

**Trinity Public Utilities District
MINUTES OF THE REGULAR BOARD MEETING
August 13, 2020**

Location: Trinity Public Utilities District Community Room
26 Ponderosa Lane, Weaverville, California
Board Present: Alex Cousins, Kelli Gant, Richard Morris, Michael Rourke and
Thomas Walz
Board Absent: None
Others Present: Paul Hauser, Andy Lethbridge, Julie Catanese, and Sarah Sheetz
Others Present via Teleconference: Jim Underwood, Andrew Johnson

1. President Gant called the meeting to order at 2:00 p.m.

2. Approval of the Agenda Order

Director Cousins made a motion to approve the Agenda Order. Director Rourke seconded the motion. The motion passed with the following voice vote:

Ayes: Alex Cousins, Kelli Gant, Richard Morris, Michael Rourke,
Thomas Walz
Noes: None
Absent: None
Abstain: None

3. Consent Calendar

Director Walz requested that Items 3c and 3d be moved to the Action Calendar. Director Rourke made a motion to approve the Consent Calendar as amended. Director Morris seconded the motion. The Consent Calendar included:

- a. Approve Minutes of the Regular Board Meeting July 9, 2020
- b. Accept Minutes of the Safety Meeting June 29, 2020
- c. ~~Validate Bills of July, 2020~~ Moved to Action Item 5a.
- d. ~~Approve Financial Reports for June, 2020~~ Moved to Action Item 5a.

The motion passed with the following voice vote:

Ayes: Alex Cousins, Kelli Gant, Richard Morris, Michael Rourke,
Thomas Walz
Noes: None
Absent: None
Abstain: None

4. Public Input

None

5. Action Items

a. Items Pulled from Consent Calendar

3c. Validate Bills of July, 2020

Director Walz inquired about the payment to the Special District Risk Management Association (SDRMA) in the amount of \$169,474, and how it compared to previous years when the District had fire liability insurance, what components the District currently has insured. Mr. Hauser advised the liability

insurance includes property and vehicles. Ms. Sheetz added that there are several riders attached as well, including pollution liability and cyber security, and that she would provide that information to Director Walz. Mr. Hauser acknowledged that the cost for liability insurance did increase for Fiscal Year 2020, and that staff had requested a quote from Federated Insurance, who ultimately declined to provide a quote advising that the rate would be higher than SDRMA's.

3d. Approve Financial Reports for June, 2020

Director Walz inquired about the interest the District is making on its cash reserves. Ms. Catanese advised that the interest collected is low, as interest rates have fluctuated between 0 and 1.7 percent. Mr. Hauser advised that there are some restrictions in terms of investment options for Special Districts and that the District has historically taken a conservative approach. He advised that the Local Area Investment Fund is still providing the best interest rate with liquidity.

Director Walz made a motion to Validate Bills for July 2020, and Approve Financial Reports for June, 2020. Director Morris seconded the motion. The motion passed with the following voice vote:

Ayes:	Alex Cousins, Kelli Gant, Richard Morris, Michael Rourke, Thomas Walz
Noes:	None
Absent:	None
Abstain:	None

b. Rescind Policy entitled 'TPUD's MCMS Voting Representatives Authority.'

Mr. Hauser reviewed the report with the Board. After a brief discussion, Director Morris made a motion to rescind the policy entitled 'TPUD's MCMS Voting Representatives Authority.' Director Cousins seconded the motion. The motion passed with the following voice vote:

Ayes:	Alex Cousins, Kelli Gant, Richard Morris, Michael Rourke, Thomas Walz
Noes:	None
Absent:	None
Abstain:	None

6. Reports

a. General Manager's Reports

• Central Valley Project Operations/Update

Mr. Hauser advised that the Central Valley Project is the source of Trinity Public Utilities District's power. He shared a Power Point presentation entitled Customer O&M Funding Governance Board Power Operations Updates prepared by the Bureau of Reclamation, attached and incorporated herein.

• Land Exchange

Mr. Hauser advised that there is no recent progress to report on the Land Exchange. Director Cousins advised that a survey of the land is pending, which will be followed by an appraisal.

- Power Outages
The Outage Summary was distributed, attached and incorporated herein for reference. The District is on one shot at this time so any disturbance will cause an outage. Director Gant inquired about the recent failure of the 'back-up' cable that serves customers from Bowerman Ridge North when the Trinity 21 Circuit is down. Mr. Hauser advised that the failure was on Bowerman Ridge and has been repaired.
- Balancing Authority of Northern California (BANC)
Mr. Hauser advised that BANC Staff is currently working on the nuts and bolts of going live with the Energy Imbalance Market.
- Trinity County Fair Livestock Auction
Mr. Hauser advised that he was surprised at the participation at the Trinity County Fair Livestock Auction. Director Rourke reported that Buyers contributed more than \$500,000 towards the purchase of animals from local youth, with a strong showing from the Cannabis Community.
- Personnel Changes, new hires Dustin Jochim and Danny Sommerfeld
Mr. Hauser reported that the District has recently hired two new linemen, Dustin Jochim and Danny Sommerfeld. Mr. Jochim is from the Scott Valley area and Mr. Sommerfeld is a Trinity High School graduate.
- Jessup Gulch Pole By-Pass
Mr. Hauser advised that the photographs in the Agenda packet are of a pole bypass the linemen recently performed in the Lewiston area. An Osprey nest was discovered on the top of a pole presenting outage/fire danger. New poles were installed so as not to disrupt the nest or contents.
- Right-of-Way Project Update
Mr. Hauser advised that Aspen reports that the Biological Surveys have been completed and they are making progress on the Cultural Survey. Aspen reports there are 255 miles of cultural survey, with hundreds of identified cultural resource sites, and 1200 water attribute sites, with a comprehensive approach. The current budget is \$3,000,000, with approximately \$500,000 contributed by Western Area Power Administration.

Director Walz reported that he and Mr. Hauser had visited the Oddfellows camp following a recent fire. Following the visit, Director Walz suggested that Mr. Hauser contact CalFire to see if the trees could be removed from private property using the Utility Exemption. Matt Dias, Executive Officer of the California Board of Forestry and Fire advised that the Board of Forestry is currently considering making minor changes to the powerline right of way rules, but for more immediate needs suggested that the District take a close look at the danger tree provisions to improve fire safety around powerlines. Mr.

Hauser advised that the District Vegetation Manager, David Delange will be revisiting the provisions and sites where the rule may be imposed.

- Board Photographs

Ms. Sheetz is coordinating with a photographer for a new group photo of the Board of Directors that will consider social distancing measures for the September 10, 2020 Board Meeting. Photographs are needed for Public Power month advertisements. More information will be distributed as the date approaches.

- North West Public Power Association (NWPPA)

Mr. Hauser advised that the District is required to appoint a voting delegate for the upcoming NWPPA election. The Board agreed that Mr. Hauser is the appropriate appointee.

b. Board Member Reports

President Gant reported that she participated in the Public Power Association's Policy Maker's meeting remotely with Mr. Hauser in July. The two also participated on a phone conference with Congressman LaMalfa, Congressman Huffman and Rob McGregor, Senior Advisor to the Undersecretary of the United States Department of Agriculture. Topics of discussion included the Central Valley Project Improvement Act, and the District's proposed Right-of-Way project.

Mr. Hauser suggested that with the current projects the District has undertaken that involve work in the National Forest, that perhaps President Gant would entertain appointing a Forestry Ad Hoc Committee to work on forestry issues and advise Staff and the Board. Director Gant agreed and appointed Directors Walz and Cousins to the committee.

Director Cousins reported that he recently spoke with Nick Goulette of the Watershed Center in Hayfork to discuss a potential project in the North Trinity Lake watershed to maintain and improve water going into Trinity Lake. He advised that maintaining the amount of water flowing into Trinity Lake may be a topic of interest to the District and suggested the District support the project. Director Gant advised that Director Cousins review Senate Bill 989 as introduced by Senator Brian Dahle, which proposes to change the boundaries of the Sierra Nevada Conservancy and may include a portion of the property discussed.

c. Committee Reports

None

7. Discussion Items

Draft Updated Goals and Objectives

President Gant presented the Draft Updated Goals and Objectives for consideration advising that it appears that the Goals have not had a comprehensive update since 2010, and should be considered a key document for the District. She advised that when she and Ms. Sheetz attended the National Rural Electric Cooperative Administration's Annual Meeting in March the topic of clear Goals and Objectives was a recurring theme in the sessions attended.

Director Walz suggested that the Mission Statement is of critical importance, but that he would like to very careful in amending it, so as not to inadvertently alter the meaning.

Director Rourke stated that it may be more productive to break the update into smaller pieces if a comprehensive review is to be conducted. He suggested beginning with the Vision and Mission Statement. President Gant agreed and requested that the Board provide their comments to Mr. Hauser prior to the September Board meeting. The Board concurred and thanked President Gant for the work already begun on the update.

8. Communications Received

Ms. Catanese stated that the Engagement Letter from Baker Tilly Virchow Krause, LLP is a standard document received annually to begin the audit process.

9. Meetings and/or Workshops

None

The Board took a brief recess at 4:15 p.m., and entered into Closed Session at 4:20 p.m. The Board reconvened in Open Session at 5:06 p.m. and reported the following:

10. Closed Session

a. Closed Session Item Under Government Code §54956.9

Conference with Legal Counsel

One Potential Case

No Reportable Action

b. Closed Session Item Under Government Code §54957.6

Conference with Labor Negotiator

Agency Negotiator: Board of Directors

Employee Organization: Unrepresented – General Manager

No Reportable Action

11. Public Input

None

12. Adjournment

There being no further business, President Gant adjourned the meeting at 5:20 p.m.

ATTEST:



Alex Cousins, Clerk



Mike Rourke, Vice-President



— BUREAU OF —
RECLAMATION

Customer O&M Funding Governance Board Power Operations Updates

Steven Melavic, Chief of Power Operations
Central Valley Operations Office (CVO-600)
California-Great Basin Interior Region 10
U.S. Bureau of Reclamation
August 11, 2020

Regional Leadership for CVP Hydropower

- **Ernest Conant – Regional Director**
- **Russ Callejo – Deputy Regional Director of Operations**
- **Kristin White – Central Valley Operations Office Manager**
 - Allison Febbo – CVO Deputy Manager
 - Steven Melavic – Chief, Power Operations
 - Dan Vallejo – Chief, Facilities Operations
- **Don Bader – Northern California Area Office Manager**
 - Kevin Jacobs – Chief of Operations & Maintenance
- **Drew Lessard – Central California Area Office Manager**
 - Jay Emami – Chief of Operations & Maintenance



CVP Hydropower in FY2020

- Fiscal Year 2020 (Oct 1, 2019-July 25, 2020)
 - Generation: CVP generated 3,550,032 megawatt-hours.
 - Value of CVP surplus energy: Over \$74 million, which equates to a delivered value of approximately \$30.60 per megawatt hour.
 - (NOTE: The value is a proxy for the value of generation taken in the hours delivered. It is independent of the cost.)
- Completed Project
 - Trinity Unit 1 – major repair of damage sustained during Carr Fire – cleared the forced outage and returned to service in mid-March, 2020.





Spring Creek Unit 2

Turbine wear plate repair.
Reclamation plant mechanics
crew disassembled unit,
installed a fabricated ring.

Photo of runner & turbine shaft.



Spring Creek Powerplant

- Spring Creek Unit 2 Turbine Repair – Plant mechanics mobilized from Trinity to Spring Creek and unstacked Unit 2. The unit has been reassembled and successfully re-aligned.
- Commissioning to ensue with a return-to-service anticipated in mid-August. NCAO has confidence that the unit will be in a condition more suitable to regular operations than the originally envisioned standby operations.
- **Costs (as of June 3, 2020)**
 - NCAO Labor: \$207, 395
 - TSC Labor (turbine investigations): \$93,490
 - Other: \$8,249
 - **Total: \$309,134**

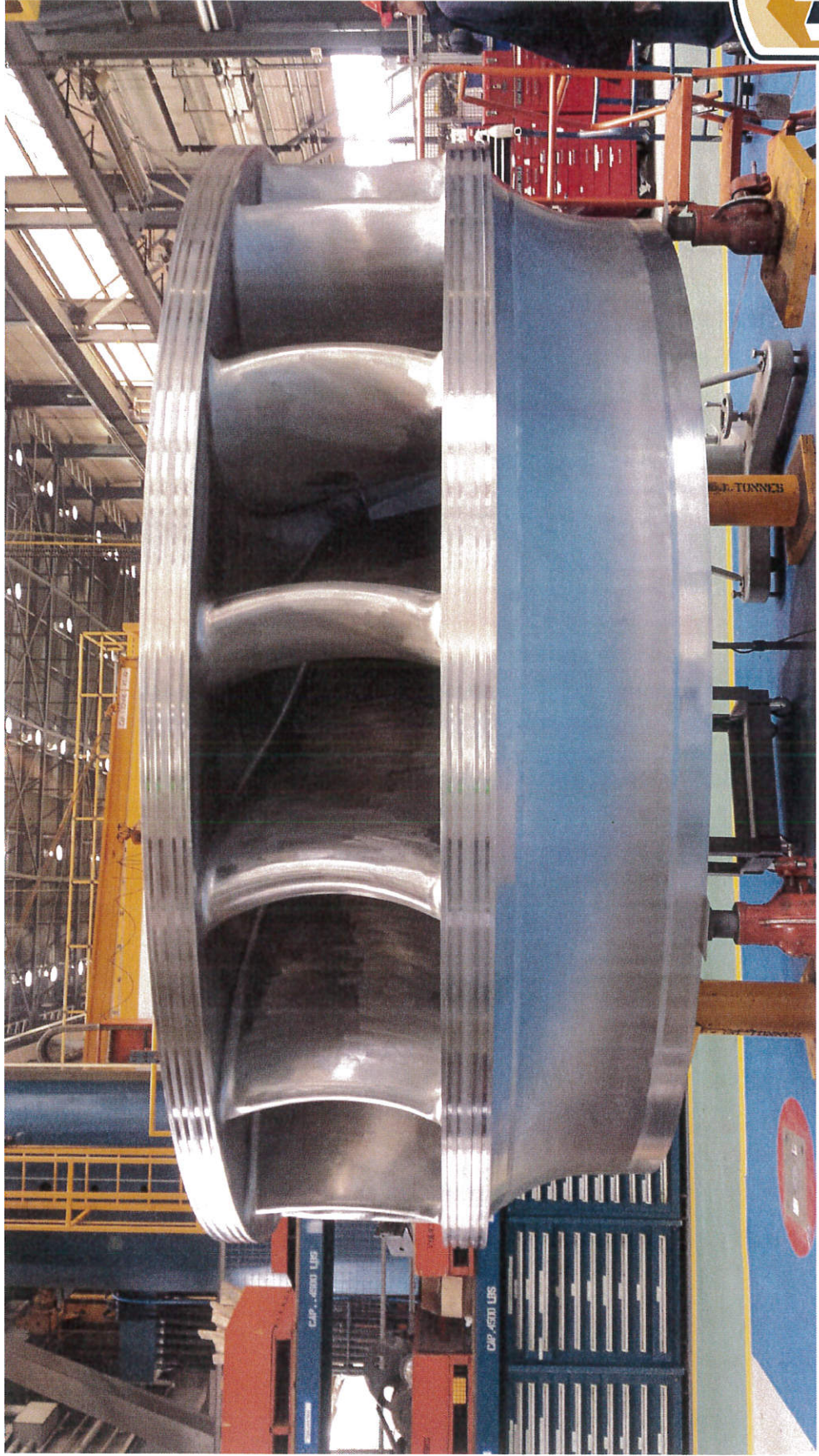


Spring Creek Powerplant

- Turbine Runner Replacements
 - Delay at contractor's European factory due to COVID outbreak
- Costs:
 - Total FY2020 obligations through 6/30/2020: \$367,987
 - Sum of Available Funds: \$15,507,245



Trinity PP – replacement runner



Trinity U2 runner replacement

- Due to a COVID-related delay of the manufacturing of the Spring Creek replacement runners, NCAO is redirecting their crews to Trinity to complete the Unit 2 runner replacement.
- Anticipate starting the disassembly in September, 2020
- When complete, Trinity Powerplant will have new turbine runners and generator stator cores and windings. Unit 2, which has been operating with a low-head runner under high-head conditions, will return to service with high-efficiency operations.
- NCAO is scheduling the work an anticipates having Unit 2 returned to service in April for the ROD flows.
- Costs
 - Estimate \$1 million in labor costs to disassemble, reassemble, commission, test, and for remaining contract costs for parts.



TRD Main Transformers – Updates

- Designers are currently revising the 30% design package (specifications and estimate) in order to stay within the \$18M budget established for the project.
- It is expected that the revisions to the 30% design package will be completed in August.
- The comparison paper for the replacement versus rewind will be completed in August.
- The Value Engineering study will be in late September 14-18, 2020.
- Power customer representatives are included as non-voting members.
- Funding
 - Approved project funding to date:
 - FY20: \$4.3M
 - FY21: \$2.9M
 - FY22: zero
 - FY23: \$1.5M
 - FY24: \$3.5M
 - Total: \$12.2M approved of the \$18M total contract cost estimate



TRD Main Transformers – Operational Analysis

- CVOCC performed an operational analysis of the TRD Transformer Project by considering seasonal costs and timing of outages.
- With the cascade of these three powerplants having a capacity of 450 MW and 12 MW/AF, an outage at any plant severely impacts the operational capacity at all three TRD powerplants and impacts storage withdrawals at Shasta.
- Average monthly outage costs were derived for each of the three powerplants.
- This analysis will be used to inform project planning and Value Engineering Studies.



New Melones Rewinds - Updates

- Reclamation recently completed a 90% final design spec and estimate
 - Scope includes replacement of stator core and windings.
- CCAO has been working on the last MMPPC Action Items including to evaluate the need for the stator core replacement.
 - CCAO has been working with the TSC on evaluating options.
- Award anticipated in June 2021 (pending available customer funding)
- Unit rewinds scheduled for 2022/2023 & 2023/2024
- Funding
 - Approved project funding to date:
 - FY21 \$5.5M
 - FY22: zero
 - FY23: \$6.5M
 - FY24: \$6.5M
 - Total: \$18.5M approved of the \$24M total contract cost estimate.



NERC/WECC Compliance

- For 2019, Reclamation had 44 standards and 343 requirements involving O&M NERC compliance.
- Reclamation registered as a single entity
- Reclamation underwent a NERC/WECC Audit. No significant findings that were specific to issues in CGB region.



CVP Power Initiative

- September 2019, Reclamation's California Great Basin Region rolled out a Coordinated Implementation Plan for the Commissioners CVP Power Initiative.
- The Region's plan consists of 25 activities in various stages of progress and completion and is the result of an intensive level of effort across the region. Throughout 2019, we engaged our Preference Power Customers in key Workgroup Meetings.
- The initiative is focused in four areas:
 - Cost Stability
 - Lost Production Opportunity
 - Value of the Resource
 - Customer Service



Region's CVP Power Initiative Plan

- **Cost Stability**
 - Storage Studies/feasibility studies – hydropower benefits/costs/financial impacts
 - Developing framework and procedural documents involving: Construction Cost Recovery, Aid to Irrigation for WIIN Act Projects, Forecasting Capital Improvements, Benchmarking CVP hydropower.
- **Lost Production Opportunity**
 - Using best available science for evaluating proposed powerplant bypasses for species mitigation.
 - Flood Control Operation updates such as Water Control Manuals
 - Hydropower Outage Scheduling Framework Document
- **Value of the Resource**
 - Energy Imbalance Market (EIM)
 - Improved forecasting and flexibility of operations.
 - California zero carbon & carbon neutral rulemaking.
- **Customer Service**
 - Multiple stakeholder meetings and website plan updates.



CVP Power Initiative Accomplishments and updates

- One of the initiative efforts involved the Region's coordinated flexible operations with WAPA that initially resulted in \$3.5 million savings to the CVP power customers in market purchases. WAPA updates of experiments evaluations are posted on the website below.
- Some additional accomplishments include power impact analyses and framework documents involving outage scheduling, Delta Conveyance, storage studies, forecasting capital improvements, and evaluating proposed bypasses using the best available science.
- Updates of the Region's Plan are available at:
 - <https://www.usbr.gov/mp/hydro.html>
- Current update: May 18, 2020
- Next update: October 16, 2020



CAISO Energy Imbalance Market (EIM)

- CAISO's EIM: automated, voluntary, real-time, energy wholesale market that matches lowest-cost electricity supply. EIM software automatically locates least cost energy resources over an expanded area to meet real-time needs.
- Entering the EIM will help ensure least-cost, reliable operation for CVP power customers.
- Reclamation's region is coordinating with WAPA and the Balancing Authority of Northern California (BANC) to enter the EIM by 2021.
- Reclamation's efforts are centered at its Central Valley Operations Office where plans are underway to modify software and operations procedures. Anticipate functional software test in late August with ready for USBR operational use in October of 2020.



Frequency Response Reserve (FRR)

- Reclamation's efforts are centered at its Central Valley Operations Office where plans are underway to modify software and operations procedures.
- NERC/WECC requires all BAs maintain a specific percentage of reserves "spinning" for frequency support during large grid disturbances.
- Spinning units at speed-no-load (SNL) releases water without generating power. With FRR implementation, the CVP will no longer be required to spin units solely for spinning reserves.
- BANC/WAPA/USBR began implementation process in July 2019.
- Due to COVID, implementation delayed one year to May 2021; however, BANC, Reclamation, and WAPA are advancing quickly with Reclamation's system being close to going online.
- Estimated annual average value to BR customers: \$3.6M
 - Based on conserving water from 16 hrs daily SNL
 - Equivalent to 220 MWh/day of Base Resource energy



Hydro Optimization

- Reclamation has developed an in-house hydropower optimization system called HydrOS. CVO has been working with our Technical Service Center on a custom application of HydrOS to the CVP. The system adds optimization of the scheduling process in real-time.
- Advantage is that this software is more suited to real-time operations rather than modelling.
- HydrOS is being installed as part of our gen schedule program which will enable our controllers to observe unit efficiencies.
- CVOCC's Prescheduler is being provided with a working platform so that he can test within his existing process. He can then perform daily schedules on simultaneously on both the existing system and HydrOS to test the new software. HydrOS includes capability to add FRR.
- Anticipate to have running HydrOS by end of the fiscal year.



Foregone Power Bypassed

(2/11/2020-5/26/2020)

- No foregone generation bypass since last meeting (February 2019)



CVP New Project Use Update

- No New Project Use in 2020



Reclamation welcomes additional requests for specific information to be included in this presentation at future customer meetings. Please send requests to

Steve Melavic, smelavic@usbr.gov



OUTAGE SUMMARY
JULY 10, 2020 - AUGUST 12, 2020

Outage	Time Off	Time On	Substation	# Out	Duration	Map Location	Cause Desc	Equip Desc
200806	7/10/2020 12:39	7/10/2020 17:02	Mill Street	385	4:22	Sky Ranch Road	Tree	Pole
200810	7/11/2020 2:07	7/11/2020 5:45	Douglas City	85	3:38	Tucker Hill/Steiner Flat/Union Hill	Unknown Cause	Fuse
200815	7/11/2020 16:46	7/11/2020 19:30	Hayfork	20	2:44	Carter Gulch	Animal/Bird	Fuse
200741	7/14/2020 7:00	7/14/2020 15:38	Hayfork	1499	8:38	Transmission Maintenance	Maintenance	Maintenance
200742	7/14/2020 8:00	7/14/2020 9:00	Douglas City	8	1:00	Transmission Maintenance	Maintenance	Maintenance
200740	7/15/2020 8:00	7/15/2020 13:12	WAPA Trinity	30	5:12	Ridgeville Estates/Estrellita Heights	Maintenance	Maintenance
200857	7/15/2020 22:47	7/16/2020 8:30	WAPA Trinity	12	9:43	Trinity Alps/Stuarts Fork	Unknown Cause	Unknown Equipment Failure
200859	7/15/2020 22:52	7/16/2020 8:34	WAPA Trinity	790	9:42	North County	Unknown Cause	Unknown Equipment Failure
200882	7/16/2020 8:57	7/17/2020 1:54	WAPA Trinity	12	16:56	Trinity Alps/Stuarts Fork	Tree	No Equipment Failure
200879	7/16/2020 17:34	7/17/2020 1:23	WAPA Trinity	802	7:49	North County	Tree	Unknown Equipment Failure
200898	7/19/2020 5:21	7/19/2020 16:53	Lewiston	78	11:32	Jessup Gulch/Trinity Dam Blvd/Lakeview Terrace	Tree	No Equipment Failure
200900	7/21/2020 7:00	7/21/2020 13:12	Lewiston	11	6:12	Jessup Gulch - Pole Bypass	Animal/Bird	Pole
200920	7/22/2020 16:14	7/22/2020 17:45	Douglas City	138	1:31	Tucker Hill/Steiner Flat/Union Hill	Lightening	OH Conductor
200927	7/22/2020 16:23	7/22/2020 16:48	Mill Street	275	0:24	Timber Ridge/Ransom Road/Little Browns Creek	Lightening	OH Conductor
200947	7/28/2020 19:32	7/29/2020 1:00	Hayfork	145	5:28	South Hayfork	Unknown Cause	Circuit breaker
201010	7/31/2020 17:49	8/1/2020 13:30	Lewiston	5	19:40	Oddfellows	Fire	Fuse
201015	7/31/2020 20:30	7/31/2020 20:59	Lewiston	41	0:29	Buckhorn Tap	Fire	Fuse
201043	8/6/2020 1:52	8/6/2020 6:15	Douglas City	43	4:23	Steiner Flat/Lorenz Ranch Road	Default - Do Not Use	Default - Do Not Use
201089	8/7/2020 22:54	8/8/2020 1:20	WAPA Trinity	91	2:26	Lake Forest Drive	Unknown Cause	No Equipment Failure
201169	8/8/2020 17:28	8/8/2020 18:45	Lewiston	1112	1:17	FB - Lewiston 1101 Sub	Animal/Bird	No Equipment Failure
201194	8/9/2020 16:22	8/9/2020 19:10	Lewiston	162	2:48	R5730 - Rush Creek	Unknown Cause	No Equipment Failure
201246	8/10/2020 18:30	8/11/2020 1:00	Lewiston	45	6:30	Browns Mountain Road	Structure Fire	Pole