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# LEC PPC Meeting Minutes

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**Date:** January 7, 2019

**Time:** 10:00 a.m.

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

**Subject:** Lodi Energy Center Project Participant Committee Meeting

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## 1. Call Meeting to Order and Roll Call

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

<b>PPC Meeting Attendance Summary</b>		
<b>Participant</b>	<b>Attendance</b>	<b>Particulars / GES</b>
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 - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
<b>Summary</b>		
Present	7	85.1858%
Absent	6	14.8142%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	January 7, 2019	

## **Public Forum**

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

## **2. Meeting Minutes**

The draft minutes from the December 10, 2018 Regular Meeting were considered. The LEC PPC considered the following motion:

**Date:** 1/7/2019

**Motion:** The PPC approves the minutes from the December 10, 2018 Regular Meeting as presented or *including any edits discussed at today's meeting.*

**Moved by:** CDWR

**Seconded by:** SVP

**Discussion:** There was no further discussion.

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

## **MONTHLY REPORTS**

### **3. Operational Reports for December 2018**

Jeremy Lawson presented the Operational Report for December. There were no OSHA recordable accidents, and no NERC/WECC or permit violations. There were two outages which occurred in the month of December. Jeremy reviewed the outages with the Committee. There are no changes to the 2019 outage schedule.

The operational report reflected monthly production of 162,717 MWH, 596 service hours, and equivalent operating availability of 99%. The report set for the Capacity Factor @ 302MW Pmax of 73.6%. There were 7 hot starts, 6 warm starts, and 1 cold start during the month.

### **4. Market Data Report for December 2018**

Zakary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 31 out of 31 available days. Zakary reviewed the estimated RAAIM incentive payments for Generic RA and Flexible RA. There were 15 startups for 24-hour runs, with the remainder in the 12-23 hour range in the month of December.

### **5. Monthly Asset Report**

Mike DeBortoli presented the monthly asset report for November 2018. Mike reported that November saw higher revenues, with good margins. Mike reviewed the monthly historical comparisons as well as the 12-month history.

### **6. Bidding Strategies Report**

Jesse Shields presented the Bidding Strategies Report for December 2018. 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 7 – 10)**

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

**Date:** 1/7/2019

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no. **7.** Financial Report for December 2018; **8.** GHG Reports (excerpted from Monthly ARB); **9.** Schneider Electric USA, Inc. MTGSA not to exceed \$2,000,000 for electrical related services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **10.** Irani Engineering, Inc. MTCSA not to exceed \$2,000,000 for injection well related consulting services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **11.** Pullman Heating and Cooling MTGSA not to exceed \$500,000 for heating, ventilation, and HVAC services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members.

**Moved by:**  
**Seconded by:**

**Lodi**  
**CDWR**

Discussion: There was no further discussion.

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

## **BUSINESS ACTION ITEMS**

### **11. Appointment of New Vice Chair for LEC PPC**

Martin Caballero suggested nominating a new Vice Chair for the LEC PPC. The current Vice Chair is John Yarborough, who has currently been out of his position for over a year. Martin asked for volunteers for the position. Ghassan Alqaser volunteered. The Committee considered the following motion:

**Date:** 1/7/2019

**Motion:** The PPC approves election of Ghassan Alqaser to serve as the new Vice Chairperson of the LEC Project Participant Committee, to conduct

the business of the PPC pursuant to the Power Sales Agreement and the Project Management and Operations Agreement.

**Moved by: Lodi**

**Seconded by: SVP**

Discussion: There was no further discussion

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

**CLOSED SESSION**

**12. Adjourned to Closed Session**

The PPC adjourned to Closed Session at 10:22 a.m. A Closed Session discussion was had pursuant to California Government Code Section 54956.9(d)(1) regarding Pacific Gas and Electric Company’s 2019 Gas Transmission and Storage Rate Case, *Application of Pacific Gas and Electric Company Proposing Cost of Service and Rates for Gas Transmission and Storage Services for the Period 2019 – 2021*, California Public Utilities Commission Application 17-11-009 (filed November 17, 2017).

At 10:30 a.m. the Committee returned to Open Session. General Counsel Jane Luckhardt advised that no reportable action was taken during the Closed Session.



## **INFORMATIONAL ITEMS**

### **13. NCPA NDA for Confidential Information and License to Use Intellectual Property**

Tony Zimmer presented the Committee with background on the current NCPA NDA for Confidential Information and License to Use Intellectual Property. As NCPA has developed new systems and tools for delivering data to customers and Members, it has become clear that this NDA needs to be updated to broaden coverage to these additional tools.

Tony reviewed the updates that NCPA has made to the current NDA. In addition to covering some of the new systems and tools (such as NCPA Connect, Power BI reports, etc.) NCPA has also broadened the language regarding protections of intellectual property and software.

Language has also been added to the NDA which states that, once the Amended and Restated NDA has been executed, it will supersede the previous NDA.

Martin Caballero mentioned that MID would prefer to narrow the descriptions in Paragraph 8, which reference malware and other outside systems. Jane is working with IT to narrow the language. The Committee also discussed the possibility of including reciprocal notification language.

Tony Zimmer will set up a conference call with all interested parties to discuss any additional suggestion prior to bringing this to Commission for approval.

### **14. Additional Operational Updates**

Mike DeBortoli mentioned that the transformer bid opening is scheduled for Tuesday, 1/8.

Martin Caballero asked whether Mike would provide any further updates regarding the Rotor Upgrade which was presented in the December LEC PPC meeting. Mike said he intends to bring a comprehensive update to the February meeting. Martin mentioned some internal discussions that had taken place regarding this project at MID. MID feels that the payback for this upgrade would likely need to be a shorter period (2-3 years) in order to make the expense worth it. MID is basing this on the impacts of the gas transportation rates. Ghassan Alqaser suggested Staff also examine the ramp rate, since the ability to shave 5 minutes from the Pmin could also make the cost of the upgrades worth it. Mike stated he would take these comments into account and would hopefully have something more to bring forward to the Committee in February.

## **Adjournment**

The next regular meeting of the PPC is scheduled for Monday, February 11, 2019 at 10:00 a.m.

The meeting was adjourned at 10:47 a.m.

Submitted by: Michelle Schellentrager