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LEC PPC Meeting Minutes

Date: Monday, September 11, 2023

Time: 10:00 am 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 10:02 am by Chairman Brock Costapules. He asked that roll be called for the Project Participants as listed below. Biggs arrived late and was only available to participate in the final motion.

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	Absent	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	5	75.4179%
Absent	8	24.5821%
Quorum by #:	No	
Quorum by GES:	Yes	
Meeting Date:	September 11, 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 August 7, 2023 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 9/11/2023

Motion: The PPC approves the minutes from the August 7, 2023 Regular Meeting.

Moved by: MID
Seconded by: Azusa

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	Absent	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	5	75.4179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	8	24.5821%
Result:	Motion Passed	

MONTHLY REPORTS

4. Operational Report for August 2023

Ryan Johnson presented the Operational Report for August. There were no OSHA recordable accidents and no NERC/WECC or permit violations. There was one notice of violation and settlement received from San Joaquin Valley Air Pollution Control District for February 24, 2023 ammonia slip limit exceedance and two forced outages for feedwater control valve issues. There are no changes to the 2024 outage schedule.

The operational report reflected monthly production of 146,332 MWH, 588 service hours, and equivalent operating availability of 99.2%. The report set for the Capacity Factor @ 302MW Pmax of 65.1%. There was 1 hot start, 6 warm starts, and 1 cold start during the month.

5. Market Data Report for August 2023

Bob Caracristi presented the operating and financial settlement results for the month. LEC was committed to CAISO 29 out of 31 available days. There were eight starts in the month of August. There were two days where LEC was uneconomic. LEC had twenty days of uninterrupted operations.

6. Monthly Asset Report

Rafael Santana presented the monthly asset report for July 2023. Rafael reported that the market made a comeback due to a heatwave in July which resulted in being under budget. Rafael reviewed the monthly historical comparisons as well as the 12-month history.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for August 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 – # 17)

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: 9/11/2023

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for July 2023; **9.** Financial Report for July 2023; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Wagner Mechanical, Inc. 5-year MTGSA for general T&M maintenance services, not to exceed \$4,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **12.** Well Analysis Corporation, Inc. dba WELACO, Inc. 5-year MTGSA for well related services, not to exceed \$5,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **13.** Bay Cities Pyrotector, Inc. First Amendment to 5-year MTGSA for fire system maintenance services and parts, updating Exhibit A, for continued use at all facilities owned and/or operated by NCPA, Members/SCPPA; **14.** Wunderlich-Malec Systems, Inc. 5-year MTGSA for control systems services, not to exceed \$750,000, for use at all facilities owned and/or operated by NCPA; **15.** Western Area Power Administration (WAPA) Amendment 2 (Term Extension) to Contract for Maintenance Services, extending the agreement for an additional 5-year term through September 30, 2028 and increasing the not to exceed amount for services under the contract from \$1,000,000 to \$2,000,000, for continued use at all facilities owned and/or operated by NCPA; **16.** The Boldt Company 5-year MTGSA for general T&M maintenance services, not to exceed \$4,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **17.** PMOA Schedule 6.00 revisions to reflect changes for the City of Lompoc.

Moved by: MID
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	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Absent	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	5	75.4179%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	8	24.5821%
Result:	Motion Passed	

BUSINESS ACTION ITEMS

18. Approval of Funds for Advocacy Efforts for the Lodi Energy Center – Staff is seeking a recommendation for approval to spend up to \$50,000 with the law firm of Brownstein Hyatt Faber and Schreck, LLP for advocacy concerning the Inflation Reduction Act as it relates to LEC eligibility for hydrogen tax credits, to be funded from the LEC Consulting/Grant Writing Budget (549-009-000-610-044-000). The LEC PPC considered the following motion:

Date: 9/11/2023

Motion: The LEC PPC approves the request to spend up to \$50,000 with the law firm of Brownstein Hyatt Faber and Schreck, LLP for advocacy concerning the Inflation Reduction Act as it relates to LEC eligibility for hydrogen tax credits, to be funded from the LEC Consulting/Grant Writing Budget (549-009-000-610-044-000).

Moved by: CDWR
Seconded by: Biggs

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	Absent	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	75.6858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	7	24.3142%
Result:	Motion Passed	

INFORMATIONAL ITEMS

Additional Operational Updates

19. Siemens Thermal Performance Upgrade Economics - Jeremy Lawson presented some of the economics behind the Siemens Thermal Performance Upgrade. CAISO and air permit information will be provided along with a request to have Siemens conduct a study.

20. Lodi Energy Center Hydrogen Upgrade Project – Mike DeBortoli discussed the extra efforts advocating for the project such as letters to legislators and providing public information. A Phase 2 information packet will be provided to members.

21. Additional Operational Updates – Ryan Johnson discussed the Anhydrous Ammonia Spill drill conducted at LEC. An action item sheet was created with improvements. The drill was conducted as a proactive preparation for emergencies.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, October 9, 2023.

The meeting was adjourned at 11:20 am.

Submitted by: Julie Kenkel