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# LEC PPC Meeting Minutes

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**Date:** October 7, 2019

**Time:** 10:00am

**Location:** Lodi Energy Center – 12745 N. Thornton Rd, Lodi, CA 95242 and by teleconference

**Subject:** Lodi Energy Center Project Participant Committee Meeting

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## 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 10:00am by Chairman Jiayo Chiang. He asked that roll be called for the Project Participants as listed below.

<b>PPC Meeting Attendance Summary</b>		
<b>Participant</b>	<b>Attendance</b>	<b>Particulars / GES</b>
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 - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - Caballero	Present	10.7143%
Plumas-Sierra - Brozo	Present	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Hance	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
<b>Summary</b>		
Present	8	85.2679%
Absent	5	14.7321%
Quorum by #:	Yes	
Quorum by GES:	Yes	

Meeting Date:	October 7, 2019
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**Public Forum**

Chairman Chiang 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 9, 2019 Regular Meeting were considered. The LEC PPC considered the following motion:

**Date:** 10/7/2019  
**Motion:** The PPC approves the minutes from the September 9, 2019 Regular Meeting as presented including any edits discussed at today's meeting.

**Moved by:** CDWR  
**Seconded by:** Lodi

Discussion: There was no further discussion

<b>Vote Summary on Motion</b>		
<b>Participant</b>	<b>Vote</b>	<b>Particulars / GES</b>
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Absent	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Absent	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	7	84.4822%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	15.5178%
Result:	Motion Passes	

## **MONTHLY REPORTS**

### **4. Operational Reports for September 2019**

Jeremy Lawson presented the Operational Report for September 2019. There were no OSHA recordable accidents, no NERC/WECC or permit violations, and no forced outages. Jeremy Lawson mentioned a high temperature CT re-heater trip occurred on September 22nd. They reviewed the operational procedure to resolve the issue. The upcoming major outage for the CT main transformer replacement in May 2020 is still on tract. The 6 week CT major inspection may occur in the Spring or Fall of 2022, based on the number of starts at that time.

The operational report reflected monthly production of 76,527 MWH, 302 service hours, and equivalent operating availability of 99.9%. The report set for the Capacity Factor @ 302MW Pmax of 35.2%. There was 1 hot start, 6 warm starts, and 2 cold starts during the month.

### **5. Market Data Report for September 2019**

Zackary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 18 out of 30 available days. Most startups were for mid to long-term runs with 7 24-hour runs in the month of September. Chairman Chiang mentioned we ran the same as the previous month.

### **6. Monthly Asset Report**

Michael DeBortoli presented the monthly asset report for August 2019 and included the new cumulative net cost slide. Michael mentioned the market is lower than forecasted. The month of August is good, however, not as good as the last two years.

### **7. Bidding Strategies Report**

Jesse Shields presented the Bidding Strategies Report for September 2019. 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 8-15)**

The consent calendar was considered. Chairman Chiang 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:** 10/7/2019

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no.:  
**8.** GHG Reports (excerpted from Monthly ARB); **9.** Thatcher Company of

California, Inc. MTEMS for chemical purchases, not to exceed \$2,500,000 over five years, for use at all NCPA facilities; **10.** TEAM Industrial Services, Inc. MTGSA for specialty mechanical and inspection services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **11.** ANZGT Field Services, LLC MTGSA for gas turbine maintenance services, not to exceed \$2,500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **12.** Environex, Inc. MTPSA for catalyst testing related services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **13.** Hill Brothers Chemical Company MTEMS for chemical purchases, not to exceed \$2,500,000 over five years, for use at all NCPA facilities; **14.** Matheson Tri-Gas, Inc. MTEMS for gases, welding supplies, and cylinder rental services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities; **15.** Utilicast, LLC First Amendment to MTCSA, increasing the NTE from \$200,000 to \$1,000,000, for continued use at all NCPA facilities and Members/SCPPA.

**Moved by:**  
**Seconded by:**

**CDWR**  
**MID**

Discussion: There was no further discussion.

<b>Vote Summary on Motion</b>		
<b>Participant</b>	<b>Vote</b>	<b>Particulars / GES</b>
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**BUSINESS ACTION ITEMS**

NONE.

### **INFORMATIONAL ITEMS**

#### **16. PG&E Negotiated Gas Transmission Rate Agreement Update**

Michael DeBortoli mentioned the new three year PG&E negotiated transmission rate agreement is in effect through 2022.

#### **17. FY2019 Annual Billing Settlements Review**

Sondra Ainsworth presented information on the FY2019 annual billing statement results. The preliminary results indicate higher generation than forecasted. The Committee was presented with details to O&M, Labor, Other Costs and Projects. Sondra shared net projected refund amounts for all LEC participants.

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Sondra shared the next steps with the Committee. Accounting will bring this back for approval at the November 4<sup>th</sup> LEC PPC Meeting. It will then be presented for approval at the December 5<sup>th</sup> Commission Meeting.

#### **18. Overview of FY2021 Budget Process and Approach**

Sondra Ainsworth presented the general budget review process, mission, vision, strategies and recommendations for the FY2020/21 budget, along with the timeline. Chairman Chiang asked for a comparison between the FY2019/2020 budget increase for salaries and benefits. Sondra reviewed and confirmed the projected target increase for the FY2021 budget is similar.

#### **19. Additional Operational Updates**

None.

### **Adjournment**

The next regular meeting of the PPC is scheduled for Monday November 4, 2019 at 10:00am.

The meeting was adjourned at 10:47am.

Submitted by: Melissa Conrad