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LEC PPC Meeting Minutes

Date: February 11, 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

1. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:03 a.m. by Chairman Martin Caballero. 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	Present	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%
Summary		
Present	8	87.1501%
Absent	5	12.8499%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	February 11, 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 January 7, 2019 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 2/11/2019

Motion: The PPC approves the minutes from the January 7, 2019 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.

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	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	7	85.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	14.8142%
Result:	The motion passes	

MONTHLY REPORTS

3. Operational Reports for January 2019

Jeremy Lawson presented the Operational Report for January 2019. There were no OSHA recordable accidents, no NERC/WECC or permit violations, and no forced outages. There are no changes to the 2018 outage schedule. Work is scheduled for February 17th – 19th to address and issue with the expansion joint failing. The expansion joint was upgraded 2-3 years ago, but is now failing. The cause is to be determined. There were no other changes to the current outage schedule.

The operational report reflected monthly production of 146,025 MWH, 544 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 302MW Pmax of 65%. There were 7 hot starts, 12 warm starts, and zero cold starts during the month.

4. Market Data Report for January 2019

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 RAIM incentive payments for the month. Most startups were for 6-11 hour runs, with twenty-four 24-hour runs in the month of January.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for December 2018. Mike reported that energy prices were lower than forecast, with fuel prices higher than anticipated, resulting in the plant running less than forecast. Mike did not have the asset report charts available, and will distribute them to the participants later in the afternoon.

6. Bidding Strategies Report

Ken Goeke presented the Bidding Strategies Report for January 2019. Ken mentioned that they had discontinued the long-term maintenance adder. Ken reviewed bidding and calculating net start-up costs. Ken also reviewed DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 7 – 17)

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:

2/11/2019

Motion:

The PPC approves the Consent Calendar items consisting of agenda items no. **7.** Treasurer's Report for December 2018 and January 2019; **8.** Financial

Report for January 2019; **9.** GHG Reports (excerpted from Monthly ARB); **10.** North American Substation Services, LLC MTGSA not to exceed \$1,000,000 for transformer services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **11.** Fremouw Environmental Services, Inc. MTGSA not to exceed \$3,000,000 for waste removal services, for use at all facilities owned and/or operated by NCPA; **12.** Valley Power Systems North, Inc. MTGSA not to exceed \$500,000 for fire pump maintenance services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **13.** Bayside Insulation & Construction, Inc. MTGSA not to exceed \$500,000 for insulation services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **14.** K.S. Dunbar & Associates, Inc. MTGSA not to exceed \$1,000,000 for NEPA and CEQA consulting services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **15.** Hart High Voltage Apparatus Repairs and Testing Co., Inc. First Amendment to MTGSA not to exceed \$2,700,000 for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **16.** Brian Davis dba Northern Industrial Construction First Amendment to MTGSA not to exceed \$2,000,000 for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **17.** LEC PMOA Schedule 1, Exhibit 5 - CAISO Charges update

Moved by:
Seconded by:

Lodi
CDWR

Discussion: There was no further discussion.

Vote Summary on Motion		
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Vote Summary		
Total Ayes	8	87.1501%
Total Noes	0	0.0000%

Total Abstain	0	0.0000%
Total Absent	5	12.8499%
Result:	Motion Passes	

BUSINESS ACTION ITEMS

None

CLOSED SESSION

18. Adjourned to Closed Session

Ken Speer and Jane Luckhardt did not have any updates at this time, so the Committee did not adjourn to Closed Session.

INFORMATIONAL ITEMS

19. Siemens Upgrade Options

Mike reviewed the features and benefits of the Siemens hybrid rotor. Mike shared a table with the Committee which summarized the 3-year life and 10-year life. At this time, staff is not recommending that we move forward with upgrading to the hybrid rotor. Staff will continue to monitor the data, and if capacity values change on the hybrid rotors, they may revisit the idea in the future.

Ghassan Alqaser asked whether the hybrid rotor would impact ramp rates. Mike responded that the unit could ramp faster, but that there would not be a lot of added value or impact on flexible RA. Mike will reach out directly to Ghassan to discuss further, and will report back to the Committee with a summary of their discussion.

20. Additional Operational Updates

There were no additional operational updates at this time.

Adjournment

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

The meeting was adjourned at 10:35 a.m.

Submitted by: Michelle Schellentrager