



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

LEC PPC Meeting Minutes

Date: Monday, April 11, 2022
Time: 10:00 a.m. Pacific Standard Time
Location: via teleconference
Subject: Lodi Energy Center Project Participant Committee Meeting

1. Review Safety Procedures

Due to these meetings behind held via teleconference, review of safety procedures and assignment of safety roles has been deemed unnecessary.

2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:00 a.m. by Chairman Deane Burk. 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 - Burk	Present	33.5000%
Gridley - Wagner	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - McDonald	Absent	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
Summary		
Present	7	84.4822%
Absent	6	15.5178%
Quorum by #:	Yes	
Quorum by GES:	Yes	

Meeting Date:	April 11, 2022
---------------	----------------

Public Forum

Chairman Burk 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 March 7, 2022 Regular Meeting and the March 29, 2022 Special Meeting were considered. The LEC PPC considered the following motion:

Date: 4/11/2022

Motion: The PPC approves the minutes from the March 7, 2022 Regular Meeting and the March 29, 2022 Special Meeting. .

Moved by: SVP
Seconded by: Gridley

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	Yes	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	89.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	4	10.8142%

Result:	Motion Passes
---------	---------------

MONTHLY REPORTS

4. Operational Reports for March 2022

Rafael Santana presented the Operational Report for March 2022. There were no OSHA recordable accidents, no NERC/WECC or permit violations, and no forced outages. There are no changes to the 2023 outage schedule.

Due to the ongoing outage, there were no runs in the month of March.

5. Monthly Asset Report

Mike DeBortoli presented the monthly asset report for February 2022. Mike reported that the plant was running below budget and forecast due to ongoing market conditions. VOM was also down in the month of February due to the Siemens quarterly invoice coming due. Mike reviewed the monthly historical comparisons as well as the 12-month history.

Consent Calendar (Items 6 – 17)

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: 4/11/2022

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **6.** Treasurer's Report for February 2022; **7.** Financial Report for February 2022; **8.** GHG Reports (excerpted from the Monthly ARB); **9.** Resolution 2022-06 to proclaim that a local emergency persists in the City of Santa Clara and in the Modesto Irrigation District, re-ratify the Proclamation of a State of Emergency issued by Governor Gavin Newsom on March 4, 2020, and authorize the continuation of remote teleconference meetings of the Lodi Energy Center Project Participant Committee for a period of April 11, 2022, through May 11, 2022, pursuant to the Ralph M. Brown Act (Brown Act); **10.** RADCO Communications MTGSA for microwave tower erection, removal, relocation and other maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **11.** DRS Marine, Inc. MTGSA for underwater maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **12.** TCB Industrial, Inc. MTGSA for industrial service of major mechanical systems, not to exceed \$2,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **13.** Global Diving and Salvage, Inc. MTGSA for underwater maintenance and inspection services, not to exceed from \$2,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **14.** RESA Service, LLC MTGSA for transformer maintenance services, not to exceed \$2,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **15.** Power Engineers, Inc. MTPSA for engineering services, not to exceed \$1,000,000 over five years, for use at all NCPA and Members/SCPPA facilities; **16.** Knights' Electric, Inc. MTGSA for miscellaneous electrical maintenance services, not to exceed \$750,000 over five years, for use at all NCPA and Members/SCPPA facilities; **17.** HDR Engineering, Inc. MTPSA for engineering services, not to exceed \$1,000,000 over five years, for use at all NCPA and Members/SCPPA facilities.

Moved by:
Seconded by:

SVP
Lompoc

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	Yes	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	89.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	4	10.8142%
Result:	Motion Passes	

BUSINESS ACTION ITEMS

18. Lodi Energy Center FY2023 Annual Budget

Sondra Ainsworth presented a summary of the FY2023 Annual Budget. Budget drivers and their impacts on the budget were reviewed.

It was noted that an additional \$3,263,872 would need to be collected from the Participants due to shortages in the Maintenance Reserve. Sondra gave participants the option to collect smaller amounts from each Participant quarterly, or to allow Participants to pay their portion upfront (due in June). Participants must notify Sondra and/or Michelle Schellentrager no later than June 1st if they would prefer to make a single payment; anyone who does not notify Sondra and/or Michelle will be charged quarterly.

The LEC PPC considered the following motion for this item:

Date: 4/11/2022

Motion: The PPC approves the Lodi Energy Center (LEC) FY 2023 Annual Budget in the amount of \$139,187,566, and approves modifications to the PMOA Schedule 1, Exhibit 2. Any Member or Participant who would like to make a single-payment for Maintenance Reserve collection must notify Sondra Ainsworth or Michelle Schellentrager by June 1, 2022, otherwise they will be billed quarterly.

Moved by:

SVP

Seconded by:

Lompoc

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	Yes	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	89.1858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	4	10.8142%
Result:	Motion Passes	

INFORMATIONAL ITEMS

Due to the Closed Session item included on the agenda, the Committee opted to have Item 20 presented before moving into Item 19.

20. Additional Operational Updates

Mike DeBortoli presented the Committee with an update regarding the LEC gearbox, and damage discovered. NCPA had a lead on a replacement part but that part cannot be found by the manufacturer. There is now a 9-month lead on a replacement part. OEM recommends a 25% de-rate until the replacement is complete.

Mike reviewed other de-rate options. The 25% recommended is the most conservative approach. There was discussion around managing with bid pricing instead of de-rating, but that also comes with risks and staff were unsure whether CAISO would allow that.

Mike collected feedback from Participants, and will circle back with the manufacture for additional information. It was noted that the potential de-rate and any impacts it may have were not factored into the FY2023 budget. Mike also clarified that this item was not covered under any sort of warranty.

CLOSED SESSION

18. Adjourned to Closed Session

Chairman Burk and NCPA General Counsel Jane Luckhardt adjourned to Closed Session at 10:57 a.m.. A Closed Session discussion was had pursuant to Government Code Section 54957.

At 11:13 a.m. the Committee returned to Open Session. Jane Luckhardt advised that no reportable action was taken during the Closed Session.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, May 9, 2022 at 10:00 a.m. Pacific Standard Time.

The meeting was adjourned at 11:14 a.m.

Submitted by: MICHELLE SCHELLENTRAGER