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LEC PPC Meeting Minutes

Date: September 10, 2018

Time: 10:00 am

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 am 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 - Price	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:	September 10, 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 August 13, 2018 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 9/10/2018

Motion: The PPC approves the minutes from the August 13, 2018 Regular Meeting as presented or *including any edits discussed at today's meeting.*

Moved by: CDWR

Seconded by: Lodi

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:	Motion Passed	

MONTHLY REPORTS

3. Operational Reports for August 2018

Jeremy Lawson presented the Operational Report for August 2018. 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.

The operational report reflected monthly production of 177,842 MWH, 679 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 302MW Pmax of 79.1%. There was 1 hot start, 5 warm starts, and 0 cold starts during the month.

4. Market Data Report for August 2018

Mike Whitney presented the operating and financial settlement results for the month. LEC was committed to CAISO 31 out of 31 available days. LEC received estimated RA incentive payments of \$23.5k for Generic RA, and \$5k for Flexible RA. Most startups were for 24-hour runs in the month of August, with the highest margins in the beginning of the month. Mike shared the cumulative monthly margins with the Committee.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for July 2018. Mike reported that the plant is currently operating below the forecasted budget. Mike reviewed the monthly historical comparisons as well as the 12-month history. The historical margins for July were very strong.

6. Bidding Strategies Report

Ken Goeke presented the Bidding Strategies Report for August 2018. Ken reviewed bidding and calculating net start-up costs. Ken reviewed DA and RT net revenues over the month with the Committee. Margins so far for September have fallen, and will likely not be as strong as July/August were.

Consent Calendar (Items 7 – 20)

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: 9/10/2018

Motion: The PPC approves the Consent Calendar items consisting of agenda items no. **7.** Treasurer's Report for August 2018; **8.** Financial Reports for August 2018; **9.** GHG Reports excerpted from monthly ARB; **10.** Advanced Turbine Support LLC MTCSA not to exceed \$250,000 for borescope inspections and non-destructive testing services, for use at all facilities owned and/or operated

by NCPA, its Members, SCPPA, and SCPPA Members; **11.**Ernie and Sons MTGSA not to exceed \$2,000,000 for scaffolding services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **12.** Fairchild and Wells MTCSA not to exceed \$500,000 for well related consulting services, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, or SCPPA Members; **13.** Burns and McDonnell First Amendment to MTPSA increasing the not to exceed amount from \$1,000,000 to \$4,000,000 for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **14.** ABB, Inc. MTGSA not to exceed \$10,000,000 for generator inspection, testing, and troubleshooting, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **15.** Nozomi Networks, Inc. MTCSA not to exceed \$500,000 for cyber security consulting, vulnerability testing and solutions, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **16.** Western Hydrologic LLP MTCSA not to exceed \$1,000,000 for environmental regulatory compliance reporting, forecasting/modeling and design, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **17.** Petrochem Insulation, Inc. MTGSA not to exceed \$500,000 for pipe maintenance, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **18.** Rodney Bray MTCSA not to exceed \$500,000 for consulting services and supervision for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **19.** MFP Connect, LLC MTCSA not to exceed \$1,000,000 for energy workforce services on an interim basis, for use at all facilities owned and/or operated by NCPA, its Members, SCPPA, and SCPPA Members; **20.** PMOA Schedule 6.00 adding Manny Robledo as the City of Azusa's Primary Representative to the LEC PPC

Moved by:
Seconded by:

CDWR
Lodi

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%
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Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
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

21. Adjourned to Closed Session

The PPC adjourned to Closed Session at 10:25 am. 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 am 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

Mike DeBortoli gave a brief update about the current LEC outage. The outage began on Saturday. A coil for the pickup relay was found to be open and burned. Staff are currently waiting for the unit to cool so the coil can be replaced. LEC will remain out of service in the meantime. Staff is hoping to be able to begin turning the unit by hand tomorrow morning. Staff is aware of the potential RA penalties if the unit remains out of service for too long, and is doing everything they can to minimize those penalties and have the unit back online as soon as possible.

Adjournment

The next regular meeting of the PPC is scheduled for October 8, 2018 at 10:00 am.

The meeting was adjourned at 10:44 am.

Submitted by: Michelle Schellentrager