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LEC PPC Meeting Minutes

Date: Monday, October 9, 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 10:03 am by Chairman Brock Costapules. 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 | Present | 6.6000% |
| Biggs - Schmidt | Present | 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 | 8 | 91.7858% |
| Absent | 5 | 8.2142% |
| Quorum by #: | Yes | |
| Quorum by GES: | Yes | |
| Meeting Date: | October 9, 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 September 11, 2023 Regular Meeting were considered. The LEC PPC considered the following motion:

Date: 10/9/2023

Motion: The PPC approves the minutes from the September 11, 2023 Regular Meeting.

Moved by: SVP

Seconded by: Lodi

Discussion: There was no further discussion

| Vote Summary on Motion | | |
|-------------------------------|-------------|--------------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
| BART | Yes | 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 | 7 | 91.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 6 | 8.4821% |
| Result: Motion Passed | | |

*Before moving on to the monthly reports, Rafael Santana requested to present item 16, the 2024 LEC Spring Outage information before item 15, the Gas Turbine Thermal Performance Upgrade Feasibility Study information. There were no objections to these presentations being rearranged.

MONTHLY REPORTS

4. Operational Report for September 2023

Ryan Johnson presented the Operational Report for September. There were no OSHA recordable accidents and no NERC/WECC or permit violations. There were two outages. One due to STG GSU Gas Analyzer trouble and one was Telemetry Outage. 2024 planned outage is scheduled for April 1-30 for annual maintenance and steam turbine excitation upgrade.

The operational report reflected monthly production of 31,971 MWH, 126 service hours, and equivalent operating availability of 98.5%. The report set for the Capacity Factor @ 302MW Pmax of 14.7%. There were 4 cold starts 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 9 out of 30 available days. There were four starts in the month of September. There were twenty-one days where LEC was uneconomic. LEC had three days of uninterrupted operations.

6. Monthly Asset Report

Rafael Santana presented the monthly asset report for August 2023, showing that net costs are under budget. Rafael reported that the margin rose due to hot weather in August. 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 September 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 – # 14)

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: 10/9/2023

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for August 2023; **9.** Financial Report for August 2023; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** PMOA Schedule 6.00 revisions reflecting changes for the California Department of Water Resources; **12.** High Sierra Timber Management, LLC 5-year MTGSA for vegetation management related services, not to exceed \$1,000,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **13.** American Crane Rental, Inc. 5-year MTGSA for crane related services, not to exceed \$1,500,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA; **14.** Bayside Insulation & Construction, Inc. 5-year MTGSA for insulation services, not to exceed \$500,000, for use at all facilities owned and/or operated by NCPA, Members/SCPPA.

Moved by: SVP
Seconded by: CDWR

Discussion: There was no further discussion.

| Vote Summary on Motion | | |
|------------------------|--------|-------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
| BART | Yes | 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 | 7 | 91.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 6 | 8.4821% |
| Result: Motion Passed | | |

BUSINESS ACTION ITEMS

***16. 2024 LEC Spring Outage** – Staff is seeking approval authorizing the LEC 2024 Spring Outage and delegate authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the outage in accordance with NCPA Purchasing Policies and Procedures without further approval by the Commission, for a total cost not to exceed \$3,479,649 with \$1,935,000 from Maintenance Reserves. The LEC PPC considered the following motion:

Date: 10/9/2023

Motion: The LEC PPC grants approval authorizing the LEC 2024 Spring Outage and delegate authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the outage in accordance with NCPA Purchasing Policies and Procedures without further approval by the Commission, for a total cost not to exceed \$3,479,649 with \$1,935,000 from Maintenance Reserves.

Moved by: Azusa

Seconded by: MID

Discussion: There was no further discussion.

| Vote Summary on Motion | | |
|------------------------|---------------|-------------------|
| Participant | Vote | Particulars / GES |
| Azusa | Yes | 2.7857% |
| BART | Yes | 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 | 7 | 91.5179% |
| Total Noes | 0 | 0.0000% |
| Total Abstain | 0 | 0.0000% |
| Total Absent | 6 | 8.4821% |
| Result: | Motion Passed | |

***15. Gas Turbine Thermal Performance Upgrade Feasibility Study** – Staff is seeking a recommendation for approval to conduct a plant feasibility study for the 15MW FX upgrade and delegate authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders in accordance with NCPA Purchasing Policies and Procedures without further approval by the Commission, for a total cost not to exceed \$300,000, to be funded from Maintenance Reserve.

It was decided that this vote would be delayed until October 23, 2023, when a Special Meeting will be held. Prior to this Special Meeting, NCPA will provide additional information regarding the cost, benefits and timeline of the upgrade and the feasibility study.

INFORMATIONAL ITEMS

Additional Operational Updates

17. FY2023 Annual Billing Settlements Review – Sondra Ainsworth presented a draft of LEC's FY2023 Annual Billing Settlement and encumbrances for the period of July 1, 2022 to June 30, 2023. The Final Annual Billing Settlement will be presented at the next regular PPC meeting for approval before being presented to the Commission for approval at the November 30, 2023 commission meeting

18. Lodi Energy Center Hydrogen Upgrade Project – Mike DeBortoli informed the committee that hydrogen grant awards have not been announced yet. Community meetings are scheduled to relay information to the public about hydrogen power plants. An in-depth Phase 2 information packet will be available for interested members soon.

19. Additional Operational Updates – There were no additional operational updates.

Adjournment

A special meeting of the PPC is scheduled for Monday, October 23, 2023.

The next regular meeting of the PPC is scheduled for Monday, November 6, 2023.

The meeting was adjourned at 11:43 am.

Submitted by: Julie Kenkel