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# LEC PPC Meeting Minutes

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**Date:** October 11, 2021

**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 10:03 am by Chairman Basil Wong. He asked that roll be called for the Project Participants as listed below. Note: PWRPA arrived later in the meeting, and was not present to vote on the Meeting Minutes.

PPC Meeting Attendance Summary		
Participant	Attendance	Particulars / GES
Azusa - Robledo	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Burk	Present	33.5000%
Gridley - Wagner	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Main	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 - Grandi	Absent	1.7857%
Summary		
Present	8	87.1501%
Absent	5	12.8499%
Quorum by #:	Yes	
Quorum by GES:	Yes	

Meeting Date:	October 11, 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.

### **3. Meeting Minutes**

The draft minutes from the September 13, 2021 meeting were considered. The LEC PPC considered the following motion:

**Date:** 10/11/2021

**Motion:** The PPC approves the minutes from the September 13, 2021 regular LEC PPC 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%
<b>Result:</b>	<b>Motion Passes</b>	

## **MONTHLY REPORTS**

### **4. Operational Reports for September 2021**

Rafael Santana presented the Operational Report for September 2021. There were no OSHA recordable accidents and no NERC/WECC violations. There were no forced outages in September 2021. The next planned outage for the steam turbine and generator major work is scheduled for March 1, 2022 – May 31, 2022.

The operational report reflected monthly production of 199,045 MWH, 720 service hours, and equivalent operating availability of 100%. The report set for the Capacity Factor @ 302MW Pmax of 91.5%. There were 0 hot starts, 0 warm starts, and 0 cold starts during the month.

### **5. Market Data Report for September 2021**

Michael Maltese mentioned the operating and financial settlement results for the month. LEC was committed to CAISO 30 out of 30 available days. All runs were 24 hours runs in the month of September.

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

Michael DeBortoli presented the monthly asset report for August 2021. Michael mentioned the revenues were not as strong in 2021 than previous years in August. Expenses were up with more run time. The budget is in line with expectations for August 2021.

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

Jesse Shields presented the Bidding Strategies Report for September 2021. 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 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:** 10/11/2021

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for August 2021; **9.** Financial Report for August 2021; **10.**

GHG Reports (excerpted from the Monthly ARB); **11.** ACCO Engineered Systems Inc. First Amendment to MTGSA for HVAC maintenance services, extending the contract expiration date to January 21, 2022, for continued use at all NCPA facilities and Members/SCPPA; **12.** CH2M Hill Engineers, Inc. First Amendment to MTPSA for compliance support services including biological monitoring, increasing the not to exceed from \$200,000 to \$500,000, for continued use at all NCPA facilities and Members/SCPPA; **13.** Black & Veatch Corporation Second Amendment to MTPSA for consulting services related to project support and plant operations, extending the contract expiration date to January 31, 2022, for continued use at all NCPA facilities and Members/SCPPA; **14.** Evoqua Water Technologies, LLC First Amendment to MTGSA for modifying Sections 12.2, 12.2, and Exhibit B of the original agreement, for continued use at all NCPA facilities and Members/SCPPA; **15.** Hometown Connections, Inc. First Amendment to MTCSA for various consulting related tasks, increasing the not to exceed amount from \$250,000 to \$1,000,000, for continued use at all NCPA facilities and Members/SCPPA.

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

**Lodi**  
**SVP**

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	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
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. 2022 Major Insurance Renewal**

Monty Hanks presented an update on the insurance renewal for FY2022. Monty reviewed the goals, the long-term strategy and the new insurance markets with the Committee. Alan Pearson from FM Global presented an overview on their insurance company's approach to the markets. Monty asked for approval in advance for the General Manager to negotiate coverage not to exceed \$1,201,671 for the Lodi Energy Center. Monty will provide an update at the next LEC PPC meeting on November 15, 2021. We will have a special PPC meeting if the insurance rates exceed this amount. The LEC PPC considered the following motion:

<b>Date:</b>	10/11/2021		
<b>Motion:</b>	The PPC approves the 2022 Major Insurance renewals as presented by NCPA Staff. Staff requests the LEC PPC recommend the Commission delegate authority to the General Manager to negotiate and bind Property and Casualty coverage amounts as presented (or better) and a not-to-exceed proposed premiums of \$1,201,671 for the LEC.		
	\$3,700,000 for Property (\$2,690,890 NCPA, \$1,001,671 LEC) \$2,000,000 for Casualty (\$1,800,000 NCPA, \$200,000 LEC)		
<b>Moved by:</b>		<b>MID</b>	
<b>Seconded by:</b>		<b>CDWR</b>	
<b>Discussion:</b>	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	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%
	<b>Vote Summary</b>		
	Total Ayes	7	85.1858%

		Total Noes	0	0.0000%
		Total Abstain	0	0.0000%
		Total Absent	6	14.8142%
		Result:	Motion Passes	

## **INFORMATIONAL ITEMS**

### **17. FY2021 Annual Billing Settlements Review**

Sondra Ainsworth presented information on the FY2021 annual billing statement results. The preliminary results indicate a deficit. The Committee was presented with details to O&M, Labor, Other Costs and Projects. Sondra shared projected misc. December invoicing amounts for all LEC participants. Sondra shared the next steps with the Committee. Accounting will bring this back for approval at the November 15th LEC PPC Meeting. It will then be presented for approval at the December 2nd Commission Meeting.

### **18. Additional Operational Updates**

Michael DeBortoli informed the Committee about the backlog of cargo ships in the Los Angeles Port, which are delaying shipments. All supplies for the Major outage are expected to deliver before the March 1, 2022 outage.

### **Adjournment**

The next regular meeting of the PPC is scheduled for Monday, November 15, 2021 at 10:00am.

The meeting was adjourned at 11:51 am.

Submitted by: Melissa Conrad