



Preliminary Studies and Investigations (PS&I) Request - NCPA Battery Energy Storage System (BESS) Sites

Facilities Committee
November 6, 2024

Background

- On March 23, 2023, the NCPA Commission directed NCPA staff to establish a Preliminary Studies and Investigations (PS&I) budget account to fund activities associated with researching and/or evaluating new projects that may be of interest to NCPA Members.
- On April 25, 2024, the NCPA Commission approved a Preliminary Studies and Investigations Procedure (GS-201), which detailed the process for utilizing funds from the PS&I budget account.

PS&I: NCPA BESS Project

- NCPA has identified multiple parcels for sale which could be favorable for a future Battery Energy Storage System (BESS) project.
- These parcels are favorable due to proximity of NCPA's Transmission Assets and Indicative Capacity Availability on CAISO's Heatmap.
- At this stage, the evaluation is not a financial model or any other objective measure. The evaluation is purely subjective and conceptual in nature.
- NCPA recommends a high level (level 5) fatal flaw analysis, electrical, environmental, regulatory, and permitting review.
- NCPA estimates cost of this PS&I request at NTE \$200k.

PS&I: NCPA BESS Project



PS&I: NCPA BESS Project Next Steps

Step 1 - Budgeting

- NCPA will include recommended PS&I amounts in the annual budget process.
- NCPA to bill monthly per Appendix A.

Step 2 - Conceptual Projects

- NCPA will present projects to screen including a not to exceed amount from the PSI account.
- At this step, the concept is purely subjective and may not have detailed specifics.

Step 3 - Study Package

- NCPA will presents the screening results to Facilities and UD's and recommend either not to proceed or a further the investigation through a study package.
- A study package may include a fatal flaw analysis, technical, electrical, mechanical, civil, environmental, regulatory, permitting, or economic review.

Step 4 - Conclusion

- NCPA will presents the study package results to Facilities and UD's and recommend either not to proceed or recommend to move forward with a project.
- If selected, member interested in the project shall reimburse the PSI account conceptual project costs.
- If not selected for further development, from that point forward, the conceptual project will not be eligible for reimbursement.

Funding Allocation Table

- Funding allocation seeks to spread expenses among all members, as fair as possible, reducing individual costs while optimizing the impact of PS&I.
- Half of the expenses will be shared equally among all NCPA members, while the remaining half will be apportioned based on the JPA's Allocation table in the current Fiscal Year.

Example: Not used in the procedure because the JPA percentages can change.

NORTHERN CALIFORNIA POWER AGENCY																	
PRELIMINARY SURVEY & INVESTIGATION - ENERGY STUDIES																	
Allocatic	ALA	BART	BIG	GRI	HEA	LOD	LOM	PAL	PLU	PORT	RED	ROS	SVP	SHA	TD	UKI	TOTAL
A	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	100%
B	3.6%	3.9%	0.2%	0.3%	0.7%	4.8%	1.4%	8.9%	1.6%	1.2%	8.0%	12.6%	47.3%	2.3%	1.8%	1.2%	100%
Weighte	4.9%	5.1%	3.2%	3.3%	3.5%	5.5%	3.8%	7.6%	3.9%	3.7%	7.1%	9.4%	26.8%	4.3%	4.0%	3.7%	100%

A - Half of the costs to be funded evenly by all NCPA members.
B - Half of the costs to be funded based on JPA allocation to NCPA members.

Allocation table in the procedure.

NORTHERN CALIFORNIA POWER AGENCY	
PRELIMINARY SURVEY & INVESTIGATION - ENERGY STUDIES	
Allocation Table	Member Share %
A	= A x (1 / Total JPA Members)
B	= B x JPA Member Percentage
Allocation of PS	100.0%

A - Half of the costs to be funded evenly by all NCPA members.
B - Half of the costs to be funded based on JPA allocation to NCPA members.

Recommendation

- Staff is seeking a recommendation from the Facilities Committee for Commission approval of a Preliminary Studies & Investigations (PS&I) request to investigate possible sites for a future battery energy storage system (BESS) project, and authorizing the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the request, in accordance with NCPA's purchasing policies and procedures, without further approval by the Commission, for an amount not to exceed \$200,000, and authorizing the funds to come from the PS&I Budget Account.