

Lodi Energy Center
Project Participant Committee Regular Meeting
February 13, 2017 - MEETING MINUTES
 Location: Lodi Energy Center
 12745 N. Thornton Rd, Lodi CA 95242
 and by teleconference
 10:00 A.M.

1. Call Meeting to Order and Roll Call

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

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Morrow	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Absent	0.2679%
CDWR - Brown	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Present	1.6428%
Lodi - Kirkley	Present	9.5000%
Lompoc - Singh	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	8	88.5964%
Absent	5	11.4036%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	February 13, 2017	

Public Forum

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

2. Meeting Minutes

The draft minutes of the regular meeting held on January 9, 2017 were considered. The LEC PPC considered the following motion:

Date: 2/13/2017

Motion: The PPC approves the minutes of the January 9, 2017 regular meeting as presented or *including any edits discussed at today's meeting.*

Moved by: SVP

Seconded by: CDWR

Discussion: No further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Yes	1.6428%
Lodi	Abstain	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	7	79.0964%
Total Noes	0	0.0000%
Total Abstain	1	9.5000%
Total Absent	5	11.4036%
Result:	Motion passes.	

MONTHLY REPORTS

3. Operational Reports for January 2017

Jeremy Lawson presented the Operational Report for January. There were no OSHA recordable accidents, no permit violations and no NERC/WECC violations. LEC has NERC generator governor model testing scheduled for next week. The plant experienced 180 hours of water supply curtailment. Outage continues to be scheduled for May 2017.

The operational report reflected monthly production of 34,465 MWH, 177 service hours, and equivalent operating availability of 100%. The report set forth the Capacity Factor @ 280MW Pmax of 16.5% and @ 302MW Pmax of 15.3%. There were zero hot starts, fourteen warm

starts, and three cold starts during the month. The next scheduled outage continues to be planned for May 2017.

Mike DeBortoli presented a presentation prepared by Siemens with regard to rotor air separator issues with their fleet. Siemens wants to perform an inspection of LEC at their cost. There's three risk factors involved. LEC met one of the criteria.

4. Market Data Report for January 2017

Bob Caracristi introduced Mike Whitney who presented the operating and financial settlement results for the month. LEC monthly availability was 94.6%. LEC was committed by CAISO for 18 of 31 available days.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report and budget review for December 2016.

Mike reported that revenue was less than forecast and that they're continuing to defer projects.

6. Bidding Strategies Report

Ken Goeke presented monthly Bidding Strategies for January 2017. Ken discussed day ahead modelling, regulation up and regulation down.

Consent Calendar (Items 7 – 11)

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

Date:

2/13/2017

Motion:

The PPC approves approves the Consent Calendar items consisting of agenda items no. 7. Treasurer's Report for January 2017; 8. Financial Reports for January 2017; 9. GHG Reports excerpted from monthly ARB; 10. PMOA Schedule 1, Exhibit 5 CAISO charges, update; 11. PMOA Schedule 6, Contact List, update.

Moved by: Lodi

Seconded by: Healdsburg

Discussion: No further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Yes	1.6428%

Lodi	Yes	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	8	88.5964%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	11.4036%
Result:	Motion passes.	

BUSINESS ACTION ITEMS

12. Lodi Energy Center PMOA Schedule 2 – Fuel Supply Procurement, Delivery and Management for LEC

Vela Wann presented a presentation for revision to PMOA Schedule 2. Vela reported that there’s a systematic cost shift between third party gas supply participants and non-third party gas supply participants for the settlement of imbalance gas when the project is not committed by CAISO. Vela presented the estimated adjustment and discussed the retroactive adjustments that would take place on the All Resources Bill if the PPC approves the revision to schedule 2.

Date: 2/13/2017

Motion: The PPC approves the Business Action item consisting of agenda item no. 11. PMOA Schedule 2, Fuel Supply Procurement, Delivery and Management, to update third party gas settlements and approve a retroactive adjustment commencing with the start of FY17 on the All Resources Bill, effective July 1, 2016.

Moved by: MID

Seconded by: SVP

Discussion: No further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	0.2679%
CDWR	Yes	33.5000%
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Vote Summary		
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Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	11.4036%
Result:	Motion passes.	

INFORMATIONAL ITEMS

13. FY 2017-2018 Lodi Energy Center Budget Presentation

Mike DeBortoli presented the FY 2017-2018 LEC budget. Mike discussed assumptions, fuel prices and variable costs. There was also discussion regarding PWRPA purchases and FY 2018 proposed projects.

14. Lodi Energy Center Winter Storm Update

Mike DeBortoli gave a presentation on impacts that current weather has had on the project. There was discussion regarding impacts on the Alameda outage and the levee break near White Slough.

15. PG&E Gas Transportation Update

Ken Speer presented an update on gas transportation. Ken presented that NCPA has received studies from Genscape and that Genscape prepared some modelling output.

Adjournment

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

The meeting was adjourned at 11:55 a.m.

Submitted by: Tracy Kves