

Lodi Energy Center
Project Participant Committee Regular Meeting
July 10, 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	Present	0.2679%
CDWR - Forsythe	Present	33.5000%
Gridley - Borges	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - 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:	July 10, 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 June 12, 2017 were considered. The LEC PPC considered the following motion:

Date: 7/10/2017

Motion: The PPC approves the minutes of the June 12, 2017 regular meeting as presented or *including any edits discussed at today's meeting.*

Moved by: Lodi
Seconded by: Santa Clara

Discussion: 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 passed	

MONTHLY REPORTS

3. Operational Reports for May 2017

Mike DeBortoli presented the Operational Report for June. There were no OSHA recordable accidents, no NERC/WECC violations and no forced outages, despite the increased demand due to the June heat wave. Mike DeBortoli also reviewed the 2018 Outage Schedule for ST/CT inspections.

The operational report reflected monthly production of 34,708 MWH, 247 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 280MW Pmax of 17.2% and 302MW Pmax of 16%. There were zero hot starts, twelve warm start, and four cold starts during the month.

4. Market Data Report for May 2017

Mike Whitney presented the operating and financial settlement results for the month. LEC was committed to CAISO 15 out of 30 available days.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for May 2017. Mike reported that May 2017 was upside down (\$400,000 less than anticipated for scheduled outage). Mike reviewed the monthly historical comparisons as well as the 12-month history.

6. Bidding Strategies Report

Ken Goeke reviewed the monthly Bidding Strategies data for June 2017. Ken reviewed bidding and calculating net start-up costs. The June heat wave resulted in very high daily margins from June 16th – June 27th. Ken reported that daily data results are available for review on the LEC PPC extranet site. Ken reiterated that the data contained in the reports should be considered confidential, as it contains bidding strategies.

Consent Calendar (Items 7 – 15)

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: 7/10/2017

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. 7. Treasurer's Report for June 2017; 8. Financial Reports for June 2017; 9. GHG Reports excerpted from monthly ARB; 10. Compliance Services, Inc. First Amendment to the existing five year Multi-Task General Services Agreement for pipeline hazardous materials safety administration for \$1,500,000, modifying the scope of work to expand for additional services for use at any facility owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; 11. TCB Industrial, Inc. five year Multi-Task General Services Agreement for mechanical, millwright and civil maintenance services on operating equipment not to exceed \$1,000,000 for use at any facility owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

Moved by: MID
Seconded by: Lodi

Discussion: No further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	6	82.5179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.4821%
Result:	Motion passes.	

BUSINESS ACTION ITEMS

None

INFORMATIONAL ITEMS

12. Outage Schedule

Mike DeBortoli shared the proposed outage schedule for 2018. The outage schedule was being presented as an informational item this month, but Mike will be seeking approval from the PPC in next month's meeting. Ken Speer told PPC that there is room for adjustment in the current schedule. The final schedule needs to be filed with CAISO by October.

13. Update on NCPA Policy on Revenue Allocation

James Takehara presented an update to the Committee on the revenue allocation issue. The final proposal was presented to the UD's on June 15th, and was well received. The UD's recommended bringing it before the Commission in the August meeting.

James gave an updated on the potential implementation timeline. As the FY18 budget has already been prepared and approved, staff is recommending addressing revenue allocation to non-Members during the FY18 budget true up at the end of the year.

James explained that revenues will be mapped based on services being provided. He cautioned that Committee members may see a different proportion allocated to them from contract to contract as a result (future allocations may change).

James does not anticipate having any updates for the August LEC PPC meeting, but will likely have an update for the September LEC PPC meeting (after the August Commission Meeting).

14. LEC Gas Transportation Update

Ken Speer gave a summary update on the LEC gas transportation issue. NCPA filed a petition for modification to the rate structure in June. NCPA has asked the CDC to consider greenhouse gas production prior to making future rate decisions.

Ken has met with PG&E to negotiate a special rate for LEC. PG&E appeared receptive at these meetings; Ken anticipates it will take about 2 months to negotiate a rate. Ken explained the rate proposal to the LEC PPC Committee.

Ken also gave the Committee background on the 19 Rate Case that PG&E just filed. The main drivers for this new Rate Case are new regulations for gas storage facilities that have come out of the Dogger Regulations. PG&E is proposing a shift to have 20% of storage costs covered by their core customers, with the remaining 70% to be covered by the backbone. Additionally, PG&E is proposing daily balancing, as opposed to monthly balancing.

20. Additional Operational Updates

None

Adjournment

The next regular meeting of the PPC is scheduled for Monday, August 14, 2017.

The meeting was adjourned at 11:00am.

Submitted by: Michelle Schellentrager