIM Incentive Payment amounts:
 - \$88,400 for Generic RA based on claimed 82.07 mw
 - \$30,300 for Flexible RA based on claimed 58.52 mw
- LEC was committed by CAISO for Market energy 22 of 30 available days
 - 8 days not committed due to planned/forced outage
 - 0 days not committed due to economics

Frequency Tabulation of Daily CAISO commitment hours for November 2019

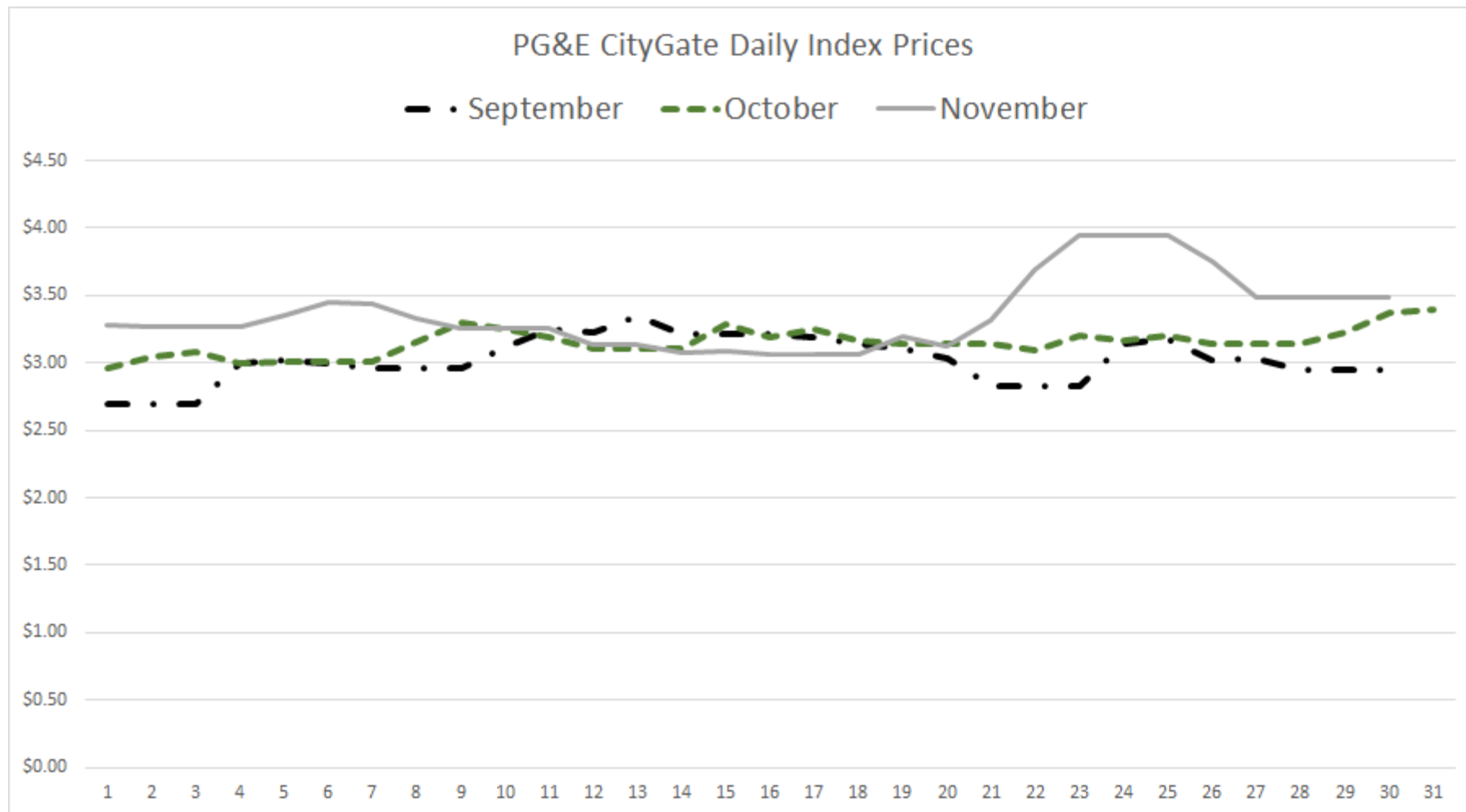


November 2019 Day Ahead Energy LMP values experienced more frequent high peak prices

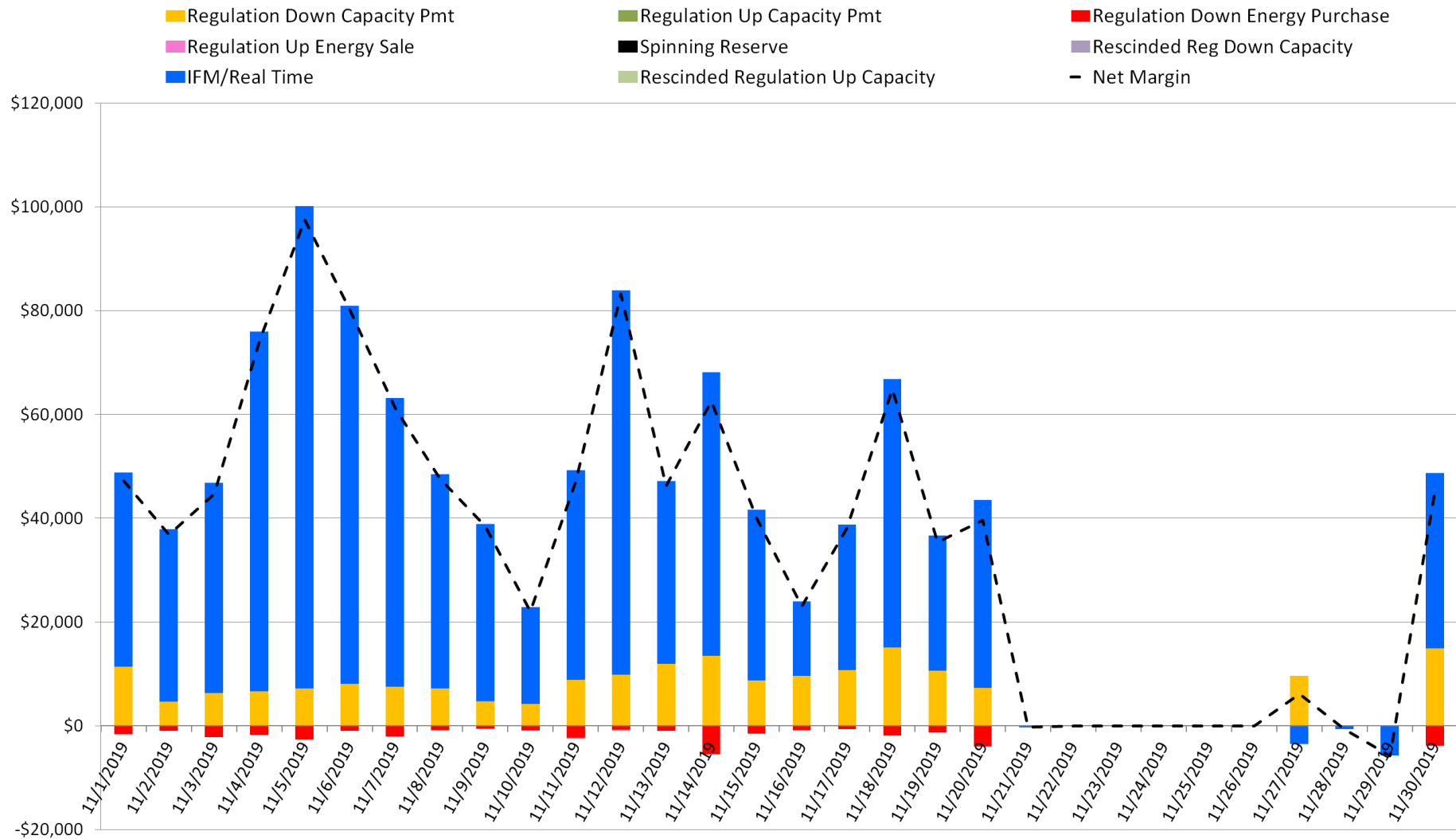
LEC PROJECT HOURLY DAY AHEAD LMP VALUES for Sep 2019 through November 2019



November 2019 Daily PG&E CityGate Gas Index traded higher during the first and last weeks



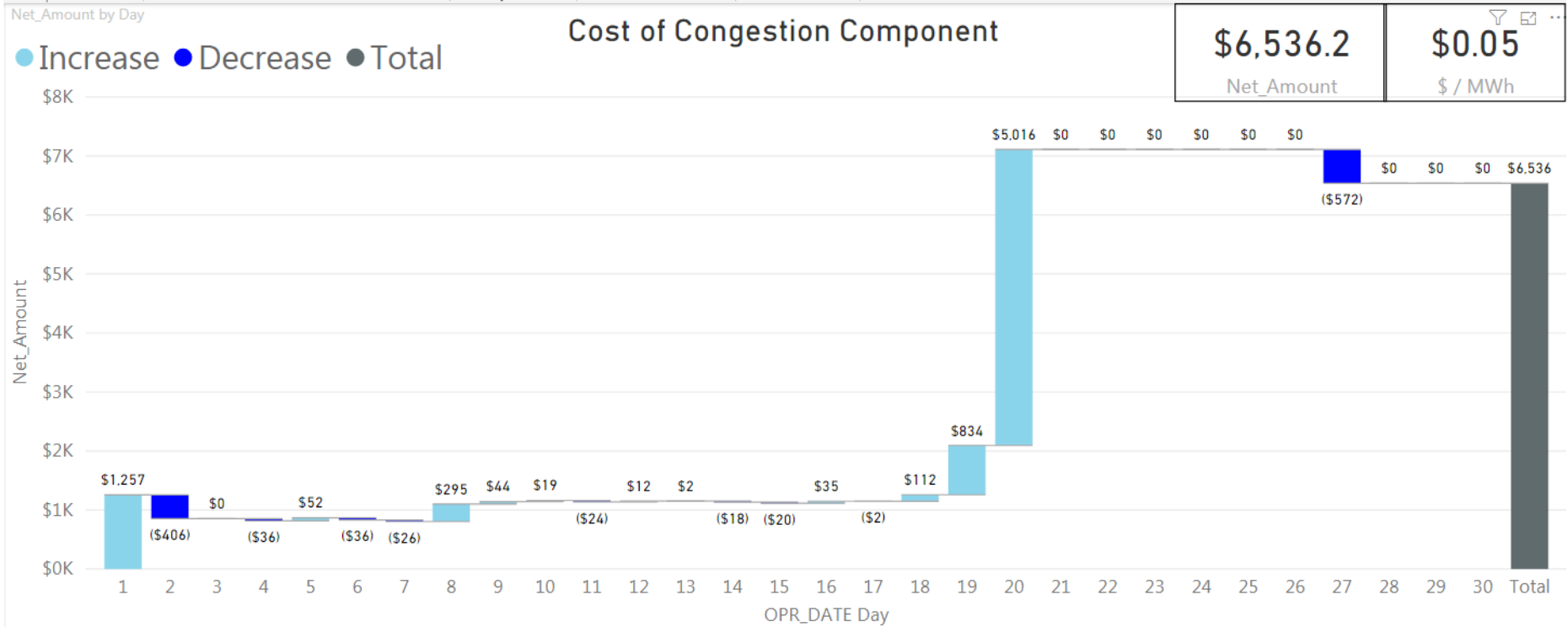
November 2019 LEC Daily Margin Profile by Product



November 2019 LEC Project Cumulative Monthly Margin

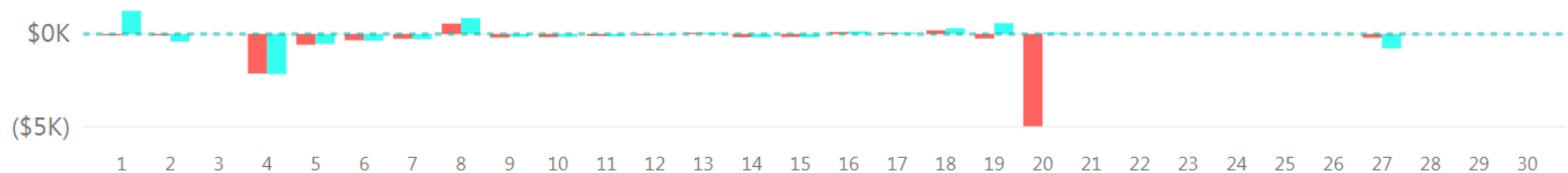
| | | |
|--|----------------|----------------|
| IFM/RTM Gross Revenues | \$ 5,738,100 | |
| Regulation Up Capacity | \$ 200 | |
| Regulation Down Capacity | \$ 198,900 | |
| Spinning Reserve | \$ - | |
| Total Gross LEC Revenue | | \$ 5,937,200 |
| LEC CAISO GMC Costs | \$ (54,700) | |
| CAISO Energy & Capacity Buyback Costs | \$ (384,500) | |
| Total Monthly LEC Fuel Cost | \$ (3,137,800) | |
| Total Monthly GHG Obligation | \$ (833,800) | |
| Variable Operations & Maintenance Cost | \$ (402,100) | |
| Total Costs | | \$ (4,812,900) |
| Net Cumulative Monthly Margin | | \$ 1,124,300 |
| Average Margin \$/MWh | \$ | 8.8 |

Comparison of Day Ahead Congestion LEC vs NP15 Trade Hub



NP15_Cost and LEC_Cost by Day

● NP15_Cost ● LEC_Cost



Comparison of Day Ahead Loss Component LEC vs NP15 Trade Hub

Net_Amount by Day

● Increase ● Decrease ● Total

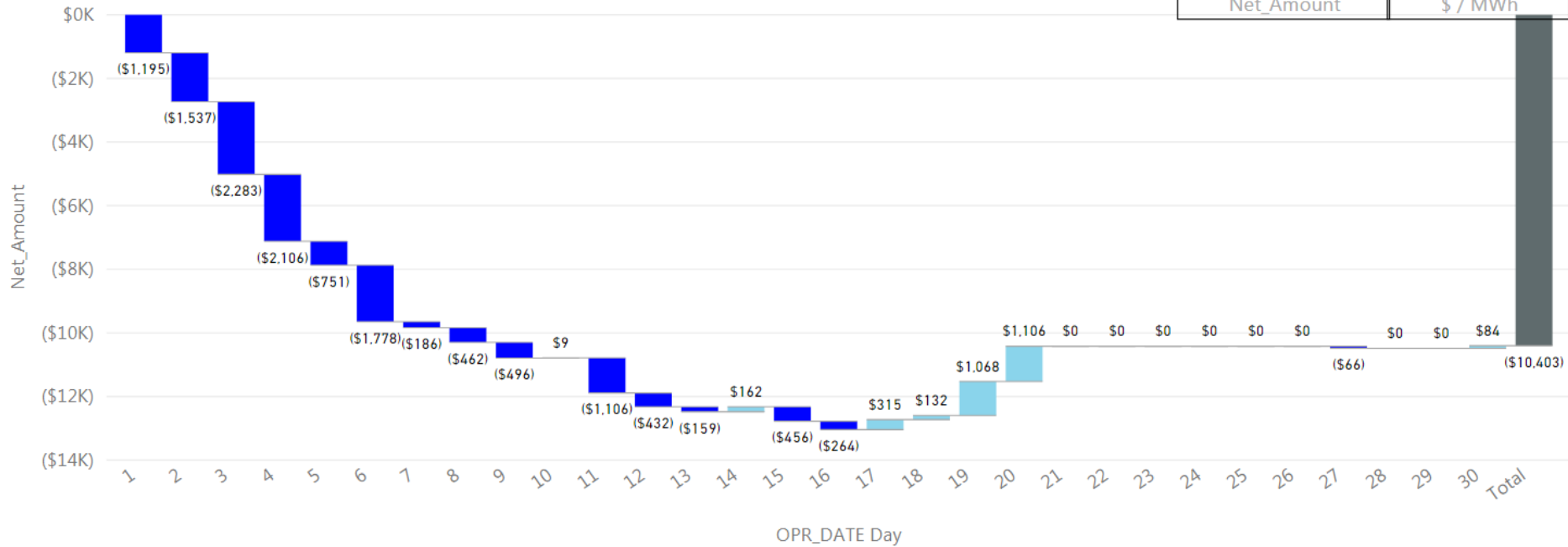
Cost of Loss Component

(\$10.4K)

Net_Amount

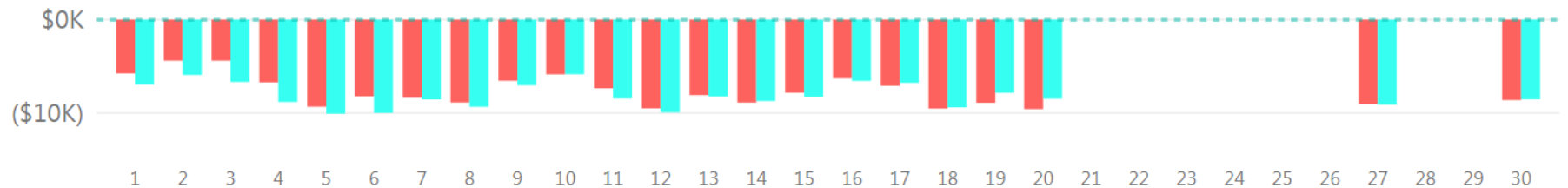
(\$0.08)

\$ / MWh



NP15_Cost and LEC_Cost by Day

● NP15_Cost ● LEC_Cost



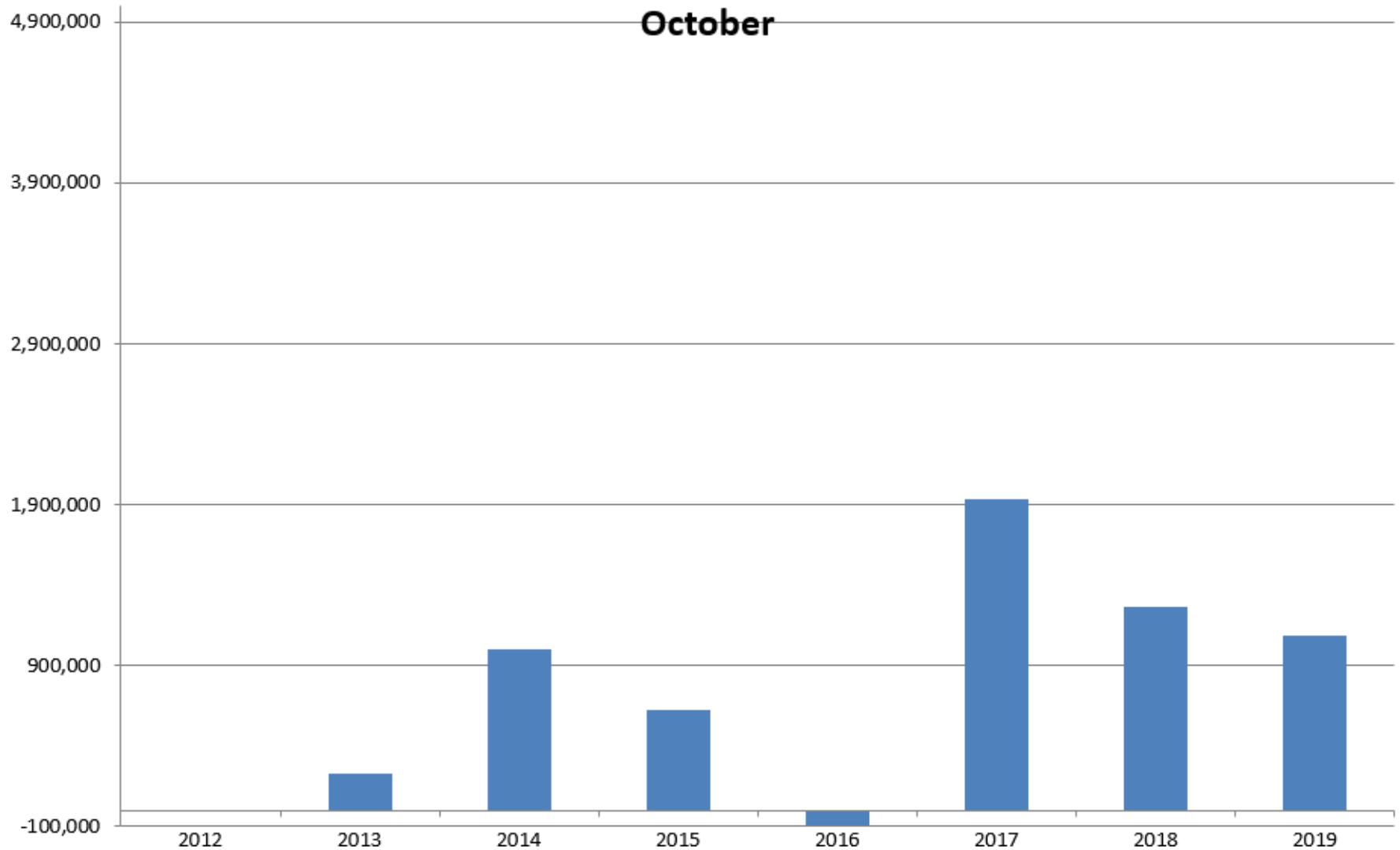
Lodi Energy Center
Monthly Budget Analysis
Expenditures
Report Date: 12/03/2019

| | July | August | September | October | November | December | January | February | March | April | May | June | Year | FY2020 Budget | Percent Used | Comments |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|------------------|------------------------|-----------------------------|
| VOM | 2,772,444 | 3,225,558 | 2,624,722 | 5,699,893 | 4,565,279 | 6,671,709 | 7,953,783 | 5,542,213 | 2,583,621 | 1,263,366 | 1,989,925 | 4,256,824 | 49,149,337 | 58,722,261 | 83.7% | |
| Capacity Factor | 44% | 44% | 35% | 76% | 63% | 89% | 92% | 79% | 30% | 7% | 15% | 66% | 53% | 65% | 81.8% | |
| Fuel Consumed (mmBTU, estimated) | 714,247 | 730,946 | 553,405 | 1,235,256 | 933,648 | 1,366,808 | 1,422,889 | 1,138,292 | 466,793 | 97,092 | 229,180 | 979,872 | 9,868,428 | 10,956,328 | 90.1% | |
| Avg Fuel Cost (\$/mmBTU) | 3.13 | 3.03 | 3.45 | 3.41 | 3.26 | 3.37 | 3.33 | 3.32 | 3.93 | 4.05 | 3.74 | 2.84 | 3.30 | 3.60 | 91.7% | |
| Power Produced (MWhr, estimated) | 98,359 | 99,594 | 76,532 | 171,502 | 136,299 | 199,534 | 207,721 | 166,174 | 68,145 | 14,174 | 33,457 | 143,047 | 1,414,538 | 1,599,464 | 88.4% | Strong October run Schedule |
| Avg Power Price (\$/MWhr) | 39.94 | 40.07 | 43.72 | 41.44 | 36.47 | 41.63 | 41.45 | 40.93 | 42.50 | 42.28 | 40.86 | 37.91 | 40.54 | 45.39 | 89.3% | |
| Operations / Variable / LTSA | -121,438 | 147,423 | 108,211 | 106,050 | 192,031 | 273,156 | 1,327,463 | 234,565 | 118,838 | 762,680 | 900,749 | 557,643 | 4,607,369 | 5,381,630 | 85.6% | |
| Fuel (estimated) | 2,236,397 | 2,215,007 | 1,909,046 | 4,214,370 | 3,045,831 | 4,601,561 | 4,734,378 | 3,776,024 | 1,833,396 | 393,275 | 856,043 | 2,787,083 | 32,602,412 | 39,476,805 | 82.6% | |
| AB32 GHG Offset (estimated) | 672,330 | 691,213 | 517,581 | 1,145,369 | 856,230 | 1,253,473 | 1,346,032 | 1,076,808 | 441,580 | 91,848 | 216,801 | 926,945 | 9,236,209 | 9,153,594 | 100.9% | |
| CA ISO Charges (estimated) | -14,846 | 171,915 | 89,884 | 234,104 | 471,187 | 543,519 | 545,910 | 454,816 | 189,806 | 15,564 | 16,332 | -14,846 | 2,703,347 | 4,710,232 | 57.4% | |
| Routine O&M (Fixed) | 996,862 | 1,042,833 | 909,568 | 848,446 | 812,049 | 1,106,092 | 1,094,373 | 813,293 | 737,049 | 768,768 | 1,064,965 | 1,072,049 | 11,266,344 | 10,961,591 | 102.8% | |
| Maintenance / Fixed | 391,756 | 237,917 | 310,680 | 240,925 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 208,424 | 2,848,671 | 2,646,090 | 107.7% | |
| Administration | 4,543 | 18,198 | 17,869 | 21,614 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 17,487 | 202,121 | 209,845 | 96.3% | |
| Mandatory Costs | 32,062 | 89,598 | 45,292 | 4,356 | 15,475 | 15,475 | 15,475 | 60,000 | 15,475 | 15,475 | 15,475 | 15,475 | 339,633 | 304,750 | 111.4% | |
| Inventory Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | 0.0% | |
| Labor | 448,571 | 552,843 | 415,797 | 398,827 | 440,000 | 396,719 | 385,000 | 396,719 | 365,000 | 396,719 | 692,916 | 700,000 | 5,589,112 | 5,558,310 | 100.6% | |
| Insurance | 0 | 0 | 0 | 51,020 | 0 | 337,324 | 337,324 | 0 | 0 | 0 | 0 | 0 | 725,668 | 674,648 | 107.6% | |
| Power Management & Settlements | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 119,930 | 1,439,157 | 1,439,156 | 100.0% | |
| Other Costs | 0 | 24,347 | 0 | 11,774 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 121,982 | 128,792 | 94.7% | |
| Projects | 124,681 | 124,681 | 124,681 | 150,977 | 324,681 | 999,439 | 124,681 | 1,291,024 | 124,681 | 124,681 | 1,136,950 | 124,681 | 4,775,839 | 5,332,715 | 89.6% | |
| Maintenance Reserve | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 124,681 | 1,496,173 | 1,496,174 | 100.0% | |
| Operations & Maintenance Projects | 0 | 0 | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 720,683 | 0 | 920,683 | 920,683 | 100.0% | |
| Capital Projects | 0 | 0 | 0 | 26,296 | 0 | 874,757 | 0 | 1,166,343 | 0 | 0 | 291,586 | 0 | 2,358,982 | 2,915,858 | 80.9% | |
| A&G | 202,865 | 223,945 | 172,362 | 174,248 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 203,798 | 2,403,803 | 2,445,575 | 98.3% | |
| Administrative & General (Allocated) | 174,966 | 186,176 | 135,492 | 131,135 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 175,483 | 2,031,630 | 2,105,792 | 96.5% | |
| Generation Services Shared | 27,899 | 37,769 | 36,870 | 43,113 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 28,315 | 372,173 | 339,783 | 109.5% | |
| Total O&M Cost | 4,096,852 | 4,617,017 | 3,831,333 | 6,873,564 | 5,905,807 | 8,981,037 | 9,376,635 | 7,850,328 | 3,649,148 | 2,360,612 | 4,395,638 | 5,657,352 | 67,595,323 | 77,462,142 | 87.3% | |
| Debt Service | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 2,171,202 | 26,054,427 | 26,054,428 | 100.0% | |
| Revenues | 3,928,611 | 3,990,879 | 3,514,451 | 7,297,753 | 5,111,510 | 8,497,197 | 8,809,917 | 6,920,431 | 2,912,166 | 603,645 | 1,392,638 | 5,461,503 | 58,440,702 | 74,420,929 | 78.5% | |
| ISO Energy Sales (estimated) | 3,928,611 | 3,990,879 | 3,346,118 | 7,106,533 | 4,970,294 | 8,305,670 | 8,609,887 | 6,802,066 | 2,896,255 | 599,314 | 1,367,017 | 5,423,183 | 57,345,828 | 72,602,551 | 79.0% | |
| Other Income | 0 | 0 | 168,333 | 191,221 | 141,215 | 191,528 | 200,030 | 118,366 | 15,911 | 4,331 | 25,621 | 38,320 | 1,094,874 | 1,818,378 | | |
| Net | (\$2,339,443) | (\$2,797,339) | (\$2,488,084) | (\$1,747,013) | (\$2,965,500) | (\$2,655,042) | (\$2,737,920) | (\$3,101,099) | (\$2,908,184) | (\$3,928,170) | (\$5,174,202) | (\$2,367,052) | (\$35,209,047) | (\$29,095,641) | Above budget by 21.01% | |

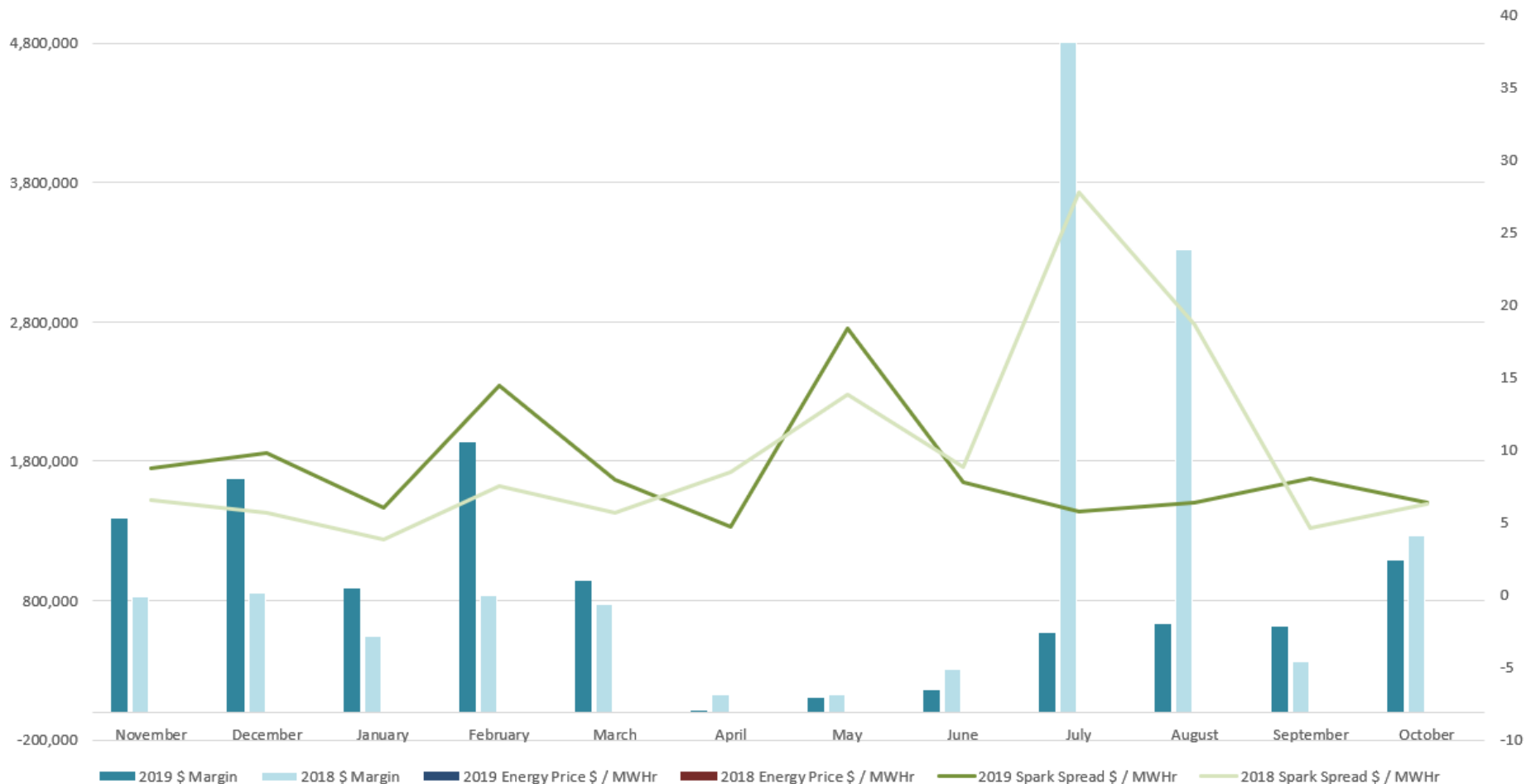
October Asset Report

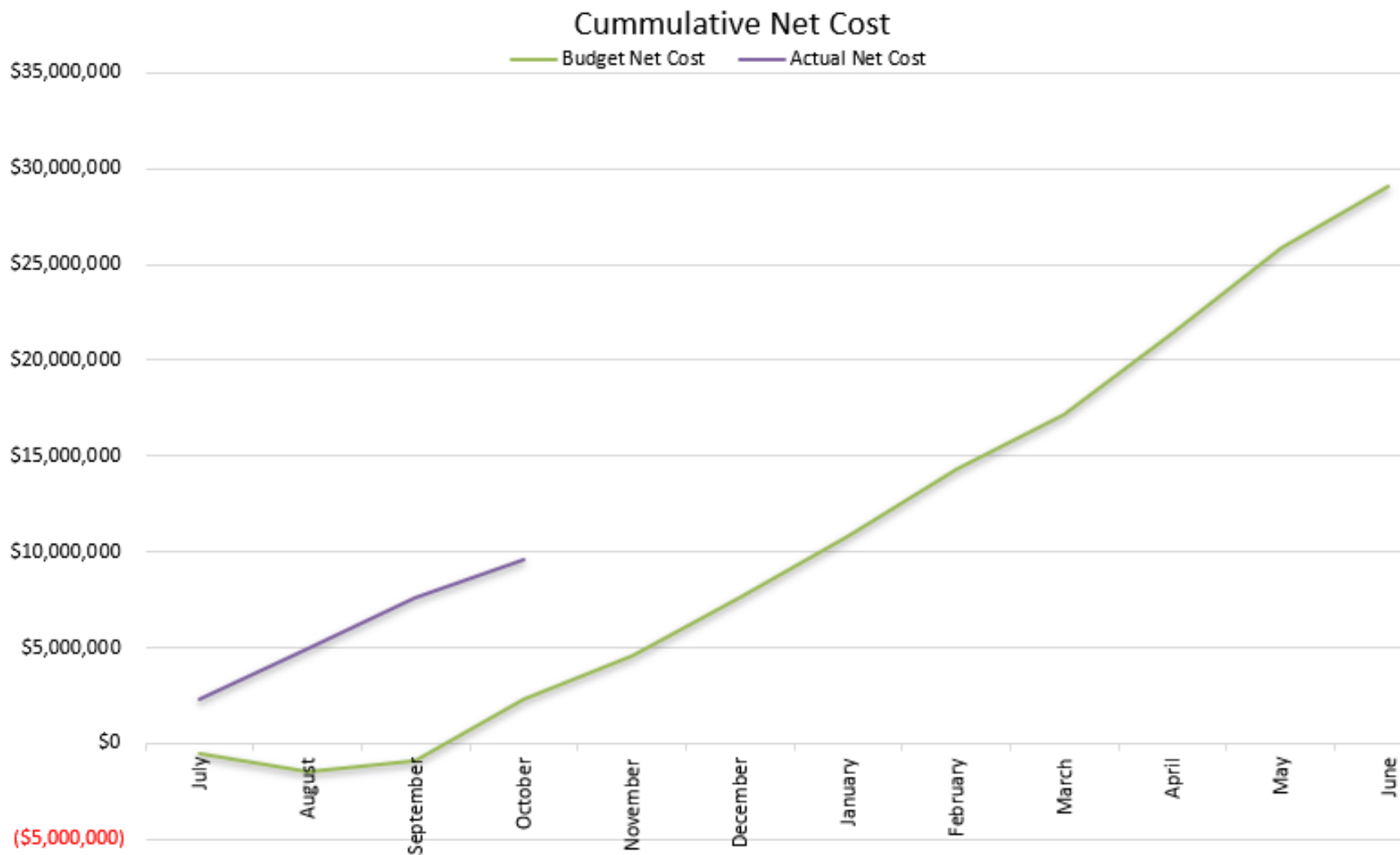
| | | Most Recent | | Above / (below) | Percent Difference | |
|--------------------|-------------|--------------|--------------|---------------------------|-----------------------|--|
| | Actual | Forecast | Budget | Forecast | Above / (below) | |
| Revenue | 7,106,533 | 3,336,970 | 7,037,085 | 3,769,563 | 7,106,533 | |
| VOM | 5,699,893 | 3,913,314 | 6,957,374 | 1,786,579 | 5,699,893 | |
| Fixed | 848,446 | 768,768 | 792,972 | 79,678 | 848,446 | |
| Projects | 150,977 | 707,853 | 124,681 | (556,876) | 150,977 | |
| A&G | 174,248 | 203,798 | 203,798 | (29,550) | 174,248 | |
| Debt | 2,171,202 | 2,171,202 | 2,171,202 | (0) | 2,171,202 | |
| Net Cost | (1,938,233) | (4,427,965) | (3,212,942) | 2,489,732 | (1,938,233) | |
| | | | | | | |
| Net Annual Cost | | (35,209,047) | (29,095,641) | (\$6,113,406) | | |
| | | | | Above budget by 21.01% | | |

Historical Margins



Historical Monthly Comparison







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.: 8

Date: December 9, 2019
To: LEC Project Participant Committee
Subject: Treasurer's Report for the Month Ended October 31, 2019

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 \$43,449.

Investments - The carrying value of the LEC's investment portfolio totaled \$35,004,688 at month end. The current market value of the portfolio totaled \$35,010,486.

The overall portfolio had a combined weighted average interest rate of 1.905% with a bond equivalent yield (yield to maturity) of 1.763%. Investments with a maturity greater than one year totaled \$11,955,000. During the month \$4,921,630 was invested.

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

Interest Rates - During the month, rates on 90 day T-Bills decreased 29 basis points (from 1.88% to 1.59%) and rates on one year T-Bills decreased 22 basis points (from 1.79% to 1.57%).

To the best of my knowledge and belief, all securities held by LEC as of October 31, 2019 are in compliance with the Agency's investment policy. There are adequate cash flow and investment maturities to meet next month's cash requirements.

Environmental Analysis

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

Respectfully submitted,

MONTY HANKS
Assistant General Manager/CFO
Administrative Services/Finance

Prepared by:

SONDRA AINSWORTH
Treasurer-Controller

Attachments

LODI ENERGY CENTER

TREASURER'S REPORT

OCTOBER 31, 2019

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| DETAIL REPORT OF INVESTMENTS | APPENDIX |

Northern California Power Agency/Lodi Energy Center
Treasurer's Report
Cash & Investment Balance
October 31, 2019

| | CASH | INVESTMENTS | TOTAL | PERCENT | INVESTMENTS at MARKET |
|--|------------------|----------------------|----------------------|----------------|--------------------------|
| MANDATORY FUNDS | | | | | |
| Debt Service Account | \$ 1,003 | \$ 11,081,567 | \$ 11,082,570 | 31.62% | \$ 11,083,236 |
| Debt Service Reserve | - | 12,421,550 | 12,421,550 | 35.44% | 12,425,315 |
| O & M Reserve | - | 11,426,468 | 11,426,468 | 32.60% | 11,426,832 |
| | 1,003 | 34,929,585 | 34,930,588 | 99.66% | 34,935,383 |
| ADDITIONAL PROJECT FUNDS | | | | | |
| GHG Cash Account | - | 75,103 | 75,103 | 0.21% | 75,103 |
| Transmission Upgrade Escrow ¹ | 42,446 | - | 42,446 | 0.12% | - |
| Participant Deposit Account | - | - | - | 0.00% | - |
| | \$ 43,449 | \$ 35,004,688 | \$ 35,048,137 | 100.00% | \$ 35,010,486 |

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, 2019

| | RECEIPTS | | | EXPENDITURES | | | CASH |
|--|-------------|----------------------|-------------------------|--------------|-------------------------|----------------------------------|--------------------------|
| | OPS/CONSTR | INTEREST (NOTE B) | INVESTMENTS (NOTE A) | OPS/CONSTR | INVESTMENTS (NOTE B) | INTER-COMPANY/ FUND TRANSFERS | INCREASE / (DECREASE) |
| MANDATORY FUNDS | | | | | | | |
| Debt Service Account | \$ - | \$ 284 | \$ 470 | \$ - | \$ (2,171,832) | \$ 2,171,202 | \$ 124 |
| Debt Service Reserve | - | 3 | - | - | (3) | - | - |
| O & M Reserve | - | 8,381 | 2,740,954 | - | (2,749,335) | - | - |
| | - | 8,668 | 2,741,424 | - | (4,921,170) | 2,171,202 | 124 |
| ADDITIONAL PROJECT FUNDS | | | | | | | |
| GHG Cash Account | - | 460 | - | - | (460) | - | - |
| Transmission Upgrade Escrow ¹ | - | 6 | - | - | - | - | 6 |
| Participant Deposit Account | - | - | - | - | - | - | - |
| TOTAL | \$ - | \$ 9,134 | \$ 2,741,424 | \$ - | \$ (4,921,630) | \$ 2,171,202 | \$ 130 |

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, 2019**

| | PURCHASED | SOLD OR MATURED | (NON-CASH) DISC/(PREM) AMORT | (NON-CASH) GAIN/(LOSS) ON SALE | INVESTMENTS | |
|---------------------------------|---------------------|-----------------------|------------------------------------|--------------------------------------|-------------|--------------------------|
| | | | | | TRANSFERS | INCREASE / (DECREASE) |
| MANDATORY FUNDS | | | | | | |
| Debt Service Account | \$ 2,171,832 | (470) | \$ 14,182 | \$ - | \$ - | \$ 2,185,544 |
| Debt Service Reserve | 3 | - | (1,551) | - | - | (1,548) |
| O & M Reserve | 2,749,335 | (2,740,954) | (43) | - | - | 8,338 |
| | <u>4,921,170</u> | <u>(2,741,424)</u> | <u>12,588</u> | <u>-</u> | <u>-</u> | <u>2,192,334</u> |
| ADDITIONAL PROJECT FUNDS | | | | | | |
| GHG Cash Account | 460 | - | - | - | - | 460 |
| Participant Deposit Acct. | - | - | - | - | - | - |
| TOTAL | <u>\$ 4,921,630</u> | <u>\$ (2,741,424)</u> | <u>\$ 12,588</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,192,794</u> |

Less Non- Cash Activity

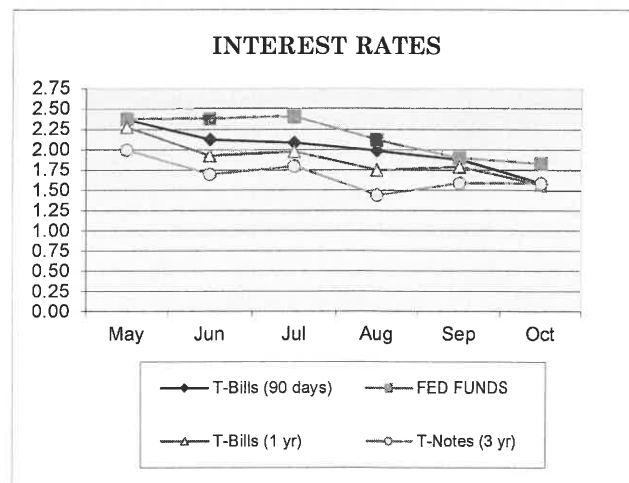
| | |
|--|----------------------------|
| Disc/(Prem) Amortization & Gain/(Loss) on Sale | (12,588) |
| Net Change in Investment --Before Non-Cash Activity | <u><u>\$ 2,180,206</u></u> |

NOTE A -Investment amounts shown at book carrying value.

**Northern California Power Agency
Lodi Energy Center
Interest Rate/Yield Analysis
October 31, 2019**

| | WEIGHTED AVERAGE INTEREST RATE | BOND EQUIVALENT YIELD |
|-------------------------|---|--------------------------------------|
| OVERALL COMBINED | <u>1.905%</u> | <u>1.763%</u> |
| Debt Service Account | 1.805% | 1.838% |
| Debt Service Reserve | 2.150% | 1.722% |
| O & M Reserve | 1.733% | 1.730% |
| GHG Cash Account | 2.446% | 2.446% |

| KEY INTEREST RATES | | |
|---------------------------|----------------|-----------------------|
| | CURRENT | PRIOR YEAR |
| Fed Funds (Overnight) | 1.83% | 1.92% |
| T-Bills (90da.) | 1.59% | 2.20% |
| Agency Disc (90da.) | 1.47% | 2.16% |
| T-Bills (1yr.) | 1.57% | 2.59% |
| Agency Disc (1yr.) | 1.45% | 2.59% |
| T-Notes (3yr.) | 1.59% | 2.89% |



**Northern California Power Agency
Total Portfolio
Investment Maturities Analysis
October 31, 2019**

| 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 | \$ - | \$ 10,662 | \$0 | \$ 8,910 | \$ - | \$ 11,360 | \$ - | \$ 30,932 | 88.45% |
| Corporate Bonds (MTN) | - | - | - | - | - | 595 | - | 595 | 1.70% |
| US Bank Trust Money Market | 441 | - | - | - | - | - | - | 441 | 1.26% |
| Commercial Paper | - | - | - | - | - | - | - | - | 0.01% |
| Investment Trusts (LAIF) | 1,540 | - | - | - | - | - | - | 1,540 | 4.40% |
| Investment Trusts (CAMP) | - | - | - | - | - | - | - | - | 0.01% |
| U.S.Treasury Market Acct. * | - | - | - | - | - | - | - | - | 0.00% |
| U.S.Treasury Bill/Note | - | 1,462 | - | - | - | - | - | 1,462 | 4.18% |
| Certificates of Deposit | - | - | - | - | - | - | - | - | 0.00% |
| Total Dollars | \$ 1,981 | \$12,124 | \$0 | \$8,910 | \$0 | \$11,955 | \$0 | \$ 34,970 | 100.00% |
| Total Percents | 5.66% | 34.67% | 0.00% | 25.48% | 0.00% | 34.19% | 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
10/31/2019

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 | 455 | 0.600 | 07/01/2013 | 455 | | 1 | 0.600 | 455 | SYS79003 | 79003 | 455 |
| Federal Home Loan Ba | USBT | 1,120,000 | 1.940 | 07/25/2019 | 1,112,154 | 12/02/2019 | 31 | 1.980 | 1,118,387 | 313384PZ6A | 26837 | 1,118,129 |
| Federal Home Loan Ba | USBT | 501,000 | 1.810 | 08/26/2019 | 498,531 | 12/02/2019 | 31 | 1.844 | 500,279 | 313384PZ6A | 26863 | 500,219 |
| Federal Home Loan Ba | USBT | 500,000 | 1.910 | 09/25/2019 | 498,196 | 12/02/2019 | 31 | 1.943 | 499,280 | 313384PZ6A | 26882 | 499,178 |
| Federal Home Loan Ba | USBT | 499,000 | 1.680 | 10/29/2019 | 498,208 | 12/02/2019 | 31 | 1.706 | 498,281 | 313384PZ6A | 26901 | 498,278 |
| Fund Total and Average | | \$ 2,620,455 | 1.860 | | \$ 2,507,544 | | 31 | 1.895 | \$ 2,616,682 | | | \$ 2,616,259 |

LEC Issue #1 2010B DS Fund

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|----|-------|--------------|------------|-------|--------------|
| US Bank Trust | USB | 177 | 0.600 | 07/01/2013 | 177 | | 1 | 0.600 | 177 | SYS79004 | 79004 | 177 |
| Federal Home Loan Ba | USBT | 1,520,000 | 1.939 | 07/25/2019 | 1,509,352 | 12/02/2019 | 31 | 1.980 | 1,517,811 | 313384PZ6A | 26838 | 1,517,461 |
| Federal Home Loan Ba | USBT | 727,000 | 1.810 | 08/26/2019 | 723,418 | 12/02/2019 | 31 | 1.844 | 725,953 | 313384PZ6A | 26864 | 725,867 |
| Federal Home Loan Ba | USBT | 726,000 | 1.910 | 09/25/2019 | 723,381 | 12/02/2019 | 31 | 1.943 | 724,955 | 313384PZ6A | 26883 | 724,806 |
| Federal Home Loan Ba | USBT | 724,000 | 1.680 | 10/29/2019 | 722,851 | 12/02/2019 | 31 | 1.706 | 722,957 | 313384PZ6A | 26902 | 722,953 |
| Fund Total and Average | | \$ 3,697,177 | 1.858 | | \$ 3,679,179 | | 31 | 1.893 | \$ 3,691,853 | | | \$ 3,691,264 |

LEC Issue #2 2010A DS Fund

| | | | | | | | | | | | | |
|------------------------|-----|------------|-------|------------|------------|--|---|-------|------------|----------|-------|------------|
| US Bank Trust | USB | 435,622 | 0.600 | 07/01/2013 | 435,622 | | 1 | 0.600 | 435,622 | SYS79011 | 79011 | 435,622 |
| Fund Total and Average | | \$ 435,622 | 0.600 | | \$ 435,622 | | 1 | 0.600 | \$ 435,622 | | | \$ 435,622 |

LEC Issue #2 2010B DS Fund

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|----|-------|--------------|------------|-------|--------------|
| US Bank Trust | USB | 336 | 0.600 | 07/01/2013 | 336 | | 1 | 0.600 | 336 | SYS79012 | 79012 | 336 |
| Federal Home Loan Ba | USBT | 1,181,000 | 1.940 | 07/25/2019 | 1,172,726 | 12/02/2019 | 31 | 1.980 | 1,179,299 | 313384PZ6A | 26839 | 1,179,027 |
| Federal Home Loan Ba | USBT | 786,000 | 1.810 | 08/26/2019 | 782,127 | 12/02/2019 | 31 | 1.844 | 784,868 | 313384PZ6A | 26865 | 784,775 |
| Federal Home Loan Ba | USBT | 784,000 | 1.910 | 09/25/2019 | 781,172 | 12/02/2019 | 31 | 1.943 | 782,871 | 313384PZ6A | 26884 | 782,711 |
| Federal Home Loan Ba | USBT | 783,000 | 1.680 | 10/29/2019 | 781,758 | 12/02/2019 | 31 | 1.706 | 781,872 | 313384PZ6A | 26903 | 781,867 |
| Fund Total and Average | | \$ 3,534,336 | 1.847 | | \$ 3,518,119 | | 31 | 1.881 | \$ 3,529,246 | | | \$ 3,528,716 |

LEC Issue#1 2017A DS Fund

| | | | | | | | | | | | | |
|------------------------|------|------------|-------|------------|------------|------------|----|-------|------------|------------|-------|------------|
| Federal Home Loan Ba | USBT | 303,000 | 1.939 | 07/25/2019 | 300,877 | 12/02/2019 | 31 | 1.980 | 302,564 | 313384PZ6A | 26840 | 302,494 |
| Federal Home Loan Ba | USBT | 170,000 | 1.810 | 08/26/2019 | 169,162 | 12/02/2019 | 31 | 1.844 | 169,755 | 313384PZ6A | 26866 | 169,735 |
| Federal Home Loan Ba | USBT | 169,000 | 1.909 | 09/25/2019 | 168,390 | 12/02/2019 | 31 | 1.943 | 168,757 | 313384PZ6A | 26885 | 168,722 |
| Federal Home Loan Ba | USBT | 169,000 | 1.680 | 10/29/2019 | 168,732 | 12/02/2019 | 31 | 1.706 | 168,757 | 313384PZ6A | 26904 | 168,756 |
| Fund Total and Average | | \$ 811,000 | 1.852 | | \$ 807,161 | | 31 | 1.887 | \$ 809,833 | | | \$ 809,707 |

| | | | | | | | | | | | |
|---------------|----|------------|-------|----|------------|----|-------|----|-------------|----|------------|
| GRAND TOTALS: | \$ | 11,098,590 | 1.805 | \$ | 11,047,625 | 30 | 1.838 | \$ | 11,083,236. | \$ | 11,081,568 |
|---------------|----|------------|-------|----|------------|----|-------|----|-------------|----|------------|

*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 10/31/2019



Northern California Power Agency
Treasurer's Report

10/31/2019

LEC Issue #1 2010 DSR Fund

| Issuer | Trustee / Custodian | Stated Value | Interest Rate | Purchase Date | Purchased Price | Maturity Date | Days to Maturity | Bond* Equiv Yield | Market Value | CUSIP | Investment # | Carrying Value |
|------------------------|---------------------|--------------|---------------|---------------|-----------------|---------------|------------------|-------------------|--------------|-----------|--------------|----------------|
| US Bank Trust | USB | 1,521 | 0.600 | 07/01/2013 | 1,521 | 1,521 | 1 | 0.600 | 1,521 | SYS79005 | 79005 | 1,521 |
| U.S. Treasury | USB | 333,000 | 2.000 | 07/25/2019 | 329,633 | 01/23/2020 | 83 | 2.048 | 331,835 | 912796TC3 | 26844 | 331,465 |
| Federal Farm Credit | USB | 4,360,000 | 1.660 | 06/08/2016 | 4,360,000 | 05/25/2021 | 571 | 1.659 | 4,342,996 | 3133ECBZ7 | 26337 | 4,360,000 |
| Federal Home Loan Mt | USB | 150,000 | 1.125 | 07/28/2017 | 146,648 | 08/12/2021 | 650 | 1.699 | 148,808 | 3137EAE09 | 26454 | 148,522 |
| Federal Home Loan Ba | USB | 4,100,000 | 2.125 | 08/28/2017 | 4,168,306 | 06/10/2022 | 952 | 1.760 | 4,156,703 | 313379Q69 | 26463 | 4,137,247 |
| Fund Total and Average | | \$ 8,944,521 | 1.878 | | \$ 9,006,108 | | 730 | 1.721 | \$ 8,981,863 | | | \$ 8,978,755 |

LEC Iss#1 2010B BABS Subs Resv

| | | | | | | | | | | | | |
|------------------------|------|--------------|-------|------------|--------------|------------|-----|-------|--------------|-----------|-------|--------------|
| US Bank Trust | USB | 992 | 0.600 | 07/01/2013 | 992 | 992 | 1 | 0.600 | 992 | SYS79006 | 79006 | 992 |
| Federal Home Loan Ba | USB | 2,145,000 | 3.375 | 07/28/2017 | 2,255,146 | 06/12/2020 | 224 | 1.540 | 2,167,565 | 313370E38 | 26455 | 2,168,542 |
| Federal Home Loan Ba | UBOC | 150,000 | 1.920 | 07/25/2019 | 147,080 | 07/24/2020 | 266 | 1.980 | 148,250 | 313384ZU6 | 26845 | 147,872 |
| Fund Total and Average | | \$ 2,295,992 | 3.281 | | \$ 2,403,218 | | 227 | 1.568 | \$ 2,316,807 | | | \$ 2,317,406 |

LEC Issue #2 2010B DSR BABS

| | | | | | | | | | | | | |
|------------------------|-----|---------------|-------|------------|---------------|------------|-----|-------|---------------|-----------|-------|---------------|
| US Bank Trust | USB | 1,596 | 0.600 | 07/01/2013 | 1,596 | 1,596 | 1 | 0.600 | 1,596 | SYS79013 | 79013 | 1,596 |
| U.S. Treasury | USB | 1,123,000 | 1.999 | 07/25/2019 | 1,117,585 | 01/23/2020 | 83 | 2.048 | 1,125,049 | 912796TC3 | 26846 | 1,123,794 |
| Fund Total and Average | | \$ 1,130,596 | 1.998 | | \$ 1,119,181 | | 83 | 2.046 | \$ 1,126,645 | | | \$ 1,125,390 |
| GRAND TOTALS: | | \$ 12,371,109 | 2.150 | | \$ 12,528,507 | | 577 | 1.722 | \$ 12,425,315 | | | \$ 12,421,651 |

*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 10/31/2019
Investment #26337 FFCB Callable anytime



Northern California Power Agency
Treasurer's Report
10/31/2019

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 | | 1,464,496 | 2.446 | 07/01/2013 | 1,464,496 | | 1 | 2.446 | 1,464,496 | SYS70047 | 70047 | 1,464,496 |
| Union Bank of Califo | UBOC | 0 | 0.002 | 07/18/2013 | 0 | | 1 | 0.002 | 0 | SYS70041 | 70041 | 0 |
| Federal Home Loan Ba | UBOC | 3,615,000 | 1.540 | 06/30/2017 | 3,613,952 | 06/05/2020 | 217 | 1.550 | 3,614,205 | 3130ABJ00 | 26440 | 3,614,787 |
| Federal National Mtg | UBOC | 3,000,000 | 1.300 | 06/30/2016 | 3,000,000 | 06/30/2020 | 242 | 1.300 | 2,992,170 | 3136G3UJ2 | 26341 | 3,000,000 |
| Federal Farm Credit | UBOC | 500,000 | 1.500 | 10/15/2019 | 499,335 | 04/15/2021 | 531 | 1.590 | 499,145 | 3133EKY83 | 26892 | 499,355 |
| Federal Farm Credit | UBOC | 1,000,000 | 1.920 | 10/21/2019 | 1,000,000 | 04/21/2022 | 902 | 1.920 | 1,000,140 | 3133EK2S4 | 26894 | 1,000,000 |
| US Bank, N.A. | UBOC | 595,000 | 2.650 | 05/31/2019 | 598,290 | 05/23/2022 | 934 | 2.456 | 606,501 | 90331HPC1 | 26822 | 597,830 |
| Federal Home Loan Mt | UBOC | 1,250,000 | 2.000 | 10/16/2019 | 1,250,000 | 10/16/2023 | 1,445 | 2.000 | 1,250,175 | 3134GUJB7 | 26893 | 1,250,000 |
| Fund Total and Average | | \$ 11,424,496 | 1.733 | | \$ 11,426,073 | | 441 | 1.730 | \$ 11,426,832 | | | \$ 11,426,468 |
| GRAND TOTALS: | | \$ 11,424,496 | 1.733 | | \$ 11,426,073 | | 441 | 1.730 | \$ 11,426,832 | | | \$ 11,426,468 |

*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 10/31/2019
Investment #26822 USB Callable on and anytime after 4/22/2022
Investment #26893 FFLMC Callable on and anytime after 4/16/2020
Investment #26894 FFCB Callable on and anytime after 01/21/2020



Northern California Power Agency
Treasurer's Report
10/31/2019

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 | | 75,103 | 2.446 | 07/01/2013 | 75,103 | | 1 | 2.446 | 75,103 | SYS70046 | 70046 | 75,103 |
| Fund Total and Average | | \$ 75,103 | 2.446 | | \$ 75,103 | | 1 | 2.446 | \$ 75,103 | | | \$ 75,103 |
| GRAND TOTALS: | | \$ 75,103 | 2.446 | | \$ 75,103 | | 1 | 2.446 | \$ 75,103. | | | \$ 75,103 |

*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 10/31/2019



Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO.: 9

Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: October 31, 2019 Financial Reports (Unaudited)

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

| | October | |
|--|-----------------------|-----------------------|
| | 2019 | 2018 |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 75,103 | \$ 73,264 |
| Interest receivable | 178 | 87 |
| Inventory and supplies - at average cost | 2,202,633 | 2,110,854 |
| Prepaid insurance | 67,928 | 56,681 |
| Due from (to) Agency, net | 24,729,597 | 24,828,151 |
| TOTAL CURRENT ASSETS | 27,075,439 | 27,069,037 |
| RESTRICTED ASSETS | | |
| Cash and cash equivalents | 4,130,513 | 7,874,843 |
| Investments | 30,848,972 | 27,309,247 |
| Interest receivable | 138,300 | 157,412 |
| TOTAL RESTRICTED ASSETS | 35,117,785 | 35,341,502 |
| ELECTRIC PLANT | | |
| Electric plant in service | 423,879,333 | 423,810,113 |
| Less: accumulated depreciation | (101,043,456) | (86,424,994) |
| | 322,835,877 | 337,385,119 |
| Construction work-in-progress | 182,398 | 182,398 |
| TOTAL ELECTRIC PLANT | 323,018,275 | 337,567,517 |
| OTHER ASSETS | | |
| Unamortized excess cost on advance refunding of debt, net | 1,717,375 | 2,027,711 |
| Regulatory assets | 24,987,543 | 24,340,518 |
| TOTAL OTHER ASSETS | 26,704,918 | 26,368,229 |
| TOTAL ASSETS | 411,916,417 | 426,346,285 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Asset retirement obligations | 179,706 | - |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 179,706 | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 412,096,123 | \$ 426,346,285 |

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

| | October | |
|---|-----------------------|-----------------------|
| | 2019 | 2018 |
| LIABILITIES & NET POSITION | | |
| CURRENT LIABILITIES | | |
| Accounts and retentions payable | \$ 4,199,179 | \$ 5,867,079 |
| Operating reserves | 15,098,492 | 14,136,505 |
| Current portion of long-term debt | 12,040,000 | 11,480,000 |
| Accrued interest payable | 5,826,231 | 6,067,700 |
| TOTAL CURRENT LIABILITIES | 37,163,902 | 37,551,284 |
| NON-CURRENT LIABILITIES | | |
| Operating reserves and other deposits | 1,158,830 | 1,717,110 |
| Asset retirement obligations | 179,706 | |
| Long-term debt, net | 319,050,000 | 331,158,767 |
| TOTAL NON-CURRENT LIABILITIES | 320,388,536 | 332,875,877 |
| TOTAL LIABILITIES | 357,552,438 | 370,427,161 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Regulatory credits | 38,267,160 | 40,383,830 |
| NET POSITION | | |
| Invested in capital assets, net of related debt | (19,633,967) | (16,718,495) |
| Restricted | 16,886,888 | 17,956,853 |
| Unrestricted | 19,023,604 | 14,296,936 |
| TOTAL NET POSITION | 16,276,525 | 15,535,294 |
| TOTAL LIABILITIES AND NET POSITION | \$ 412,096,123 | \$ 426,346,285 |

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

| | | Four Months Ended October | |
|--|----|---------------------------|--------------------|
| | | 2019 | 2018 |
| SALES FOR RESALE | | | |
| Participants | \$ | 14,637,239 | \$ 11,138,864 |
| Other | | 18,358,770 | 33,764,322 |
| TOTAL SALES FOR RESALE | | 32,996,009 | 44,903,186 |
| OPERATING EXPENSES | | | |
| Operations | | 12,803,208 | 19,891,042 |
| Depreciation | | 4,872,995 | 4,871,477 |
| Purchased power | | 351,197 | 2,169,533 |
| Maintenance | | 1,312,262 | 1,235,981 |
| Administrative and general | | 1,581,221 | 1,590,987 |
| Transmission | | 258,296 | 319,876 |
| Intercompany (sales) purchases | | 145,651 | 97,696 |
| TOTAL OPERATING EXPENSES | | 21,324,830 | 30,176,592 |
| NET OPERATING REVENUES | | 11,671,179 | 14,726,594 |
| OTHER REVENUES (EXPENSES) | | | |
| Interest expense | | (4,763,281) | (4,919,337) |
| Interest income | | 369,657 | 792,496 |
| Other | | 1,191,318 | 1,140,043 |
| TOTAL OTHER REVENUES (EXPENSES) | | (3,202,306) | (2,986,798) |
| FUTURE RECOVERABLE AMOUNTS | | 305,976 | 552,004 |
| REFUNDS TO PARTICIPANTS | | (33) | (39) |
| INCREASE IN NET POSITION | | 8,774,816 | 12,291,761 |
| NET POSITION | | | |
| Beginning of year | | 7,501,709 | 3,243,533 |
| End of period | \$ | 16,276,525 | \$ 15,535,294 |

**Lodi Energy Center
FY 2020 Operating Costs
As of October 31, 2019**

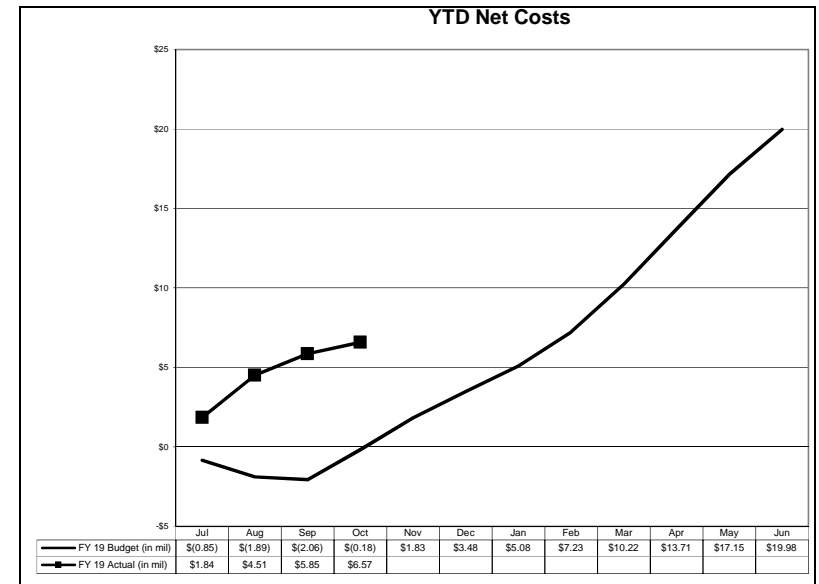
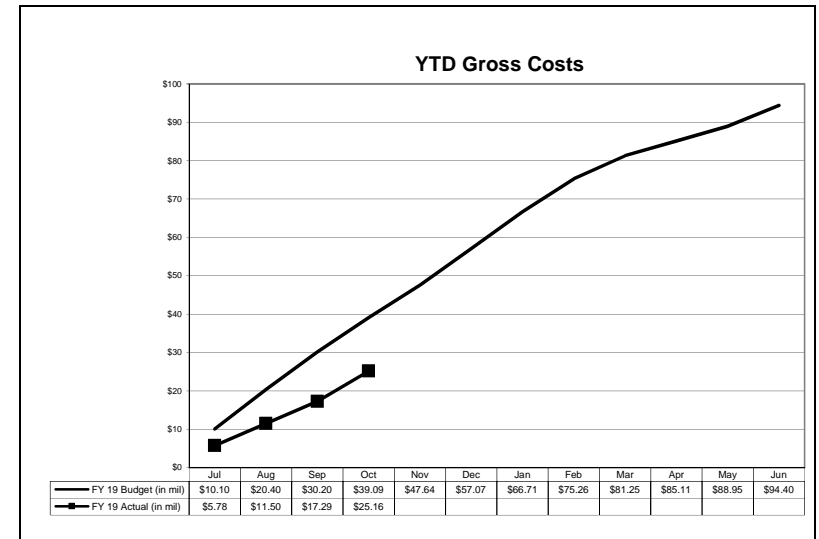
| | Annual Budget | Actual | Remaining | YTD % Remaining | Notes |
|--|----------------------|----------------------|----------------------|--------------------|----------|
| Routine O&M Costs | | | | | |
| Variable | \$ 5,381,629 | \$ 240,246 | \$ 5,141,383 | 96% | A |
| Fixed | 2,646,090 | 1,181,278 | 1,464,812 | 55% | |
| Administration | 209,845 | 62,224 | 147,621 | 70% | |
| Mandatory Costs | 304,750 | 171,309 | 133,441 | 44% | |
| Routine O&M Costs without Labor | 8,542,314 | 1,655,057 | 6,887,257 | 81% | B |
| Labor | 5,558,310 | 1,816,038 | 3,742,272 | 67% | |
| Total Routine O&M Cost | 14,100,624 | 3,471,095 | 10,629,529 | 75% | |
| Other Costs | | | | | |
| Fuel | 39,513,147 | 10,376,524 | 29,136,623 | 74% | |
| CA ISO Charges | 883,969 | 258,296 | 625,673 | 71% | |
| CA ISO Purchased Energy | 3,826,263 | 351,197 | 3,475,066 | 91% | |
| Debt Service | 26,054,428 | 8,684,809 | 17,369,619 | 67% | |
| Insurance | 674,648 | 204,081 | 470,567 | 70% | |
| Other Costs | 128,792 | 36,120 | 92,672 | 72% | |
| Generation Services Shared | 339,783 | 145,651 | 194,132 | 57% | |
| Administrative & General (Allocated) | 2,105,792 | 627,769 | 1,478,023 | 70% | |
| Power Management Allocated Costs | 1,439,156 | 479,719 | 959,437 | 67% | |
| Total O&M Cost | 89,066,602 | 24,635,261 | 64,431,341 | 72% | |
| Projects | | | | | |
| Operations & Maintenance | 920,683 | - | 920,683 | 100% | |
| Capital | 2,915,858 | 26,296 | 2,889,562 | 99% | |
| Maintenance Reserve | 1,496,174 | 498,725 | 997,449 | 67% | |
| Total Projects | 5,332,715 | 525,021 | 4,807,694 | 90% | |
| Annual Cost | 94,399,317 | 25,160,282 | 69,239,035 | 73% | |
| Less: Third Party Revenue | | | | | |
| Interest Income | 385,845 | 230,168 | 155,677 | 40% | |
| ISO Energy Sales | 72,602,551 | 17,940,949 | 54,661,602 | 75% | |
| Ancillary Services Sales | 1,432,533 | 417,821 | 1,014,712 | 71% | |
| | 74,420,929 | 18,589,468 | 55,831,461 | 75% | |
| Net Annual Cost to Participants | \$ 19,978,388 | \$ 6,570,814 | \$ 13,407,574 | 67% | |
| Total Variable Costs | 49,605,008 | 11,226,263 | 38,378,745 | | |
| Total Fixed Costs | 44,794,309 | 13,934,019 | 30,860,290 | | |
| | \$ 94,399,317 | \$ 25,160,282 | \$ 69,239,035 | | |
| Net Cumulative Generation (MWh) | 1,599,464 | 445,481 | | | |
| Total O&M Cost Per MWh | \$ 55.69 | \$ 55.30 | | | |
| Net Annual Cost Per MWh | \$ 12.49 | \$ 14.75 | | | |

Footnotes:

General - The plant ran 31 days during the month.

A - Higher costs resulting from additional maintenance costs during annual outage.

B - Higher costs due to annual permit fees payment in July, costs expected to level out for remainder of the year.





Lodi Energy Center Project Participant Committee

LEC GHG Reports

AGENDA ITEM NO.: 10

Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: GHG Reports (excerpted from monthly ARB)

| NCPA All Resources Bill Imports GHG Obligation Report (Cumulative) | | | | | | | | | | | | | | |
|--|---------|--------|-------|----------|---------|------------|--------|--------|--------|--------|--------|----------|--------|-----------|
| December 2019 | | | | | | | | | | | | | | |
| IDENTIFIER | AZU L&P | BART | Biggs | CDWR | Gridley | Healdsburg | Lodi | Lompoc | MID | Plumas | PWR | SVP | Ukiah | Total |
| Allocation Percentages | | | | | | | | | | | | | | |
| Generation Entitlement Share(%) | 2.79% | 6.60% | 0.27% | 33.50% | 1.96% | 1.64% | 9.50% | 2.04% | 10.71% | 0.79% | 2.67% | 25.75% | 1.79% | 100.00% |
| Obligation Accounts | | | | | | | | | | | | | | |
| Current MT Compliance Obligation (MTO) Balance (MT) | 23,590 | 55,901 | 2,272 | 300,614 | 16,634 | 13,917 | 80,461 | 17,212 | 90,738 | 6,655 | 22,594 | 218,086 | 15,121 | 863,795 |
| Current MT Compliance Instrument Account (MTA) Balance (MT) | 23,590 | 56,009 | 2,329 | 371,688 | 16,808 | 13,989 | 80,633 | 17,479 | 90,162 | 7,002 | 20,607 | 271,685 | 15,144 | 987,125 |
| MTA Shortfall (MT) | 0 | (108) | (57) | (71,074) | (174) | (72) | (172) | (267) | 576 | (347) | 1,987 | (53,599) | (23) | (123,330) |
| Monthly GHG Price \$/MT | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 | 17.21 |
| GHG Minimum Cash Compliance Obligation (\$) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,913 | 0 | 34,196 | 0 | 0 | 44,109 |
| Current Month CCA Balance (\$)* | 60,991 | 0 | 143 | 0 | 1,103 | 4,780 | 775 | 0 | 0 | 0 | 0 | 0 | 2,652 | 70,444 |
| Net GHG Obligation (\$) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,913 | 0 | 34,196 | 0 | 0 | 44,109 |

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

| | CY 2019 NCPA All Resources Bill LEC GHG Compliance Instrument Detail Report for Lodi Energy Center | | | | | | | | | | | | | |
|--|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| | Actual | | | | | | | | | | Estimated | | CY 2019 | Cumulative |
| IDENTIFIER | January | February | March | April | May | June | July | August | September | October | November | December | Total | Total |
| Energy (MWh) | 146,027 | 133,884 | 117,768 | 1,241 | 5,501 | 20,678 | 98,354 | 99,589 | 76,531 | 171,504 | 116,849 | 199,531 | 1,187,457 | 8,067,715 |
| Gas Schedule (MMBtu) | 1,038,014 | 946,354 | 840,962 | 10,778 | 46,907 | 149,686 | 706,073 | 722,379 | 548,076 | 1,213,984 | 906,750 | 1,548,363 | 8,678,326 | 57,677,071 |
| Emissions Factor (MT/MMBtu) | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | | |
| HVAC/Water Heater (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 259 |
| Monthly MT Obligation (MTO) | 56,016 | 51,070 | 45,382 | 582 | 2,531 | 8,078 | 38,103 | 38,983 | 29,577 | 65,513 | 48,933 | 83,557 | 468,325 | 3,113,650 |
| Annual Cal e-GGRT/MT Obligation True Up (MTO) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cumulative MT Obligation (MTO) | 596,123 | 647,193 | 692,575 | 693,157 | 695,688 | 703,766 | 741,869 | 780,852 | 810,429 | 713,310 | 762,243 | 845,800 | 845,800 | 845,800 |
| Compliance Instrument Participant Transfers | | | | | | | | | | | | | | |
| Carryover Allowances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Auction Allowances | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 105,623 | 0 | 421,976 | 3,195,652 |
| 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) | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 105,623 | 0 | 421,976 | 3,195,652 |
| NCPA Compliance Instrument Purchases | | | | | | | | | | | | | | |
| Auction Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,000 |
| Secondary Market Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reserve Sale Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Offsets Purchases | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Compliance Instrument NCPA Purchases (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,000 |
| Compliance Instruments Internal Transfers (LEC from/to STIG) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (678) | 0 | (678) | (678) |
| Compliance Instruments Surrendered to CARB (MT) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 162,632 | 0 | 0 | 162,632 | 2,267,850 |
| Total Monthly Activity (MT) | 88,838 | 0 | 0 | 300 | 183,648 | 20,570 | 21,597 | 1,400 | 0 | 0 | 104,945 | 0 | 421,298 | 3,241,974 |
| Cumulative MT Account Balance (MTA) | 804,296 | 804,296 | 804,296 | 804,596 | 988,244 | 1,008,814 | 1,030,411 | 1,031,811 | 1,031,811 | 869,179 | 974,802 | 974,802 | 974,802 | 974,802 |
| MTA Shortfall (MT) | (208,173) | (157,103) | (111,721) | (111,439) | (292,556) | (305,048) | (288,542) | (250,959) | (221,382) | (155,869) | (212,559) | (129,002) | (129,002) | (129,002) |
| Current Month CCA Balance (\$) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 70,444.00 |
| Monthly GHG Price | 15.78 | 15.83 | 16.09 | 17.14 | 17.79 | 17.31 | 17.39 | 17.29 | 17.04 | 16.97 | 17.15 | 17.21 | | |



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 11

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

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

Proposal

Approve the General Manager or his designee to enter into a Multi-Task Consulting Services Agreement with Process Innovations, Inc. for OSIsoft Plant Information (PI) software support services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

OSIsoft PI software support services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA had a previous agreement in place with Process Innovations, Inc., which is expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. NCPA has an additional agreement in place with DST Controls for similar services. NCPA desires to put this new agreement in place so we can continue to use them going forward.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the Agreement is not-to-exceed \$500,000 over five years to be used out of NCPA approved annual operating 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Consulting Services Agreement with Process Innovations, Inc.



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND PROCESS INNOVATIONS, INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Process Innovations, Inc., a corporation with its office located at 63 Weber Creek Road, PO Box 82, Centennial, WY 82055 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 20__ ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

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

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

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

4.4 All Policies Requirements.

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

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

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

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Consultant shall provide certificates of insurance and

policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or SCPPA member.

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

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

5.2 Scope. Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.
- 6.4 Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 Cyber Security.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) will at its sole expense follow applicable NERC CIP standards for cyber security for the applicable Agency facility. Furthermore, Consultant shall notify Agency no less than 24-hours after discovery of a potential compromise of Consultant's network, computers, applications, or electronic systems in any way that Consultant determines could provide unauthorized access or negatively impact the confidentiality, integrity, security, or availability of Agency systems.

Section 8. TERMINATION AND MODIFICATION.

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

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

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

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

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

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

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that,

unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.
- 9.4 Confidential Information and Disclosure.**
- 9.4.1 Confidential Information.** The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.
- 9.4.2 Non-Disclosure of Confidential Information.** During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confident; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.
- 9.4.3 Permitted Disclosure.** Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any

permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

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

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

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

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

Section 10. MISCELLANEOUS PROVISIONS.

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

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

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this

Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

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

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

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

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

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

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

Process Innovations, Inc.
Attention: Joe Devine
2519 South Shields Street, Suite 166
Fort Collins, CO 80526

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

PROCESS INNOVATIONS, INC.

Date_____

Date_____

RANDY S. HOWARD,
General Manager

JOE DEVINE,
President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Process Innovations, Inc. ("Consultant") shall provide OSIsoft PI Software support services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA Members.

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

- Provide OSIsoft Software Support - Support OSI soft software on Agency supplied server and interface hardware. This software will be prepared to accept the connections from all Agency data sources.
- Provide Onsite Client Tool Training - This task will involve providing Process Innovations client tool training. Ideally each participant should have their own computer for training as the class involves many hands-on exercises to leverage acquired data to perform real time evaluations. Develop some base reports and graphics in the class to provide a foundation for further development.
- Provide Value Added Applications - This task will involve the development of value added applications and features. This will include report building and calculated tag development.
- Design Diagrams - Design and provide detailed architectural network diagrams and review with NCPA for approval (Diagrams shall include, but not limited to, detailed specifications of all network connections, protocols, addresses, ports, etc.)
- Provide Diagrams - Provide final ("As Built") architectural network diagrams and review with NCPA for approval
- Compliance - Ensure all network modifications and implementations meet North American Electric Reliability Corporation (NERC) reliability standards

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

| Service Provider | Hourly Rates | | | |
|-------------------------------|----------------------------|---------------------------|-------------|-----------------|
| | Onsite Consulting Services | Offsite (Remote) Services | Travel Time | Onsite Training |
| Principal Engineer/Consultant | \$ 250 | \$ 200 | \$ 170 | \$ 320 |
| Sr. Application Consultant | \$ 235 | \$ 185 | \$ 155 | \$ 295 |
| Application Engineer | \$ 170 | \$ 145 | \$ 95 | \$ 270 |

Notes:

Billing is in hourly increments

Travel and living expenses are in addition to Onsite Rates

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

Process Innovations, Inc.
(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 12

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: Premium Inspection Company – Five Year Multi-Task General Services Agreement for maintenance inspection services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

Proposal

Approve the Multi-Task General Services Agreement with Premium Inspection Company for maintenance inspection services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

Maintenance inspection services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA utilized this vendor recently at its geothermal facility when it was the successful bidder for the P-Site and Q-Site Well Workover Project. During their work the vendor performed efficiently while focused on safety. NCPA has enabling agreements in place for similar scopes of work with Team Industrial Services, Inc. and Quality Tong Services, Inc. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the agreement is not-to-exceed \$500,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

Environmental Analysis

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

Submitted by:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task General Services Agreement with American Industrial Scaffolding, Inc.



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
PREMIUM INSPECTION COMPANY**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Premium Inspection Company, a limited liability company with its office located at 6300 Seven Seas, Bakersfield, CA 93308 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 20____ ("Effective Date") in Roseville, California.

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

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

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

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

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

4.3 Professional Liability Insurance. Intentionally 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, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.

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

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

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

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

Section 7. LEGAL REQUIREMENTS.

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

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

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to

timely comply with this provision may subject the Contractor to penalties pursuant to state law.

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

Section 8. TERMINATION AND MODIFICATION.

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

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

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

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

have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

Section 10. PROJECT SITE.

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

applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.

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

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

Section 11. WARRANTY.

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

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the

Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

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

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

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

conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.

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

Section 13. MISCELLANEOUS PROVISIONS.

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

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

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

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

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

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

Joe Elliott Jr., President
Premium Inspection Company
6300 Seven Seas
Bakersfield, CA 93308

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

13.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

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

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

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

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

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCLPA or SCLPA 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

PREMIUM INSPECTION COMPANY

Date_____

Date_____

RANDY S. HOWARD, General Manager

JOE ELLIOTT JR., President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF WORK

Premium Inspection Company ("Contractor") shall provide maintenance inspection services as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but not limited to the following:

- **Visual Inspection**
- **Tubular I. D. Camera with DVR Recording**
- **Dimensional Inspection and Verification**
- **Magnetic Particle, both color contrast and ultraviolet (ferrous Material)**
- **Dye Penetrant, both color contrast and ultraviolet (Non-Ferrous Material)**
- **Ultrasonic Thickness examination**
- **EMI Logging – Drill Pipe 2 3/8" up to 5 1/2", DS-1 Category 1-5 Inspection**
- **RIG Site Bottom Hole Assembly Inspection**
- **Trip Check of BHA Components**
- **API and Proprietary Rotary Shoulder Connection Inspection**
- **Field repair of API and Proprietary Rotary Shoulder Connections (RSC)**
- **Top Drive Inspection**
- **Rig Structural Inspection**
- **Hardbanding of Drill Pipe, Hevi-Wate Drill Pipe and BHA Tools**
- **Hardbanding of Non Magnetic BHA Tools**
- **3rd Party Verification Services**
- **In-House Services**
- **Digital real time reporting and data base**
- **Equipment**

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

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

Used Drill Pipe Services

Price List

| DESCRIPTION | SIZE | PRICE PER LENGTH |
|---|--------------|------------------|
| DS-1 Category 3 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connections | 3 1/2" to 5" | \$38.00 |
| DS-1 Category 4 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connections Magnetic Particle Inspection Of External Upsets | 3 1/2" to 5" | \$48.00 |
| DS-1 Category 5 criteria: | | |
| EMI of Tube Body UT Wall Thickness Reading Dimensional 2 of Connection Wet Magnetic Particle Inspection Of Connection Magnetic Particle Inspection Of External upsets | 3 1/2" to 5" | \$68.00 |

Optional Drill Pipe Services

Price List

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|--|-------------|-------------------------|
| Clean and Visual Inspection Of Threads and Shoulders | ALL | \$10.00 per end |
| DS-1 Dimensional 2 of Connections Wet Fluorescent Magnetic Particle Inspection of Connections | ALL | \$ 25.00 per end |
| Wet Fluorescent Particle Inspection of Rotary Shoulder Connection | ALL | \$ 15.00 per end |
| End Area Inspection of Internal Upset run out Areas Optical Video Scope with Magnetic Particle | ALL | \$ 45.75 per end |

FIELD REPAIR OF CONNECTIONS

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|---|-------------|-------------------------|
| Tool Joint Refacing: Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to Remove Burrs, Raised Metal, Galling | ALL | \$ 15.00 per end |

| <u>PIPE STRAIGHTENING</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|-------------------------------|--------------|-------------------------|
| Straightening of Bent Pipe | 3 1/2" to 5" | Special Quote |

DRILL PIPE HARBANDING SERVICES

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER TOOL JOINT</u> |
|---|--------------|-----------------------------|
| Casing Friendly Wire 3 one inch bands per tool Joint | 3 1/2" to 5" | \$60.00 per length |
| CUSTOMER REQUEST WIRE | 3 1/2" to 5" | SPECIAL QUOTE |

Hevi-Wate Drill Pipe Inspection Services Price List

| <u>TYPE INSPECTION</u> | <u>SIZES</u> | <u>PRICE PER LENGTH</u> |
|---|--------------|-------------------------|
| DS-1 Category 3-5 | | |
| Clean and Visual Inspection Of Rotary Shoulder Connections Dimensional 3 Inspection Of Connections Wet Fluorescent Magnetic Particle Inspection of Connections | ALL | \$85.00 per length |
| DS-1 Category 3-5 | | |
| Magnetic Particle Inspection of Upsets | ALL | \$ 10.00 per upset |

| FIELD REPAIR OF CONNECTIONS | | |
|---|-------------|-------------------------|
| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
| Tool Joint Refacing Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to remove Raised Metal, Burrs, Galling | ALL | \$ 15.00 per end |

Hevi-Wate Drill Pipe Services Price List

HARDBANDING SERVICES

| <u>HARDBANDING SERVICES</u> | <u>SIZES</u> | <u>PRICE PER BAND</u> |
|---|--------------|-----------------------|
| Casing Friendly Wire 4 inch bands per tool joint | 3 ½" to 5" | \$ 25.00 per inch |
| CUSTOMER WIRE 4 inch bands per tool joint | 3 ½" to 5" | SPECIAL QUOTE |

HARDBAND REMOVAL RE-APPLICATION

| | | |
|---------|--|---------------|
| REMOVAL | ALL HEVI-WATE STRAIGHTNEING SERVICE | SPECIAL QUOTE |
|---------|--|---------------|

HEAVI-WATE DRILL PIPE STRAIGHTNEING SERVICES

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|---------------------------------------|-------------|-------------------------|
| Straightening of Crooked or Bent Pipe | ALL | SPECIAL QUOTE |

Bottom Hole Assembly Inspection Services Price List

| <u>TYPE INSPECTION</u> | <u>SIZES</u> | <u>PRICE</u> |
|--|--------------|----------------------|
| DS-1 Category 3-5 | | |
| Clean and Visual Inspection Of Rotary Shoulder Connection Dimensional 3 Inspection of Connection Wet Fluorescent Magnetic Particle Inspection of Connection | ALL | \$ 85.00 per length |
| NON MAG Collars, Subs Stabilizers Liquid Penetrant inspection In conjunction with Cat 3-5 Inspection | ALL | \$ 100.00 per length |

OPTIONAL INSPECTION SERVICES

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE PER LENGTH</u> |
|--|-------------|-------------------------|
| 1. Dry Magnetic Particle Inspection Of External Upsets In conjunction with Cat 3-5 | ALL | \$ 20.00 per upset |
| 2. Liquid Penetrant Inspection Of Tool Bodies | ALL | \$ 50.00 per foot |
| 3. AC Yoke Magnetic Particle Inspection of Tool Bodies | ALL | \$ 25.00 per foot |

FIELD REPAIR OF CONNECTIONS

| <u>DESCRIPTION</u> | <u>SIZE</u> | <u>PRICE</u> |
|---|-------------|------------------|
| Tool Joint Refacing Shoulder Repair | ALL | \$ 25.00 per end |
| Field Repair of Threads to Remove Raised Metal, Burrs, Galling | ALL | \$ 15.00 per end |

BOTTOM HOLE ASSEMBLY HARBANDING SERVICE DRILL COLLARS, SUBS

| <u>TYPE WIRE</u> | <u>SIZE</u> | <u>PER 1" BAND</u> |
|----------------------|-----------------------------|--------------------|
| Casing Friendly Wire | Under 5 1/2" Over 5 1/2" | \$25.00 \$29.00 |
| | | |
| Customer Wire | | SPECIAL QUOTE |

MISCELLANEOUS SERVICES MAGNETIC PARTICLE

| <u>DESCRIPTION</u> | | <u>PRICE</u> |
|--|-------------------------|---|
| Trip Check Inspection of BHA Rig Components and Load Bearing Areas Blocks , Hooks , Bails , Slips Top Drive Welds Flanges | 1 Inspector 1 Helper | \$ 135.00 per hour \$ 60.00 per hour |

ULTRASONIC THICKNESS

| <u>DESCRIPTION</u> | | <u>PRICE</u> |
|---|-------------------------|--|
| UT Wall Thickness Measurement Flow Line Wall Thickness Measurement Mud Line Wall Thickness Measurement Tank Wall Thickness Measurement | 1 Inspector 1 Helper | \$ 225.00 per hour \$ 151.00 per hour |

| | | | |
|--|--|-----------------|----------|
| Shop Rate | | PER HOUR | \$125.00 |
| Part-Off | | Under 6" O.D. | \$19.50 |
| Part-Off | | Over 6" O.D. | \$25.50 |
| Non-Mag | | ADD | 20% |
| Spiral Collar or Left Hand Connection | | ADD | 10% |
| Kellys, etc. | | ADD | 20% |
| Mud Groove or Benchmark Groove | | ADD | \$2.50 |
| Boreback/Stress Relief Groove | | ADD | \$85.00 |
| Machine Identification Groove/Identification Stencil, Pin Tool Joint | | ADD | \$55.00 |
| For Additional Grooves Same Joint | | ADD | \$10.00 |
| Band Saw Cut | | ADD (PER CUT) | \$37.00 |
| Re-Cut Bevel Diameters/Re-Face | | ADD (PER EA) | \$26.67 |
| Set Screw | | ADD | \$172.50 |
| Float Bore | | ADD | \$255.00 |
| Standard Wrench Flats 2"x1/2" | | ADD (Per Piece) | \$175.00 |
| Set up Fee | | ADD | \$125.00 |
| Rush Jobs | | ADD | 25% |
| Overtime: After 4:00pm till 6:00am. In Addition to Machine Work | | PER HOUR | \$170.00 |
| Weekend/Holidays Call Out Rate 4hr Min. In Addition to Machine Work | | PER HOUR | \$170.00 |
| Transportation within a 20 Mile Radius | | ROUND TRIP | \$85.00 |

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

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

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

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

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

(Company name)

for hazardous materials delivery to:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

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

NOT APPLICABLE

EXHIBIT E

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

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

The undersigned hereby certifies and agrees that:

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

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Lodi Energy Center Project Participant Committee Staff Report

AGENDA ITEM NO.: 13

Date: December 4, 2019

Meeting Date: December 9, 2019

To: Lodi Energy Center Project Participant Committee

Subject: Fossil Consulting Services, Inc. – Five Year Multi-Task Consulting Services Agreement for developing, reviewing and updating training and qualification manuals; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

Proposal

Approve the Multi-Task Consulting Services Agreement with Fossil Consulting Services, Inc. for developing, reviewing and updating training and qualification manual services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

Background

Developing, reviewing and updating of training and qualification manuals are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. NCPA had a previous agreement in place with Fossil Consulting Services, Inc. which has since expired. Fossil Consulting Services, Inc. assisted NCPA in the development of training and qualification manuals for the Geothermal Facility as well as the Lodi Energy Center. They worked closely with the staff and supervisors and conducted themselves in a professional manner while meeting NCPA's expectations. NCPA has an enabling agreement in place for a similar scope of work with Reliability Management Group. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects.

Selection Process

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the overall best value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

Fiscal Impact

Upon execution, the total cost of the agreement is not-to-exceed \$1,000,000 over five years 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:

JOEL LEDESMA
Assistant General Manager
Generation Services

Attachments: (1)

- Multi-Task Consulting Services Agreement with Fossil Consulting Services, Inc.



MULTI-TASK CONSULTING SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND FOSSIL CONSULTING SERVICES, INC.

This Consulting Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Fossil Consulting Services, Inc., a corporation with its office located at 5457 Twin Knolls Road, Suite 304, Columbia, MD 21045 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2019 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

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

period specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** ONE MILLION dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

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

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

Invoices shall be sent to:

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

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

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

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

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

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

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

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

4.2 Commercial General and Automobile Liability Insurance.

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

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and

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

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

4.3 Professional Liability Insurance.

4.4 All Policies Requirements.

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

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

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

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

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

- 4.5 Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this

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

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

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

Section 6. STATUS OF CONSULTANT.

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

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

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

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

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

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

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

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

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

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

- 8.2 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1 Immediately terminate the Agreement;
- 8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

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

Section 9. KEEPING AND STATUS OF RECORDS.

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

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

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

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

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

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

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

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

subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

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

Herman P. Stone II
President
5457 Twin Knolls Road, Suite 304
Columbia, MD 21045

Any written notice to Agency shall be sent to:

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

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

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

10.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails,

the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

10.11.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

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

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

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

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

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

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

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

NORTHERN CALIFORNIA POWER AGENCY

FOSSIL CONSULTING SERVICES, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

HERMAN P. STONE II, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Fossil Consulting Services, Inc. ("Consultant") shall provide services to review and update training and qualification manuals, as requested by Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA"), or SCPPA Members.

Services to include, but not limited to the following:

- Update System Training Manuals (STM) to reflect changes and updates in plant configuration.
- Develop a multi-level qualification program for several plant disciplines.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

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

| Position | Hourly Rate |
|----------------------|-------------|
| Project Manager | \$110.00 |
| Principal Specialist | \$104.00 |
| Senior Specialist | \$96.00 |
| Graphic Designer | \$51.00 |

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

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

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, _____
(Name of person signing affidavit)(Title)

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

(Company name)

for contract work at:

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

(Project name and location)

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

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

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