

Lompoc City Council Agenda Item

City Council Meeting Date: Jan 16, 2007

TO: Gary P. Keefe, City Administrator

FROM: Rodney Ray, Electric Utility Manager
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SUBJECT: NCPA NEW LODI PROJECT



RECOMMENDATION: that the City Council approve participation in the Northern California Power Agency (NCPA) New Lodi Power Project Phase IIA and authorize the City Administrator to execute the attached agreement.

BACKGROUND AND/OR DISCUSSION:

Based on load forecasts, NCPA members, including Lompoc, identified the need to consider construction of a base load power plant. A wide variety of alternatives have been investigated. One opportunity, referred to as New Lodi, would meet many of these needs. The New Lodi Project takes advantage of existing property at the NCPA Combustion Turbine Project 2 (CT2, or STIG). Building at the existing CT2 project would also allow for sharing of existing support facilities with the current CT2 project.

In the long-term Lompoc needs an additional 10MW of resources. Our first step was to purchase 5MW in the NCPA Green Power Portfolio (NGPP). The NGPP is currently being put together by NCPA and should start delivering power in the next year. This also fulfills State requirements to add Green Power to our portfolio.

By 2011/12 we will need to add an additional 5MW to our resources. The New Lodi Project will provide these needs as a base run plant.

Phase IIA will provide for initial licensing and preliminary engineering. Once the Project is built and fully financed these startup funds are refundable.

Respectfully submitted,

Rodney Ray, Electric Utility Manager

APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:

Rodney Ray, Acting Utility Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Gary P. Keefe, City Administrator

- Attachments:**
- 1) [NCPA Resolution 06-48](#)
 - 2) [Member Agreement \(Second Phase\) for Financing the Planning and Development Activities of the new Lodi Project](#)