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LEC PPC Meeting Minutes

Date: June 11, 2018

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 10:01 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 - Lehr	Absent	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Alqaser/Burke	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%
Summary		
Present	6	82.4001%
Absent	7	17.5999%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	June 11, 2018	

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 May 14, 2018 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 6/11/2018

Motion: The PPC approves the minutes from the May 14, 2018 Regular Meeting as presented or *including any edits discussed at today's meeting.*

Moved by: Biggs

Seconded by: SVP

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Absent	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	6	82.4001%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.5999%
Result:	Motion passed	

MONTHLY REPORTS

3. Operational Reports for May 2018

Jeremy Lawson presented the Operational Report for May 2018. There were no OSHA recordable accidents, no NERC/WECC violations, and no permit violations. There was 1 forced outage caused by an issue with the Combustion Turbine Generator. There was a rapid increase rate of change on gas levels, causing an alarm. Staff suspected this could have been caused by a bad bushing. A new bushing has been installed, and the generator is back online and appears to be stable. There are still outstanding questions regarding physical internal damage which was discovered during an inspection when the unit was offline, including bent laminations. This outage resulted in 299 forced outage hours.

Mike D. shared drone footage of inspections inside the unit. Utilizing drones for inspections proved to be much more cost-effective than inspecting via person (which requires setup of scaffolding and comes with additional risks). There are no changes to the 2018 outage schedule.

The operational report reflected monthly production of 8,838 MWH, 51 service hours, and equivalent operating availability of 59.9%. The report set for the Capacity Factor @ 280MW Pmax of 4.2% and 302MW Pmax of 3.9%. There were 0 hot starts, 7 warm starts, and 0 cold starts during the month.

4. Market Data Report for May 2018

Zach Lesky presented the operating and financial settlement results for the month on behalf of Mike Whitney. LEC was committed to CAISO 9 out of 19 available days. Most startups were for 1-5 hour runs, with no extended runs in the month of May.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for April 2018. Mike reported that the unit saw strong revenues, despite the forced outage. This is the first time the unit has been in an outage in the month of April. 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 May 2018. Jesse reviewed bidding and calculating net start-up costs, as well as the DA and RT net revenues over the month with the Committee.

Consent Calendar (Items 7 – 12)

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: 6/11/2018

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. **7.** Treasurer's Report for May 2018; **8.** Financial Reports for May 2018; **9.** GHG Reports excerpted from monthly ARB; **10.** Performance Mechanical,

Inc. MTGSA not to exceed \$2,000,000 for T&M maintenance services, for use at all facilities owned and/or operated by NCPA, its Members, SCPA, and SCPA Members; **11.** American Crane Rental, Inc. MTGSA not to exceed \$500,000 for crane services, for use at all facilities owned and/or operated by NCPA, its Members, SCPA, and SCPA Members; **12.** OST Trucks and Cranes, Inc. MTGSA not to exceed \$500,000 for truck and crane services, for use at all facilities owned and/or operated by NCPA, its Members, SCPA, or SCPA Members.

Moved by: Lodi
Seconded by: SVP

Discussion: There was no further discussion.

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Absent	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%
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Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	6	82.4001%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	17.5999%
Result:	The motion passed	

BUSINESS ACTION ITEMS

10. Adjourned to Closed Session

The PPC adjourned to Closed Session at 10:32 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 10:41 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

17. Additional Operational Updates

Ken Speer announced to the Committee that Dave Dockham would be retiring at the end of June. Interviews for a replacement have begun.

Representatives from CDWR announced to the Committee that John Yarborough was on Special Assignment. His assignment is projected to last about 3 months. For the duration of John's absence, Ghassan will be attending in his place, and acting as Vice-Chair of the Lodi Project Participant Committee.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, July 9, 2018 at 10:00 A.M.

The meeting was adjourned at 10:45 A.M.

Submitted by: Michelle Schellentrager