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LEC PPC Meeting Minutes

Date: February 10, 2020

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

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.

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 - Chiang	Present	9.5000%
Lompoc - Singh	Absent	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - McLaughlin	Present	2.6679%
SVP - Wong	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:

February 10, 2020

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 January 6, 2020 Regular Meeting were considered, however, it was noted after the meeting that the voting template did not reflect the correct meeting minutes. Therefore, in an effort to be transparent and avoid confusion, these minutes will be presented for re-approval in the March 9, 2020 Regular LEC PPC meeting. The LEC PPC considered the following motion:

Date: 2/10/2020**Motion:** The PPC approves the minutes from the December 9, 2019 Regular Meeting as presented including any edits discussed at today's meeting.**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	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	Yes	2.6679%
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	

INFORMATIONAL / DISCUSSION ITEM

4. LEC Unit Update

Michael DeBortoli presented information about the progress of the forced outage investigation on LEC’s gas turbine. He mentioned the potential options available once the investigation is complete. He hopes to have a cost analysis available at the Special PPC meeting scheduled for February 19, 2020, upon the investigation completion. Michelle Schellentrager will send Mike DeBortoli’s PowerPoint presentation to the Committee. Ken Goeke suggested offering a conservative FY2021 budget by taking LEC out of service for July 2020 – September 2020.

MONTHLY REPORTS

5. Operational Reports for January 2020

Rafael Santana presented the Operational Report for January 2020. There were no OSHA recordable accidents, one non-injury incident, no NERC/WECC or permit violations, and one forced outage on January 16, 2020. Rafael mentioned the CT Transformer replacement is on schedule for May 2020. Based on part availability, some of the 6 week CT major outage work scheduled for 2022/2023, will occur during this forced outage.

The operational report reflected monthly production of 64,887 MWH, 252 service hours, and equivalent operating availability of 52.2%. The report set for the Capacity Factor @ 302MW Pmax of 28.9%. There was 2 hot starts, 7 warm starts, and 1 cold start during the month.

5. Market Data Report for January 2020

Zackary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 15 out of 16 available days. Most startups were 12-hour and 24-hour runs in the month of January.

6. Monthly Asset Report

Michael DeBortoli presented the monthly asset report for December 2019. Michael mentioned the month of December was a slight improvement compared to last month. Martin Caballero requested an updated cost analysis with forced outage impact for the next meeting.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for January 2020. 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 9-15)

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: 2/10/2020

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for December 2019; **9.** Financial Report for December 2019; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Industrial Door Company MTGSA for commercial and industrial door maintenance services, not to exceed \$500,000 over five years, for use at all NCPA facilities and Members/SCPPA; **12.** Farwest Insulation Contracting First Amendment to MTGSA, increasing the not to exceed to \$3,500,000, for continued use at all NCPA facilities and Members/SCPPA; **13.** Maxim Crane Works, L.P. First Amendment to MTGSA, increasing the not to exceed to \$1,500,000, for continued use at all NCPA facilities and Members/SCPPA.

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%
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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

16. LEC Transformer Project Request for Additional Funds

Jeremy Lawson presented an updated budget for the scheduled CT Transformer replacement outage in May 2020, and asked for additional funds after awarding the construction bids. Martin Caballero suggested postponing the vote until the Special PPC meeting on February 19, 2020, which allows the members to vote and compare both the forced outage and scheduled outage expenses at the same time. Basil Wong wanted to know if insurance would reimburse the initial dismantle funds pulled from the maintenance reserve for the forced outage. No vote took place.

INFORMATIONAL ITEMS

17. FY2021 Budget Presentation

Michael DeBortoli presented the draft FY2021 budget to the Committee, with the assumption that LEC is back online July 1, 2020. Mike reviewed assumptions, including the MWh and fuel forecasts for FY2021. Per the Committee's request, Mike separated the CAISO charges on the budget. Monty Hanks suggested changing the budget with LEC out of service for the month of July 2020.

18. Additional Operational Updates

There were no additional operation updates at this time.

Adjournment

The next regular meeting of the PPC is scheduled for Monday March 9, 2020 at 10:00am.

The meeting was adjourned at 11:32am.

Submitted by: Melissa Conrad