MINUTES OF THE
BOARD OF DIRECTORS MEETING
OF THE TURLOCK IRRIGATION DISTRICT

Turlock, California
11 September 2018

The meeting of the Board of Directors of the Turlock Irrigation District was called to order at 9:00 a.m. in regular session on the 11th day of September 2018. Present were: Directors Charles Fernandes (President), Rob Santos (Vice-President), Michael Frantz (Secretary), Joe Alamo and Ron Macedo, General Manager Casey Hashimoto and Executive Secretary to the Board Tami Wallenburg.

SALUTE TO THE FLAG

MOTION APPROVING CONSENT CALENDAR

Moved by Director Macedo, seconded by Director Frantz, that the consent calendar consisting of the following be approved:

A. Minutes of the regular meeting of August 28, 2018.
B. Demands against the District represented by check numbers 376744 to 377084, inclusive, in the amount of $7,231,804.16.

All voted in favor with none opposed. The President declared the motion carried.

PUBLIC COMMENT PERIOD

There was none.

WEEKLY UPDATES

Energy Trader Wes Kellison reviewed operations for the week of August 31 through September 6. The daily system peak, including partial required sales, reached 533.9 megawatts on September 5. The load was met with TID Hydro, thermal generation, short and long-term firm, renewables and spot purchases. Total renewables of TID retail energy sales plus losses were at 19 percent. The Tuolumne Wind Project (TWP) generated 6,475 MWh’s during this time period at the Willis Substation, averaging at 28 percent of capacity. Natural gas prices at Pacific Gas & Electric Company’s Citygate were $3.16/mmBTU. Electric operations for this period show Walnut Energy Center was online; Boardman ran all week but had been reduced during light load hours as well as during COI de-rates; Almond ran seven days for economics and operations; Don Pedro Units 1 and 3 ran all week, Unit 2 was available, and Unit 4 remains out of service until November 1.
MOTION CANCELING THE TURLOCK IRRIGATION DISTRICT
REGULAR BOARD MEETING OF SEPTEMBER 18, 2018

Moved by Director Macedo, seconded by Director Santos, that the regular meeting of the Board of Directors of the Turlock Irrigation District scheduled for September 18, 2018, be canceled.

All voted in favor with none opposed. The President declared the motion carried.

RESOLUTION NO. 2018 - 40

RESOLUTION DELEGATING AUTHORITY TO APPROVE PAYMENT OF TURLOCK IRRIGATION DISTRICT WARRANTS FROM SEPTEMBER 12 THROUGH SEPTEMBER 18, 2018

WHEREAS, because the Board of Directors will not hold its regular meeting on September 18, 2018; and

WHEREAS, Water Code Section 24600 states “No claim shall be paid by the treasurer until allowed by the board, and only upon a warrant signed by the president and countersigned by the secretary”; and

WHEREAS, it is in the best interests of the District that the District pay vendors in a timely manner.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Board of Directors of the Turlock Irrigation District as follows:

1. For the period of September 12 through September 18, 2018 only, the Board of Directors delegates to the President and Vice President of the District’s Board of Directors and either of them, the authority to approve claims under Water Code Section 24600 for payment.

2. At the Board of Directors’ regular meeting on September 25, 2018, the Treasurer or the Accounting Department Manager shall report to the Board all claims paid during that period pursuant to this resolution.

Moved by Director Macedo, seconded by Director Frantz, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes: Directors Santos, Frantz, Alamo, Macedo, Fernandes
Noes: Directors - None
Absent: Directors - None

The President declared the resolution adopted.
GENERAL MANAGER'S REPORT

General Manager Casey Hashimoto had no new items to report.

BUSINESS OF THE BOARD

There was none.

MOTION TO ADJOURN TO CLOSED SESSION

Moved by Director Alamo, seconded by Director Frantz, that the regular meeting of the Board of Directors be adjourned:

1. Conference with Legal Counsel – Anticipated Litigation

   California Government Code Section 54956.9(d)

   Anticipated litigation: one potential case
   - Steve Boyd, Director of Water Resources & Regulatory Affairs
   - Phil Govea, Civil Engineering Department Manager
   - Bill Penney, Associate Civil Engineer
   - Art Godwin, Legal Counsel (via teleconference)

All voted in favor with none opposed. The President declared the motion carried.

REPORT OF ACTION TAKEN IN CLOSED SESSION

The President announced no reportable action was taken in closed session.

RELIABILITY WORKSHOP

AGM Power Supply Brad Koehn, AGM Electrical Engineering and Operations Manjot Gill and Energy Strategy Department Manager Amy Petersen presented a workshop on reliability as well as other constraints (or rules) that affect the District’s daily dispatch decisions. They reviewed several rules that can impact reliability such as operational limits on generation, water, legislative and regulatory constraints on renewables and emission costs, and contractual issues such as forward purchases or long term commitments. The team reviewed different drivers that affect reliability – transmission limitations, resource capability (generation and import), and then balancing these capabilities to meet demand. Each of the District’s generation facilities have several physical limitations that must be followed. Each have minimum and maximum loads, a ramping rate at which they can be changed, as well as start and shut down times. Temperature will also affect their output and many have a minimum run time before they can shut down. The Districts thermal plants have daily, monthly, and yearly emission limits and depending on which facility, some have fuel supply limitations. They noted that each of the District’s internal generation facilities have operational specifications sheets that governs how they are dispatched to meet load. Rules that impact water generation (Don Pedro) include scheduling limitations due to irrigation and river releases and Turlock Lake storage and Upper Main Canal limitations. Also, in certain times of the year, any additional river flows (even for a short period) could alter the District’s river releases schedule drastically. For the legislative and regulatory side, California legislation has put all energy providers on a path to 100 percent carbon free resources in the future. This will continue to have the District procure renewable power like the Tuolumne Wind Project.
and the Solar purchased power agreements (PPAs) as the District needs these to meet current load. A good example of that is the Biomass PPA requirement that forced the District to procure 0.6 MWs of biomass energy regardless of need or economics. On the regulatory side, the District is required to purchase greenhouse gas allowances to emit carbon from our thermal fleet which does effect the economical dispatch of these units. Beyond economically dispatching energy to load at the lowest cost possible, a very important aspect is that the District continually seeks to optimize within these rules by reducing the constraints or costs, and increasing revenues while operating within the limits of our generation facilities.

MOTION TO ADJOURN

Moved by Director Frantz, seconded by Director Macedo, that the regular meeting of the Board of Directors be adjourned.

All voted in favor with none opposed. The President declared the motion carried.

Tami Wallenburg
Executive Secretary to the Board of Directors