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LEC PPC Meeting Minutes - Special

Date: February 19, 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 - Special

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 10:01am 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 - Torres	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Alqaser	Present	33.5000%
Gridley - Eckert	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	Absent	0.7857%
PWRPA - McLaughlin	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:

February 19, 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.

BUSINESS ACTION ITEMS

3. Lodi Energy Center Turbine Restoration Project

Michael DeBortoli presented the four available options to restore LEC to service and provided a recommendation. The recommendation had the shortest return to service schedule, minimal risk pending air district requirements, lower cost option, with beneficial upgrades and eliminates the (3) known risks with the current unit. These risks include the compressor through bolts, torque tube and rotor air separator. The benefits to a F4 machine would shorten the startup time with an upgraded ULN, purge credits and no change to the variable rate. Vice Chairman, Ghassan Alqaser, would like to review Siemens documentation explaining the cost between options. Michelle Schellentragher will send out this PowerPoint presentation to the Committee.

Michael DeBortoli confirmed that if the motion passes, should any unforeseeable concerns arise with the new machine, information will be presented to the Participants for review and recommendations. Jane Luckhardt reminded the Members about Section 832 of the Power Sales Agreement, stating if the vote does not pass 75% of the quorum, the Members have 10 days to revoke when approving more than \$5,000,000. Staff recommended approval of funds for a new F4 machine on the unit, not to exceed \$50,800,000.00. The recommendation was considered. The LEC PPC considered the following motion.

Date: 2/19/2020

Motion: The PPC approves LEC Restoration Project Option #3 New F4 Machine in an amount not-to-exceed \$50,800,000; and authorizes the NCPA General Manager to execute agreements, including the Long Term Maintenance Agreement, and issue Purchase Orders to carry out that work. Funding will come from Insurance Coverage (\$50,000,000) and LEC’s Maintenance Reserve account (\$800,000). The Reserve will be replenished over future budget years, beginning with FY21.

Moved by: CDWR

Seconded by: MID

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	Yes	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	9	88.7929%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	4	11.2071%
Result:	Motion Passes	

4. Lodi Energy Center Transformer Replacement Project Additional Funds Request

Jeremy Lawson presented the request for additional funds of \$425,000 for the transformer replacement after receiving all finalized bids. The initial vote scheduled for February 10, 2020 was on hold until the Participants could review the LEC Turbine Restoration Project at the same time. Michelle Schellentrager will send out this PowerPoint presentation to the Committee. Staff recommended approval of the additional funds for the transformer, not to exceed \$425,000.00. The recommendation was considered. The LEC PPC considered the following motion.

Date: 2/19/2020

Motion: The PPC approves the additional funds for the LEC Transformer Project, increasing the total project not to exceed amount from \$4,000,000 to \$4,425,000, and delegating authority to the General Manager or his designee to award bids, execute agreements, and issue purchase orders for the updated project amount, and authorize a budget allocation of the maintenance reserve for the Lodi Energy Center FY20 budget of \$425,000 to fund this project. The maintenance reserve would need to be replenished in future fiscal years.

Moved by: MID
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	Yes	1.9643%
Healdsburg	Yes	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	9	88.7929%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	4	11.2071%
Result:	Motion Passes	

Adjournment

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

The meeting was adjourned at 11:04am.

Submitted by: Melissa Conrad