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LEC PPC Meeting Minutes

Date: March 8, 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 10:01 am by Chairman Basil Wong. 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 - Sharma	Present	33.5000%
Gridley - Eckert	Absent	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Berry	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Present	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	8	87.2215%
Absent	5	12.7785%
Quorum by #:	Yes	
Quorum by GES:	Yes	

Meeting Date:	March 8, 2021
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Public Forum

Chairman Wong asked if any members of the public were on the phone 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. Corinne Bradley with Plumas Sierra Rural Electric Cooperative arrived after the vote on the meeting minutes.

3. Meeting Minutes

The draft minutes from the February 8, 2021 meeting were considered. The LEC PPC considered the following motion:

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	Yes	9.5000%
Lompoc	Yes	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%
Vote Summary		
Total Ayes	7	84.5536%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	15.4464%
Result:	Motion Passes	

MONTHLY REPORTS

4. Operational Reports for February 2021

Rafael Santana presented the Operational Report for February 2021. There were no OSHA recordable accidents and no NERC/WECC violations. There were no forced outage in February 2021. The next planned outage is April 1-30, 2021. Planning continues for the steam turbine and generator major outage currently scheduled for March 1, 2022 – May 31, 2022.

The operational report reflected monthly production of 148,106 MWH, 539 service hours, and equivalent operating availability of 100.0%. The report set for the Capacity Factor @ 302MW Pmax of 73.0%. There were 3 hot starts, 2 warm starts, and 1 cold starts during the month.

5. Market Data Report for February 2021

Zackary Liske mentioned the operating and financial settlement results for the month. LEC was committed to CAISO 24 out of 28 available days. Most runs were 24 hours runs in the month of February. There were 4 days not committed, due to economics.

6. Monthly Asset Report

Michael DeBortoli presented the monthly asset report for January 2021. Michael mentioned the revenues were due to a soft market. The budget is staying on track with forecast for January 2021. Historically, this month was similar to last year.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for February 2021. Jesse reviewed bidding and calculating net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee. Joel Ledesma expressed his appreciation for NCPA's team effort to support a strong revenue bases which benefits the members.

Consent Calendar (Items 8-18)

The consent calendar was considered. Chairman Wong 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: 3/8/2021

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for January 2021; **9.** Financial Report for January

2021; **10.** GHG Reports (excerpted from the Monthly ARB); **11.** Nor-Cal Controls ES MTPSA for engineering and technical support services, not to exceed \$1,000,000 over five years, for use at all NCPA facilities and Members/SCPPA; **12.** Bay Cities Pyrotector, Inc. MTGSA for fire system maintenance services, not to exceed \$1,000,000, for use at all NCPA facilities and Members/SCPPA; **13.** Blue Sky Environmental, Inc. MTCSA for rata, source, and emissions testing, not to exceed \$500,000, for use at all NCPA facilities and Members/SCPPA; **14.** Groome Industrial Service Group, LLC MTGSA for ammonia injection grid/vaporizer, CO/SCR and HRSG inspection and maintenance related services, not to exceed \$1,000,000, for use at all NCPA facilities and Members/SCPPA; **15.** Maxim Crane Works, L.P. MTGSA for crane related services, not to exceed \$1,500,000, for use at all NCPA facilities; **16.** Capital Industrial Restoration, Inc. MTGSA for industrial coatings, concrete maintenance, and other general masonry tasks, not to exceed \$2,500,000, for use at all NCPA facilities and Members/SCPPA; **17.** Nate's Tree Service, Inc. MTGSA for vegetation management services including tree falling and brush removal, not to exceed \$2,500,000, for use at all NCPA facilities and Members/SCPPA; **18.** PMOA Schedule 6.00 revision to update the contact information for the CA Department of Water Resources.

Moved by:
Seconded by:

Lodi
SVP

Discussion: There was no further discussion.

Vote Summary on Motion		
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Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Absent	1.9643%
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Lodi	Yes	9.5000%
Lompoc	Yes	2.0357%
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Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
Vote Summary		
Total Ayes	8	87.2215%
Total Noes	0	0.0000%

Total Abstain	0	0.0000%
Total Absent	5	12.7785%
Result:	Motion Passes	

BUSINESS ACTION ITEMS

19. Lodi Energy Center FY2022 Annual Budget

Sondra Ainsworth reviewed the proposed FY2022 annual budget with a PowerPoint presentation and discussed the budget process and timeline. Sondra discussed the challenges with market pricing, insurance increases and plant O&M projects, capital projects and maintenance reserve. Manny Robledo requested a review on insurance costs for FY2021 & FY2022. Deane Burk asked why the maintenance reserve costs did not lower after the combustion turbine overhaul. Michael DeBortoli explained the maintenance reserve costs represents the steam turbine and generator overhauls in March 2022 & future planned overhauls.

The PPC considered the following motion:

Date: 3/8/2021

Motion: The PPC approves the Lodi Energy Center (LEC) FY 2022 Annual Budget in the amount of \$90,384,253, and approves modifications to the PMOA Schedule 1.00, Exhibit 2.

Moved by: Lompoc

Seconded by: Biggs

Discussion: There was no further discussion.

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Vote Summary		

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INFORMATIONAL ITEMS

20. Additional Operational Updates

Joel Ledesma mentioned the Black & Veatch hydrogen study's findings will be reviewed at the next PPC meeting.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, April 12, 2021 at 10:00am.

The meeting was adjourned at 10:49 am.

Submitted by: Melissa Conrad