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LEC PPC Meeting Minutes

Date: Monday, July 11, 2022

Time: 10:00 a.m. Pacific Standard Time

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

As the Committee is still meeting remotely, Review of Safety Procedures was not required.

2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:00 a.m. by Chairman 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	Absent	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	Present	2.6679%
SVP - Wong	Present	25.7500%
Ukiah -	Absent	1.7857%
Summary		
Present	7	86.8822%
Absent	6	13.1178%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	July 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 June 6, 2022 Regular Meeting and the June 21, 2022 Special Meeting were considered. The LEC PPC considered the following motion:

Date: 7/11/2022

Motion: The PPC approves the minutes from the June 6, 2022 Regular Meeting and the June 21, 2022 Special Meeting.

Moved by: Gridley

Seconded by: CDWR

Discussion: There was no further discussion

Vote Summary on Motion		
Participant	Vote	Particulars / GES
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Absent	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	7	86.8822%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	13.1178%
Result:		Motion Passes

MONTHLY REPORTS

4. Operational Report for June 2022

Ryan Johnson presented the Operational Report for June. There were no OSHA recordable accidents, and no NERC/WECC violations. There was one Notice of Violation issued related to a Q1 2022 Cylinder Gas Audit for Carbon Monoxide which was not performed. Ryan reviewed a summary of the outages from the month of June with the Committee. There are no changes to the 2023 outage schedule.

The operational report reflected monthly production of 11,694 MWH, 60 service hours, and equivalent operating availability of 24.5%. The report set for the Capacity Factor @ 302MW Pmax of 5.4%. There were zero hot starts, 4 warm starts, and 3 cold starts during the month. Ryan mentioned that the Starting Reliability chart will need to be updated as the data is not as accurate now that the plant is operating as a mixed fuel plant; staff is currently working on this and will keep the Committee informed once updates have been made.

5. Market Data Report for June 2022

Bob Caracristi presented the operating and financial settlement results for the month. LEC was committed to CAISO 9 out of 28 available days. Most startups were for mid-term runs, with no 24-hour runs in the month of June.

6. Monthly Asset Report

Rafael Santana presented the monthly asset report for May 2022. Rafael reviewed the budget forecast chart and the monthly historical comparisons, as well as the 12-month history.

7. Bidding Strategies Report

Jesse Shields presented the Bidding Strategies Report for June 2022. 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 11 – 16)

The consent calendar was considered. Chairman Burk 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: 7/11/2022

Motion: The PPC approves the Consent Calendar items consisting of agenda items no.: **8.** Treasurer's Report for May 2022; **9.** Financial Report for May 2022;

10. GHG Reports (excerpted from the Monthly ARB); **11.** Resolution 2022-10 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 July 11, 2022, through August 10, 2022, pursuant to the Ralph M. Brown Act (Brown Act); **12.** Industrial Solution Services, Inc. MTEMS for chemical purchases, not to exceed \$1,000,000, for use at all NCPA facilities; **13.** Ponder Environmental Services, Inc. for waste removal and emergency response related services, not to exceed \$500,000, for use at all NCPA and Members/SCPPA facilities; **14.** Summit Crane Company of Solano, Inc. dba Summit Crane MTGSA for crane related services, not to exceed to \$1,500,000, for use at all NCPA and Members/SCPPA facilities; **15.** Provost & Pritchard Engineering Group, Inc. dba Provost & Pritchard Consulting Group MTPSA for engineering related services, not to exceed \$1,500,000, for use at all NCPA and Members/SCPPA facilities; **16.** Sierra Hydrographics MTPSA for hydrographic related services, not to exceed \$600,000, for use at all NCPA and Members/SCPPA facilities.

Moved by: Lodi
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	Absent	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
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Vote Summary		
Total Ayes	7	86.8822%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	6	13.1178%
Result:	Motion Passes	

INFORMATIONAL ITEMS

17. NCPA 2023 Plant Outage Schedule

Jeremy Lawson presented the draft NCPA 2023 Plant Outage Schedule to the Committee for review and comment. The maintenance scope, including assumptions, were presented to the Committee, along with the proposed outage schedule.

- The 2023 Outage will include gear box repair, control system service package upgrade, and routine maintenance; this outage is categorized as significant.
- The 2024 Outage will include AVR upgrade, as well as routine maintenance.
- The 2025 Outage does not include any major projects, and will just be routine maintenance only.

The final NCPA 2023 Plant Outage Schedule will be presented for approval in the August LEC PPC Meeting. There was a brief discussion about the possibility of moving the gear box repair up; NCPA confirmed that Siemens is working to expedite delivery of the gear box and that it should arrive in mid-November. Staff confirmed it is a possibility that repair could occur sooner if it is determined it cannot wait until the schedule outage.

18. Additional Operational Updates

- Over the weekend plant staff noticed a vibration in the steam turbine. A specialist was called to collect data, which has since been sent to Siemens for analysis. It is unclear at this time if the issues are related to the gear box or the actual generator. As a precaution, the plant has been derated by 225 MW to minimize any damage until Siemens can present its findings. There is a possibility that the plant will need to be put into an outage if Siemens determines further investigation is necessary.
- A Notice of Intention has been issued by the Department of Energy regarding large grants for hydrogen projects. Smaller projects will not be eligible for these grants. The Governor's office is currently organizing a statewide hub of utilities, including NCPA, to apply for these grants.
- Mike DeBortoli shared a brief update regarding the hydrogen storage. There was a dispute between the leaseholder and the landowner. Mike is currently trying to reach out directly to the landowner.
- MID requested that staff include specific updates regarding dispatch and bidding of the unit in the Operational Report and Bidding Strategy Report as it relates to the ongoing gear box issues and recommendation operation levels of the plant. Staff will update the meeting agenda so the Bidding Strategies Report follows the Operational Report. Staff will also provide additional data in both reports to better inform the Committee.

Adjournment

The next regular meeting of the PPC is scheduled for Monday, August 8, 2022 at 10:00 a.m. Pacific Standard Time.

The meeting was adjourned at 10:53 a.m.

Submitted by: MICHELLE SCHELLENTRAGER