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LEC PPC Meeting Minutes

Date: Monday, June 12, 2023

Time: 10:00 a.m. 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

The PPC meeting was called to order at 10:01 a.m. by Chairman Brock Costalupes He 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 | Absent | 6.6000% |
| Biggs - Schmidt | Absent | 0.2679% |
| CDWR - Burk | Present | 33.5000% |
| Gridley - Wagner | Absent | 1.9643% |
| Healdsburg - Crowley | Absent | 1.6428% |
| Lodi - Chiang | Present | 9.5000% |
| Lompoc - McDonald | Absent | 2.0357% |
| MID - Costalupes | Present | 10.7143% |
| Plumas-Sierra - Brozo | Absent | 0.7857% |
| PWRPA - Bradley | Present | 2.6679% |
| SVP - Wong | Present | 25.7500% |
| Ukiah - | Absent | 1.7857% |
| Summary | | |
| Present | 6 | 84.9179% |
| Absent | 7 | 15.0821% |
| Quorum by #: | No | |
| Quorum by GES: | Yes | |
| Meeting Date: | June 12, 2023 | |

Public Forum

Chairman Costalupes 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.

3. Meeting Minutes

The draft minutes from the May 8, 2023 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 6/12/2023

Motion: The PPC approves the minutes from the May 8, 2023 Regular Meeting.

Moved by: Lodi

Seconded by: MID

Discussion: There was no further discussion

| Vote Summary on Motion | | |
|-------------------------------|-------------|--------------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
| BART | Absent | 6.6000% |
| Biggs | Absent | 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 | 84.9179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 15.0821% |
| Result: | | Motion Passes |

MONTHLY REPORTS

4. Operational Reports for May 2023

Ryan Johnson presented the Operational Report for May 2023. There were no OSHA recordable accidents, and no NERC/WECC or permit violations. There were two outages, which were reviewed with the Committee. There will be a 5-day outage to take place in June or July for the gearbox inspection; the outage schedule is dependent on the unit reaching certain operation thresholds (100 hours of operations and 4-6 hours of full steam turbine load). There are no changes to the 2024 outage schedule.

The operational report reflected monthly production of 2,250 MWH, 13 service hours, and equivalent operating availability of 90.6%. The report set for the Capacity Factor @ 302MW Pmax of 1%. There were 4 hot starts, 1 warm start, and 2 cold starts during the month. Staff recommended to discontinue tracking 2.1 (d) ("Hours/days load > 240MW"), as this metric is no longer necessary now that the gearbox has been replaced. There were no objections to this recommendation, and this metric will not be tracked going forward.

5. Market Data Report for May 2023

Bob Caracristi presented the operating and financial settlement results for the month. LEC was committed to CAISO 3 out of 29 available days. Most startups were for {mid-term runs, with no 24-hour runs in the month of May.

6. Monthly Asset Report

Rafael Santana presented the monthly asset report for April 2023. Rafael reviewed forecast costs versus actual costs for the month. Rafael reviewed the monthly historical comparisons as well as the 12-month history. It was noted that there were no real runs in April due to the regularly scheduled outage.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for May 2023. 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 8 – 19)

The consent calendar was considered. Chairman Costalupes 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: 6/12/2023

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.:
8. Treasurer's Report for April 2023; **9.** Financial Report for April 2023; **10.** GHG

Reports (excerpted from the Monthly ARB); **11.** Leidos Engineering LLC 5-year MTPSA for transmission and distribution design services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; **12.** Industrial Air Flow Dynamics, Inc. 5-year MTGSA for seals, expansion joints, and HRSG related services, not to exceed \$4,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; **13.** Fossil Energy Research Corp dba FERCO 5-year MTPSA for testing services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; **14.** Electrical Maintenance Consultants 5-year MTGSA for specialty electrical related services, not to exceed \$5,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; **15.** Montrose Air Quality Services, LLC 5-year MTCSA for testing services, not to exceed \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members; **16.** Veteran's Industrial Protection, Inc. 5-year MTGSA for fire system maintenance services, not to exceed \$3,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA and SCPPA Members; **17.** Rescue Solutions, LLC First Amendment to 5-year MTGSA for emergency response and training services, increasing the not to exceed amount from \$500,000 to \$1,500,000, for continued use at all facilities owned and/or operated by NCPA; **18.** Ballard Marine Construction, LLC 5-year MTGSA for underwater maintenance, inspections, and bathymetric survey services, not to exceed \$2,000,000, for use at all facilities owned and/or operated by NCPA; **19.** EverLine Compliance CA, LLC Second Amendment to 5-year MTGSA for pipeline maintenance and operations related services, amending Exhibits A and B to include additional regulatory services and remove usage by NCPA Members, SCPPA and SCPPA Members, with the not to exceed amount to remain unchanged at \$1,000,000, for continued use at any facilities owned and/or operated by NCPA.

Moved by: SVP
Seconded by: Lodi

Discussion:
. There was no further discussion.

| Vote Summary on Motion | | |
|------------------------|--------|-------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
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| | | |
|----------------------|---------------|----------|
| Silicon Valley Power | Yes | 25.7500% |
| Ukiah | Absent | 1.7857% |
| | | |
| Vote Summary | | |
| Total Ayes | 6 | 84.9179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 7 | 15.0821% |
| | | |
| Result: | Motion Passes | |

BUSINESS ACTION ITEMS

20. Siemens Thermal Performance Upgrade Feasibility Study

Rafael Santana reviewed the new technology incorporated in the turbine efficiency package proposed by Siemens Energy, Inc., including benefits from this potential upgrade. The upgrade economics were also reviewed. The study is estimated to take 4-5 months to complete. Staff would like to start the study as soon as possible, so the timing of the upgrade work could be scheduled to take place during upcoming maintenance intervals.

Members stated that they would like to see additional economic data, specifically a better understanding of the assumptions, market implications, and any other impacts. NCPA staff stated they intended to present a more complete economic analysis once they are ready to move forward with seeking approval of the upgrade project, and that the feasibility study would inform those economics. Members expressed a desire to have this information prior to moving forward with approving the feasibility study. Rafael will send out some additional information to project participants, and will bring this item back for discussion in a future meeting.

INFORMATIONAL ITEMS

21. NCPA Inter-Agency Resource Plan (IARP) Update

Rafael Santana and Mike DeBortoli presented an informational-only update regarding the current status of the development of NCPA's Inter-Agency Resource Plan (IARP). They clarified that development of this plan was not a part of any sort of regulatory requirement, and instead the goal of the plan was to find the gap between electrical load needs and available resources in NCPA and NCPA Member energy portfolios, which will create a reference and strategy for development of resources and assist with identifying potential future projects to meet Members' needs. The IARP Deliverables schedule was presented. NCPA anticipates the presenting the final IARP for acceptance/adoption by the Commission in the July 27, 2023 meeting.

22. Additional Operational Updates

Rafael Santana presented an operation update regarding Natural Gas Transportation rates. Background regarding the formation of the NCGC was presented. NCPA and other NCGC

Members are currently operating under extended negotiated rates. NCGC is finalizing a settlement agreement which they intend to file with the CPUC and hope to have approved sometime in Q4 2023. Additional updates will be presented to the Committee as they are available.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, July 10, 2023 at 10:00 a.m.

The meeting was adjourned at 11:10 a.m. Pacific Standard Time.

Submitted by: MICHELLE SCHELLENTRAGER