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LEC PPC Meeting Minutes

Date: Monday, January 6, 2025

Time: 10:00 am Pacific Standard Time

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

Chairman Cori Bradley called to order the Project Participant Committee meeting at 10:02 am. She asked that roll be called for the Project Participants as listed below.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Torres	Present	2.7857%
BART - Lloyd	Present	6.6000%
Biggs - Wagner	Present	0.2679%
CDWR - Luu	Present	33.5000%
Gridley - Arteaga	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chaing	Present	9.5000%
Lompoc - Cross	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Sauers	Present	1.7857%
Summary		
Present	11	97.5715%
Absent	2	2.4285%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	January 6, 2025	

Public Forum

Chairman Bradley asked if any members of the public were present at any of the 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 December 9, 2024, regular meeting and the minutes from December 17, 2024, special meeting were considered. There were no objections or requested corrections. The LEC PPC considered the following motion:

Date: 1/6/2025

Motion: The PPC approves the minutes from the December 9, 2024 Regular Meeting and the December 17, 2024 Special Meeting.

Moved by: SVP

Seconded by: Lompoc

Discussion: There was no further discussion

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Yes	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	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	Yes	1.7857%
Vote Summary		
Total Ayes	11	97.5715%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	2	2.4285%
Result:	Motion Passed	

MONTHLY REPORTS

4. Operational Report

Ryan Johnson presented the Operational Report for November. There were no OSHA recordable incidents. There was one non-recordable incident that only required self-administered first aid. There were no NERC/WECC or permit violations. There was one outage in the month of December due to an oxygen analyzer failure. The annual maintenance outage is scheduled for April 2025.

The operational report reflected monthly production of 116,633 MWH, 470 service hours, and equivalent operating availability of 97.9%. The report set for the Capacity Factor @ 302MW Pmax of 51.9%. There were three cold starts, ten warm starts, and zero hot starts during the month.

5. Market Data Report

Bob Caracristi presented the operating and financial settlement results for the month. LEC was committed to CAISO 28 out of 31 available days. There were thirteen starts during the month. There were 3 days when LEC was uneconomic.

NCPA will open a discussion with CAISO regarding LEC's exceptional dispatch and requesting CAISO to provide adequate time and instructions for plant start-up.

6. Monthly Asset Report

Rafael Santana presented the monthly asset report for November 2024, showing that net costs are below budget. Rafael reviewed the monthly historical comparisons as well as the 12-month history.

7. Bidding Strategies Report

Mojtaba Khanabadi presented the December 2024 Bidding Strategies report. Mojtaba reviewed bidding strategies and calculated net start-up costs. Mojtaba also reviewed Day Ahead and Real Time net revenues over the month with the Committee.

Consent Calendar (Items # 8 – # 20)

The consent calendar was considered. Chairman Bradley asked if any Participant wished to have any item removed for separate discussion. Chairman Bradley 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: 1/6/2025

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for November 2024; **9.** Financial Report for November 2024; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Jacobs Engineering Group, Inc. 5-year MTPSA for consulting and engineering services related to project support for plant operations, not to exceed \$2,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **12.** Process Measurement Group dba Toledo Industrial Coatings 5-year MTGSA for specialized industrial protecting coatings realted services, not to exceed \$500,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **13.** Integrity Inspections 5-year MTGSA for specialty mechanical and inspection services, not to exceed \$500,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **14.** Custom Valve Solutions, Inc. dba Custom Valve Solutions 5-year MTGSA for specialty machining and motor maintenance realted services, not to exceed \$1,500,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **15.** Matheson Tri-Gas, Inc. 5-year MTEMS for purchase of CEMS EPA gasses, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA; **16.** American Industrial Scaffolding, Inc. 5-year MTGSA for scaffolding and insulation services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **17.** Community Tree Services, LLC 5-year MTGSA for vegetation management services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **18.** Airgas USA, LLC 5-year MTEMS for purchase of CEMS EPA gasses, not to exceed \$1,500,000, for use at all facilities owned and/or operated by NCPA; **19.** Stephens Mechanical Corporation 5-year MTGSA for miscellaneous mechanical maintenance services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **20.** Osmose Utilities Services, Inc. 5-year MTPSA for Contact Voltage Surveys, not to exceed \$500,000, for use at any facilities owned and/or operated by NCPA, Members/SCPPA.

Moved by: SVP
Seconded by: Lodi

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Yes	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
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Total Absent	2	2.4285%
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INFORMATIONAL ITEMS

21. Lodi Energy Center Hydrogen Upgrade Project

Mike DeBortoli discussed the updates on the Hydrogen Project including the finalization of Rule 45V.

1. Manufacturers of hydrogen made by using electrolyzers and renewable energy to split water into its atomic components, must still offset their energy use with carbon-free energy attribute certificates on an hourly basis.
 - Current hydro facilities would be the primary source for this offset.
2. The electricity used must be generated within the same region the hydrogen is made.
 - California is designated as a region.
3. The Inflation Reduction Act by statute limits the 45V credit to facilities that produce no more than 4 kilograms of CO₂ per kilogram of hydrogen.
 - It is believed that this project would be well within the limits of this requirement to obtain credits.

Mike DeBortoli also mentioned that we are still waiting on CAISO to clarify storage vs. load regarding the electrolyzers and for guidance on required renewable portfolio standards.

NCPA's Generation Services Department is planning to hold a 1-day in-person Hydrogen Workshop for LEC Project Participants and select NCPA staff to discuss the proposed topics listed below.

- Worldwide view on hydrogen
- Project Overview / Benefits
- Market Strategy / Value
- Advocacy Effort
- Project Technology
- Project Alternatives
- Grant Administration / Financing
- Project Organization (Overview of Phases)
- LEC PPC Participation (request feedback from Participants, does this meet goals, project modifications needed)
- Decision Making: timing/needs

The workshop date and time will be scheduled around the end of February or beginning of March. Invites will be sent out soon.

22. Additional Operational Updates

Rafael Santana provided details on the forced outage due to issues with the CEMS O₂ Analyzer. Siemens found no issues during their investigation. NCPA staff noticed the calibration had shifted and found an air leak in the flow line. The air district reviewed our notification and issued a breakdown relief which avoids being cited for a Notice of Violation.

Rafael also provided details on the status of Gas Compressor B repairs and equipment checks on Gas Compressor A.

Rafael provided updates on the status regarding the FX Upgrade. He provided the estimated timeline for completing our CEQA and finalizing our CEC agreement.

ADJOURNMENT

Next Regular Meeting: February 10, 2025 at 10:00 am Pacific Standard Time

The meeting was adjourned at 11:24 am.

Submitted by: Julie Kenkel