

<p>California Energy Commission</p> <p>DOCKETED</p> <p>14-IEP-1C</p>
<p>TN 3057</p> <p>SEP 11 2014</p>

COMMITTEE HEARING

BEFORE THE

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT

COMMISSION OF THE STATE OF CALIFORNIA

In the matter of,)
) Docket No. 14-IEP-1C
))
Integrated Energy Policy)
Report (IEPR))

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

TUESDAY, AUGUST 5, 2014

9:14 A.M.

Reported By:

Kent Odell

APPEARANCES

Commissioners

Chair Robert Weisenmiller, CEC

Commissioner Janea Scott, Lead Commissioner for IEPR and
Transportation, CEC

Commissioner Karen Douglas, CEC

Commissioner Michael Picker, CPUC

Commissioner Carla Peterman, CPUC

Jim Kenna, State Director, Bureau of Land Management

CEC Staff Present

Heather Raitt, IEPR Program Manager

Presenters/Panel Members Present

Moderator Ed Randolph, CPUC

Paul Douglas, CPUC

Dennis Peters, California ISO

Neil Millar, California ISO

Roger Johnson, CEC

Moderator Carl Zichella, Natural Resources Defense
Council

Elizabeth Klein, Department of Interior

Chris Beale, DRECP

Jim Strittholt, Conservation Biology Institute

Moderator Terry Watt, DRECP

Gerry Newcombe, County of San Bernardino (WebEx)

James Caruso, County of San Luis Obispo (WebEx)

Joshua Hart, County of Inyo (WebEx)

APPEARANCES (CONT.)

Presenters/Panel Members Present (Cont.)

Andy Horne, County of Imperial

Cindy Thielman-Braun, County of Riverside (WebEx)

Craig Murphy, County of Kern

Paul McCarthy, County of Los Angeles (WebEx)

JR DeLaRosa, California Natural Resources Agency

Steve Chung, Department of Defense

Sandra Schubert, California Department of Food and
Agriculture

Jim Houston, California Department of Food and
Agriculture

Ed Randolph, CPUC

Bruce Wilcox, Imperial Irrigation District

Janice Frazier-Hampton, Pacific Gas and Electric

Kevin Richardson, Southern California Edison

Katie Sloan, Southern California Edison

Jan Strack, San Diego Gas and Electric

Andy Horne, County of Imperial

Jim Detmers, Westlands Solar park

Matt Stucky, Abengoa Solar

Ray Kelly, NRG

Jesse Gronner, Iberdrola Renewables

Nancy Rader, California Wind Energy Association

Rachel Gold, Large-Scale Solar Association

APPEARANCES (CONT.)

Presenters/Panel Members Present (Cont.)

V. John White, Center for Energy Efficiency and
Renewable Technologies

Erica Brand, The Nature Conservancy

Sarah Friedman, Sierra Club

Kate Kelly, Defenders of Wildlife

Mark Tholke, EDF

Mark Nechodom, California Department of Conservation

Karen Mills, California Farm Bureau Federation

Lara Rozzell, NPS

Helen O'Shea, NRDC

Also Present

Alex Pitts

Michael Wheeler, Recurrent Energy

Pamela Eaton

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1

P R O C E E D I N G S

1
2 AUGUST 5, 2014

9:14 A.M.

3 MS. RAITT: Good morning. Good morning,
4 everyone, welcome to the IEPR workshop on Integrating
5 Environmental Information and Renewable Energy Planning
6 Processes. This workshop is part of the 2014 IEPR
7 update.

8 I'm Heather Raitt. I'm the Manager for the IEPR
9 unit.

10 First, I'll go over the usual housekeeping
11 items. Restrooms are in the atrium. If there's an
12 emergency and we need to evacuate the building, please
13 follow staff to Roosevelt Park which is across the
14 street, diagonal to the building.

15 Today's workshop is being broadcast through our
16 WebEx conferencing system and parties should be aware
17 that you're being recorded. We'll post an audio
18 recording on the Energy Commission's website in a few
19 days and a written transcript in about a month.

20 I'll briefly go over our agenda. This morning
21 we have opening comments from commissioners and
22 executives, and then three panels before breaking for
23 lunch.

24 We'll return after the one-hour lunch break for
25 a roundtable discussion on the use of environmental

1 scoring and renewable energy planning.

2 At the end of the day there will be an
3 opportunity for public comments.

4 I see our room is getting full. We do have
5 overflow seating in Hearing Room B, which is directly
6 across from the atrium.

7 Since our agenda is very full, we request that
8 presenters please limit your comments to the allotted
9 time. This will ensure that everyone has time needed
10 for their presentation.

11 Also, it's very important to please identify
12 yourself each time before speaking so that our court
13 reporter can have an accurate record of who spoke.

14 We're asking parties to limit their comments to
15 three minutes during the public comment period.

16 For those in the room who would like to make
17 comments, please fill out a blue card and give it to me
18 or Lon Paine, and he's representing the Public Adviser
19 Office today. There he is.

20 For WebEx participants, you can use the chat
21 function to tell our WebEx coordinator that you'd like
22 to make a comment during the public comment period. And
23 we'll either relay your comment or open your line at the
24 appropriate time.

25 For phone-in-only participants, we'll open your

1 lines after we've taken -- for the phone-in-only
2 participants, we'll open your lines after we've taken
3 comments from in-person and WebEx participants.

4 Materials for this meeting are available on the
5 website and hard copies are on the table at the entrance
6 to this hearing room.

7 Written comments on today's topics are due close
8 of business July 14th. And we do encourage written
9 comments.

10 Instructions for providing comments are in the
11 workshop notice, which is on the table with the handouts
12 and also posted on our website. It explains the process
13 for submitting comments.

14 And with that I'll turn it over to Commissioner
15 Scott for opening remarks.

16 COMMISSIONER SCOTT: Great. Thank you, Heather
17 and good morning and welcome everybody. I'm Janea Scott
18 from the California Energy Commission and I'm the
19 Commission's public member. I'm also lead for the 2014
20 IEPR update, as well as the lead for the Commission on
21 transportation issues.

22 I'd like to welcome everyone to our workshop
23 today, which is part of our 2014 Integrated Energy
24 Policy Report update.

25 Today in our workshop we'll focus primarily on

1 transportation issues, but today's topic, "Integrating
2 Environmental Information and Renewable Energy Planning
3 Processes" is important because meeting our energy and
4 climate goals depends not only on technology innovation,
5 but also on making sure renewable projects are located
6 in appropriate areas that can help to reduce land
7 conflicts.

8 We have multiple agencies, federal, state and
9 local that have a role to play in today's workshop. And
10 many of us understand that concerns over land use can be
11 some of the most difficult issues to resolve because
12 every inch of land in California is important to someone
13 in some way.

14 Identifying the appropriate land uses, like
15 we're doing with our Desert Renewable Energy
16 Conservation Plan, and then incorporating them into our
17 infrastructure planning processes can help reduce
18 potential land use conflicts and thereby help meet our
19 energy and climate goals in the future.

20 So, we've got a terrific and intriguing set of
21 questions, I think, that will be under discussion today
22 and I'm really looking forward to the discussion.

23 I'm pleased to be joined today on our dais,
24 here, by Jim Kenna, the California State Director of the
25 Bureau of Land Management, Karen Douglas, Commissioner

1 at the California Energy Commission, Chair Bob
2 Weisenmiller, who's the Chair of the California Energy
3 Commission, Commissioners Carla Peterman and Michael
4 Picker from the California Public Utilities Commission.

5 I'm looking for Kevin Hunting, from the
6 Department of Fish and Wildlife.

7 And we'll also joined by Liz Klein from the
8 Department of the Interior.

9 So, I am just delighted to have all of you here.
10 Thank you for joining us today.

11 And with that let me turn the opening remarks
12 over to Commissioner Karen Douglas, and that will be
13 followed by our esteemed colleagues.

14 COMMISSIONER DOUGLAS: Thank you, Commissioner
15 Scott. I'm going to keep my opening brief because this
16 is a long agenda and we've got a lot of people to hear
17 from. But I want to thank everyone for being here.

18 We're here to talk about really important
19 issues, forward-looking issues. How do we move forward
20 and plan for, and procure renewable energy to meet
21 California's long-term climate goals?

22 We come here having experienced a lot of success
23 in permitting and building projects in California from,
24 you know, a time when I was relatively new on the
25 Commission and there were serious conversations about

1 whether California could or should do a 20 percent RPS.

2 We find ourselves sitting here, now, really with
3 33 percent in our grasp and talking about what more, and
4 how much more, and how do we do it, and what have we
5 learned from the successes in getting to 33 percent and
6 how do we do the next stage in a way that works better
7 for everybody, provides more certainty, clearer signals,
8 clearer interactions between different agencies
9 responsible for different parts of the process,
10 opportunities for public input that are well-timed that
11 make sense.

12 And how do we use -- where should we use
13 environmental --

14 (WebEx interruption)

15 COMMISSIONER DOUGLAS: Folks on the phone we
16 hear you. Can you hear us?

17 UNIDENTIFIED SPEAKER: I'm just a call-in user,
18 as well.

19 COMMISSIONER DOUGLAS: You're a call-in user,
20 all right. I'm Commissioner Douglas. We're in opening
21 comments and I'm glad to hear that you can hear us.

22 I think Heather is working on muting the call-in
23 lines, but we'll make sure that the system's operating
24 for you.

25 Folks on the phone, sometimes if we don't mute

1 people upon entry, they don't know we can hear them and
2 so we hear dogs barking, and kids yelling, and other
3 things in the background, so we'll take care of that.

4 Anyway, there's a lot to talk about today. I
5 really appreciate the great attendance here. I
6 appreciate the engagement in this panel and in this
7 workshop shown by panelists, and shown by roundtable
8 participants. I'm really looking forward to the
9 discussion so thank you.

10 CHAIRPERSON WEISENMILLER: Good morning, I'm Bob
11 Weisenmiller, Chair of the Commission. I'll also keep
12 my remarks brief.

13 The two things I'd like to tie together is one
14 of the things which, when we were doing the ARRA siting
15 projects Commissioner Douglas and Michael Picker both
16 remember that we had a list of projects which I think,
17 ultimately, the slogan at the end was "smart from the
18 start on siting", that people tended to look for things
19 where there was a transmission line, there was a
20 railroad, you know, anyway, all kinds of conveyances
21 without necessarily picking the best site from an
22 environmental perspective.

23 And so, one of the lessons we learned is that
24 obviously not all technologies are equal nor are sites
25 equal, even if they have great transmission access or

1 great access for construction. That it was very
2 important to try to come up with the areas that would be
3 easier to develop in terms of environmental values.

4 And sort of building off of that Commissioner
5 Peterman, when she was here, then with the Renewable
6 Action Plan, and the two themes that really came out of
7 that and one was that it was really important to rethink
8 the utility planning process to make it more renewable
9 centric.

10 And also that it was important to connect, in
11 some fashion, that utility planning process with the
12 local planning process. And again, to be looking for
13 where are the sweet spots in development and where the
14 spots were, in fact, we want to preserve the land and
15 the values ultimately for resource preservation.

16 You know, a key part of California is the fact
17 that the things that make the State great are those
18 environmental values. So, we're trying to come up with
19 the best way to achieve both our clean technology goals
20 and ultimately to preserve those parts of California we
21 want to preserve.

22 And so I'm looking forward to this conversation.
23 I mean, again, as we go through this evolution of trying
24 to figure out how best to do the planning, again to send
25 signals to people of where we want them to develop and

1 where we don't want them to develop.

2 COMMISSIONER PETERMAN: Thank you. Good morning
3 everyone. Thank you, Commissioner Scott and
4 Commissioner Douglas for including the California Public
5 Utilities Commission in this important forum.

6 I'm excited to see the CEC continuing to
7 maintain a leadership role in leading the discussion in
8 this State and, you know, more broadly in this nation on
9 how to consider environmental information and have as
10 benign as possible environmental impact from our energy
11 procurement.

12 As the assigned Commission at the CPUC for the
13 Renewable Portfolio Standard, I'm keenly interested in
14 how do we scale our renewables past 33 percent and we do
15 that in a sustainable way.

16 So, looking forward to hearing from all the
17 panelists today and I put in my support for us to
18 continue to coordinate on this work going forward.
19 Thank you.

20 CPUC COMMISSIONER PICKER: I'm Michael Picker.
21 I'm going to make a couple extra comments because I
22 won't be able to stay today.

23 But I'm just going to make observations on what
24 it is that I think I observed at the time that we were
25 going through a flush of projects that's really helped

1 contribute to the State's progress towards our 33
2 percent goal.

3 And I'll just observe that there was a very
4 conscious decision in the mid-60s by the California
5 legislature to begin to centralize a lot of the
6 authorities over making land use choices in specific
7 areas.

8 And so, they reserved through CEQA a lot of
9 those land use decision makings and the requirement to
10 study their choices, and to understand the impacts of
11 their choices with local land use agencies who create
12 general plans that set the landscape level within their
13 jurisdictions, but also begin to focus on specific
14 projects.

15 They also reflected on the fact that electrons
16 and the need for electricity don't obey political
17 jurisdictions and reserved statewide permitting
18 authority to the technologies that were extent at the
19 time, mostly thermal technologies, to the California
20 Energy Commission.

21 And so I think that to some extent we still live
22 in the shadow of their wisdom and their decision at the
23 time.

24 But what I did observe in this process of
25 permitting a lot of land use projects that would

1 actually provide renewable resources to the State is
2 that we've seen a lot of add-ons, and a lot of tactical
3 use of side authorities that don't necessarily observe
4 the intent of the legislature and, in many cases, don't
5 actually improve the process.

6 And so, I'm referring to, for example, screening
7 processes that pre-litigate CEQA and remove the decision
8 making to a level that isn't described adequately and
9 doesn't meet the tests of CEQA and CEQA functionally
10 equivalent programs of having public review, of having
11 comment, of actually having a decision maker.

12 It becomes then, to some degree, an arrogation
13 of power by staff. It's an overlay that really doesn't
14 meet the test and the requirements of good public policy
15 in that it's effective, it's equitable, and that it's
16 efficient.

17 And it also is an implicit criticism of CEQA and
18 CEQA functionally equivalent programs as not having been
19 effective.

20 And all I can say, and have observed, as having
21 gone through a significant number of land use decisions
22 in coordination between State agencies in the siting,
23 and permitting, and interconnection of large, renewable
24 energy projects, it doesn't stand up to the courts.

25 And so, I worry that we sometimes focus too much

1 on the narrow agency needs and we don't reflect on those
2 statewide objectives and we don't respect the
3 authorities that the legislature reserved to those very
4 specific decision makers.

5 And to that extent, if there are defects in
6 CEQA, then we ought to address them. But we ought not
7 to hack it by continuing to build these add-ons that
8 tend to pre-litigate and would not stand the test of
9 public review and would not stand the test of the
10 courts.

11 I do think that there are some very good
12 examples of how we can approach this. And so, I want to
13 start by pointing to the RETI process, the Renewable
14 Energy Transmission Initiative, which really started to
15 do that large scale landscape mapping that looked at the
16 resources, that looked at the infrastructure needs and
17 that started to pay attention to the environmental
18 concerns and became a roadmap.

19 Unfortunately, it didn't have either the
20 conservation values embedded and it didn't have the
21 environmental consequences embedded in a way that really
22 reaches that functionally equivalent level that makes it
23 a truly useful environmental document.

24 But I do think the Desert Renewable Energy
25 Conservation Plan did that. And I think that starts to

1 become a good effective model for how we can begin to
2 pursue these things.

3 So, I want to point to that as being a way
4 around this. And the need for agencies to work together
5 between state and local, between state agencies, and
6 between the state and federal government to be able to
7 provide that kind of very effective, efficient, and
8 equitable analysis that meets the test of public policy
9 and honors the intention of CEQA and NEPA, and the other
10 high level guidance that we've received from our duly
11 elected decision makers.

12 So, that's my ramp. Thank you very much.

13 COMMISSIONER DOUGLAS: Thank you, Michael.

14 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: Well,
15 just briefly, and I want to build -- this is Jim Kenna.
16 I'm the State Director for the Bureau of Land
17 Management. And I've been through the wars a little bit
18 with Michael Picker and Karen Douglas, and I want to
19 emphasize two points that I think they made.

20 One, the value of collaboration in sort of
21 sorting through some of the issues that Michael laid
22 down in his remarks.

23 And two, that it then becomes about outcomes and
24 it changes, I think, the conversation in some very
25 important ways.

1 I also have to be a land manager kind of guy
2 here and talk about there are two systems involved here
3 that are both very, very, very complex.

4 The energy generation and transmission system is
5 very complex. It's got things of different ages and
6 different types, and lots of moving parts, and lots of
7 complexities and, certainly, risks as well.

8 But there's another set of systems there, as
9 well, the natural and cultural landscape level systems
10 that we want to make sure that we're taking care of.
11 And that was alluded to in Michael's remarks, as well.

12 I sometimes think that as agencies we're like
13 that proverb about holding onto an elephant, where we
14 tend to hold onto one spot and we have very firm ideas
15 about what that spot is and what it means.

16 But we're in an age now where we can digitize
17 the whole elephant.

18 So, I think that's really what collaboration
19 helps us do. It helps us deal with some of the tensions
20 that are involved. There are tensions between sort of
21 the values and outcomes pieces that we're trying to get
22 to, but on the other side of that we have a lot of the
23 designs, and controls, and processes and jurisdictions
24 that try to keep us holding on to just one piece of the
25 elephant.

1 There are also some tensions between
2 flexibility, and certainty and predictability that come
3 into play. And, certainly, in something that is at this
4 kind of a scale where you're talking about, say, energy
5 systems in California, the complexity quickly comes in
6 with all the jurisdictions that have a voice or need to
7 have a voice, an appropriate voice, in the outcomes.

8 So, I think the last point I would make is that
9 this is really important work. If you think about the
10 importance of those two large sets of systems, the
11 natural and cultural landscape, and the energy systems
12 that the public relies upon we need to figure it out.
13 We have the ability to figure it out.

14 And what excites me about today is the
15 possibility that we can identify some principles and
16 actions that might help us improve upon where we are.
17 And where we are isn't altogether bad.

18 We have learned a few lessons and figured a few
19 things out.

20 So, I want to thank all the partners that we've
21 worked with in getting to this point and look forward to
22 great things.

23 COMMISSIONER SCOTT: Well, thank you very much
24 to everyone for all of your opening comments.

25 I would like to turn it now to Ed Randolph, from

1 the California Public Utilities Commission, and he's
2 going to facilitate Panel One for us, moderate Panel
3 One. Ed.

4 MR. RANDOLPH: Good morning Commissioners, thank
5 you for having us here today.

6 This first panel we have here today has a number
7 of staff experts from three of the State agencies, one's
8 a quasi-State agency, the California Independent System
9 Operator, who have been working on renewable planning
10 activities for many years, to discuss how the history of
11 the environmental screening has played a role in the
12 larger planning activities.

13 I think this is an important conversation at
14 this particular moment in time because, as several of
15 you have mentioned, we're by and large at the 33 percent
16 goal in terms of procurement.

17 And it's this moment in time where all the State
18 agencies and lots of stakeholders are having the
19 conversation of what is our clean energy future.

20 It's a good time to take a pause, have this
21 conversation of how we plan, and to use Commissioner
22 Picker's words, create the roadmap for the future and
23 how the environmental screening process works into that.

24 As we start the panel, I'd like to put one
25 caveat on some of the conversations that have happened

1 and will happen going forward.

2 At least on the PUC end of things, one of our
3 process tools we use is oftentimes to put out a staff
4 proposal, which we've had several staff proposals
5 involved in environmental screening.

6 I think we'll have some others as we talk more
7 about developing a new RPS calculator out there. We
8 always need to remember that the staff proposal is just
9 that, it's a staff proposal. It's not the views of the
10 Commission.

11 We also always need to remember that oftentimes
12 a staff proposal, and I think this is true of other
13 agencies as well, is sometimes intended to spur
14 conversation and not completely reflect all the internal
15 views on that.

16 With that, and in just setting up this panel,
17 I'll introduce the first panelist, who is my colleague,
18 Paul Douglas, who is the head of the section, which I
19 can never remember the name of the section and I should,
20 it's the Renewable --

21 MR. DOUGLAS: Renewable Procurement and Market
22 Design.

23 MR. RANDOLPH: Renewable Procurement and Market
24 Design. I just always refer to them as the RPS group.
25 So, I'll hand it over to Paul.

1 MR. DOUGLAS: Thanks Ed. Good morning Chair
2 Weisenmiller, Commissioners, Mr. Kenna, thank you for
3 the opportunity to speak this morning.

4 I've been asked to give a very brief overview of
5 the RPS calculator, the updates that we are currently
6 underway making to the calculator, including the
7 environmental scoring methodology that's embedded in the
8 current calculator.

9 Given that I've been asked to talk about a very
10 large, complex topic in a limited amount of time, I'm
11 going to be moving very quickly through my slides, so I
12 apologize.

13 But I think that will work because the actual
14 mechanics of the calculator we'll be discussing ad
15 nauseum in a multi-day workshop in the near future.

16 Neil Millar, from ISO, will be talking about how
17 the portfolios are used in their transmission planning
18 process.

19 And Roger Johnson, from the CEC, will actually
20 be discussing in detail the current environmental
21 scoring methodology that's in the current calculator.
22 So, I think we've got those bases covered.

23 As most of you know, the RPS calculator is
24 Excel-based renewable resource planning tool that
25 develops plausible portfolios of RPS resources that meet

1 specific RPS procurement targets. So, we could be 33
2 percent, 40 percent, 50 percent.

3 It was created in 2009 by my team for a 33
4 percent implementation assessment that we were doing at
5 the time.

6 In 2010, that tool was moved to the PUC's Long-
7 Term Resource Planning Group and has resided there up
8 until 2013. That group has been responsible for the
9 maintenance of the calculator, the updates, and some
10 assumptions, including the development of the RPS
11 portfolios.

12 And then in 2014 that calculator came to me.
13 And I'm mentioning this now because there's some
14 implications later on in the presentation.

15 The portfolios that come out of the calculator
16 are used in a variety of planning activities. They're
17 used at the PUC's Long-Term Resource Planning Group.

18 They're used at the ISO through their
19 transmission planning process, including their renewable
20 integration studies.

21 And it's used in the WECC, western transmission
22 planning process.

23 It's important to note, though, that the
24 calculator currently doesn't directly inform RPS
25 procurement.

1 So, this process diagram outlines the new
2 process of going forward now that my group is
3 responsible for the maintenance and calculation of the
4 RPS portfolios.

5 On an annual basis my group will update the
6 calculator methodology, inputs and assumptions, and also
7 develop the portfolios for use in LTPP.

8 Once LTPP gets those portfolios they'll be
9 vetting and adopting a combination of assumptions,
10 including the RPS portfolio, to construct multiple
11 scenarios for use in long-term resource planning.

12 The long-term resource planning scenarios
13 associated with the RPS portfolios are then provided to
14 the ISO for use in the ISO's transmission planning
15 process. Neil will be discussing this more in detail
16 when he gets to his presentation.

17 So, historically, LTPP has used the RPS
18 calculator to develop different RPS portfolios which use
19 different -- excuse me, which is used to develop
20 different various scenarios defining a realistic and
21 plausible future.

22 LTPP scenarios have included a trajectory
23 scenario which is most reasonably to occur if our
24 existing policies continue.

25 LTPP also has done a high DG and an

1 environmentally-preferred scenario in the past.

2 Historically, though, the ISO has used the
3 trajectory scenario as the base case for transmission
4 planning. And again, Neil will be explaining why that's
5 the case.

6 The environmental-preferred portfolio that has
7 been calculated in the RPS calculator has been used to
8 inform policy, but it has actually not been used to
9 inform procurement or transmission planning to date.

10 Having said that, the calculator inputs and
11 assumptions haven't been materially updated for several
12 years, so the model doesn't reflect recent changes in
13 technology costs or resource potential.

14 In addition, the market for renewable resources
15 has fundamentally changed since the creation of the
16 calculator and so has our understanding of the impact of
17 renewables on the California power market.

18 Consequently, the PUC's in the process of a very
19 significant overhaul of the calculator.

20 Here's a brief list of the updates that we're
21 doing to the calculator. We are making modifications to
22 the net short calculation. That's the need that the
23 calculator assesses for filling with additional power
24 plants and associated transmission.

25 We made that adjustment so it actually better

1 aligns with how the utilities are procuring.

2 We've done a significant update of resource cost
3 and potential of renewables in-state and also within the
4 west, which is pretty significant.

5 And a big change for this calculator is that the
6 old calculator was fairly static in its resource
7 valuation of resources.

8 And so in this case what's happened is as you
9 change the resource mix, you change the RPS percentage
10 the value of energy capacity actually changes, too. So,
11 it's a dynamic resource valuation which is pretty
12 significant.

13 And then we're going to be updating transmission
14 costs and also we'll be revisiting the existing
15 environmental screen methodology that's in the
16 calculator.

17 So, that's actually a nice segue into the topic
18 of today's workshop, which is "Environmental
19 Considerations in Planning and Procurement".

20 And when trying to answer that question I think
21 it's important to bear in mind that the renewable market
22 has changed significantly, as most of us are aware,
23 since 2008. And most likely it will change even more so
24 when we go beyond 33 percent.

25 This slide shows that the cost, the resource

1 potential for utility-scale solar PB in 2010, on the
2 left-hand side and 2013 on the right-hand side.

3 What you can see is that the dramatic drop in PB
4 prices has resulted in cost-effective solar potential
5 has dramatically increased and is located throughout the
6 State.

7 And most likely -- excuse me, and also this is
8 very similar to the wind market.

9 Move on to the next slide, please. So, the
10 takeaway is that the RPS program has transformed the
11 renewable market.

12 Specifically, we have good resources available
13 throughout the State. We're close to transmission
14 versus distance, previously.

15 Much on private land, including farm land,
16 versus largely on desert lands, many of which are under
17 the control of BLM, and this has resulted in an increase
18 of availability and lower costs likely leading to
19 greater flexibility in siting and, potentially, fewer
20 transmission investments.

21 So, given that the renewable market has changed
22 so much within the last few years, it sort of raises the
23 question that not only do we need to look at the
24 methodology for calculating sort of the costs and
25 benefits of renewables in the calculator, but also some

1 of the secondary elements that we want to quantify, such
2 as the environment.

3 Move on to the next slide, please. So, however,
4 there are many ways to do environmental scoring. We
5 have a laundry list of efforts in the past.

6 We have the Renewable Energy Transmission
7 Initiative.

8 We have the Western Governors' Association. The
9 Western Renewable Energy Zones is their specific
10 project.

11 Long-term resource planning in 2010 used a
12 variation of the RETI methodology.

13 And then in 2012 to 2014 the Long-Term Resource
14 Planning group worked with the California Energy
15 Commission and developed a revised environmental
16 screening methodology.

17 And then we also have an environmental data task
18 force methodology developed by WECC.

19 So, I'm not going to go through this slide.
20 This is for your own personal edification. It's just
21 basically a matrix of different screening methodologies
22 and the different attributes.

23 Can you move on to the next slide, please?

24 Thanks.

25 So, when we're reviewing the different

1 environmental scoring methodologies it's important to
2 keep in mind that the different screening and scoring
3 methods have different purposes and approaches.

4 In addition, there is not a single approach
5 that's been widely accepted, is easy to apply and works
6 for both generation and transmission.

7 I should highlight that the current methodology
8 that's in the calculator only assesses generation and
9 not transmission and environmental impact.

10 And then, lastly, none of the methodologies have
11 ever been benchmarked against actual environmental
12 impact to see if one methodology is more predictive than
13 another methodology.

14 So, as the Commission works with stakeholders,
15 local, state, and federal permitting agencies to
16 reassess the existing environmental screening
17 methodology we're going to ask parties to consider the
18 following guiding principles when they provide feedback.

19 Now, does any revisions or potential revisions,
20 does it actually align with existing permitting
21 guidelines?

22 Make sure does it actually -- does it not
23 prejudge permitting?

24 Does it --there's no additional market
25 uncertainty?

1 Does the methodology actually correlated with
2 environmental permitting risk and environmental impact
3 actually realized?

4 Does the methodology address the State and the
5 WECC?

6 And we're bringing up the WECC because I think
7 it's -- as we're talking about going beyond 33 percent
8 there's quite a few conversations going on about
9 regional markets. And so, I think it's important that
10 any methodology that we consider actually has a WECC-
11 wide landscape.

12 Does the methodology incorporate DRECP and any
13 other going on process?

14 And also, does the methodology facilitate
15 efficient siting and permitting of projects, generation
16 and transmission?

17 So, lastly, here are some questions for
18 stakeholders to consider when thinking about ways to
19 better integrate environmental considerations in
20 planning and procurement.

21 Given that I have used up my allotted time and I
22 won't be going through the questions individually, I'm
23 happy to discuss these questions with you during the
24 panel Q&A.

25 And then my last slide is a closing thought I

1 would like to leave with you. This is a quote. So,
2 there are quite a few people in this room who probably
3 remember RETI and actually worked on RETI, I being one
4 of them.

5 And this is a quote from one of the studies that
6 was -- or one of the reports written in RETI.

7 And basically it's saying, "RETI's goal is to
8 identify electric transmission facilities needed to
9 provide access to areas which can provide renewable
10 energy most cost effectively, with the least impact to
11 the environment".

12 And so, that was the problem statement RETI was
13 wrestling with in 2008 and I'd like to posit it to the
14 group. I think that might be the problem statement
15 we're wrestling with going beyond 33 percent. Thanks.

16 MR. RANDOLPH: Thank you, Paul.

17 Next we have two panelists from the California
18 Independent System Operator. We have Dennis Peters and
19 Neil Millar.

20 And, unfortunately, I don't have either one of
21 your titles in front of me, so I'll hand it over to you.

22 MR. MILLAR: Thank you very much. It's Neil
23 here. I'll walk through a bit of a very brief overview
24 presentation about the ISO's transmission planning
25 process and the tie points with the RPS development, and

1 some of the other initiatives underway.

2 First, if I could just move to the next slide?

3 As Commissioner Douglas indicated, we do see that the
4 path forward to the 33 percent RPS fulfillment is laid
5 out and in hand.

6 There are a significant number of transmission
7 projects that have either been completed or are in
8 flight, driving towards that objective.

9 There's also a considerable heavy lifting to
10 finishing those projects, as well as to getting the
11 generation resources connected, of course.

12 But with those resources largely contracted for,
13 the path forward to 33 percent we feel is pretty clear.

14 That means this is a time to also sharpen our
15 tools in preparation for the next wave of where are we
16 going from here, as opposed to just refocusing back on
17 the 33 percent objective.

18 So, if I could turn to the next slide, please.

19 This is an overview slide that sets out the ISO's
20 tariff-based planning process. It is meant to be a
21 comprehensive process leading to the actual approval by
22 the ISO Board of Governors of the projects that we need
23 to move forward with in the near future.

24 It's a phased process. Sixteen months run
25 annually, which means there's constant adjustment for

1 issues that emerge in one cycle we circle back on and
2 address in the next cycle.

3 It's a very phased, structured approach of
4 collecting input, doing months of detailed technical
5 analysis to land on solutions that meet the needs and
6 for certain projects, moving forward with a competitive
7 solicitation process.

8 The comprehensive nature of the plan is meant to
9 address reliability needs, state and federal policy
10 needs, as well as economic benefits that may also
11 present themselves.

12 The next slide, please. The inputs into this
13 plan depend very heavily on the coordination with the
14 State and State agencies. That's one point we really
15 need to emphasize is that this is not done in isolation
16 of other activities.

17 The coordination through the use of the 33-
18 percent RPS portfolios for studying policy-driven needs,
19 the use of the load forecast and other inputs through
20 the IEPR process are critical in us having a well-
21 coordinated, comprehensive transmission plan.

22 We also do rely heavily on production simulation
23 databases prepared through WECC that we participate in,
24 in the development of that material as a jumping off
25 point, as do some of the State agencies.

1 So, the coordinated nature of this work is very
2 important to us. We're frequently asked about
3 alternatives that would have us, to some extent, break
4 ranks and go our own way.

5 And, clearly, with the effort and the success
6 that's been put into the coordination of these efforts
7 that's just not an acceptable direction to us. We're
8 really counting on that coordinated approach to identify
9 and effectively move forward with development.

10 The next slide, please. This slide focuses
11 primarily on the use of the RPS portfolios, as well as
12 providing some indication, that I'm not sure many people
13 are aware of, of the feedback loop that's involved in
14 the transmission planning cycle.

15 At the early stage, as the CPUC-led process
16 leads to the development of the portfolios that are
17 considered each year, one of the inputs the ISO
18 participates heavily in, which is the input on
19 transmission needs at a very high level that would be or
20 could be required to support different types of
21 generation development.

22 That information also includes high level cost
23 estimates. And, to some extent, those cost estimates
24 reflect some level of environmental mitigation where
25 that can be built into the cost.

1 Now, one point I really need to emphasize for
2 later is that that cost adder is really the only way
3 that environmental mitigation or the environmental
4 impact of the transmission input is taken into account
5 in the development of the portfolios.

6 The portfolios are then used in combination with
7 a great deal of other input in our transmission planning
8 process that leads, through studying a range of
9 scenarios, in some cases to specific approved projects
10 that we see are needed to meet a number of needs
11 emerging through the analysis, as well as to refine the
12 transmission input and sharpen the pencils for feeding
13 the transmission input needs back into the development
14 of the next round of RPS portfolios.

15 So, that feedback loop to us is very important
16 in making sure that our information stays current and
17 effective.

18 Oh, if I could have the last slide, please. As
19 I mentioned on the previous slide, the one question that
20 we're really looking forward to hearing people's
21 thoughts on as we move through this and other processes
22 is: Is the consideration of the transmission
23 reinforcements necessary to support generation
24 development?

25 Are the environmental impacts of that

1 transmission being given the necessary and appropriate
2 consideration in the development of the portfolios?

3 Or is there more we should be doing beyond the
4 high level cost implications in taking that into
5 account?

6 Historically, I think the view has been that the
7 environmental implications of the generation, itself,
8 more than dwarfed the incremental impact of the
9 transmission necessary to reach those resources, other
10 than what could be taken into account through the costs.

11 That will be one issue that we'll really be
12 looking forward to hearing what stakeholders think as we
13 move through the process.

14 So, thank you. That finishes the presentation
15 and I'll look forward to the discussion.

16 MR. RANDOLPH: Thank you, Neil. And, finally,
17 we have a --

18 (WebEx operator interruption)

19 MR. RANDOLPH: And, finally, we have Roger
20 Johnson with the California Energy Commission.

21 MR. JOHNSON: Thank you very much Commissioners
22 and members of the public, Roger Johnson, Deputy
23 Director for Siting, Transmission and Environment
24 Protection at the California Energy Commission.

25 And I'm going to the first slide, please. I'm

1 going to spend a few minutes very briefly going through
2 the environmental scoring that has been previously
3 discussed in the recent RPS scoring methodology.

4 And then we're also going to, hopefully, talk
5 about suggestions for possible directions and what kind
6 of environmental information could be the most useful in
7 energy planning processes. That's what we're hoping to
8 get from this discussion today.

9 The next slide, so based upon the scoring that
10 was done on RETI and then the work that was going into
11 the RPS, there was a need identified to essentially
12 better consider the environmental, essentially, effects
13 of certain renewable projects that were being considered
14 for the RPS and for the transmission planning.

15 And so, the Energy Commission worked together
16 with the PUC and the ISO and we had developed this
17 Renewable Energy Action Team database of all projects in
18 California that were currently under permitting
19 somewhere in the State, either a federal permit, a state
20 permit, or a local permit.

21 And the REAT agencies were tasked with pulling
22 together this list of projects and then essentially
23 monitoring them to see if there is any assistance that
24 they could use from the agencies in their permitting
25 efforts.

1 So, we had this list of projects that was pretty
2 comprehensive, but it wasn't complete. And so, we also
3 worked with the PUC to understand their database of
4 projects, primarily they were distributed generation
5 projects.

6 And quite a bit of effort went into putting
7 together a master database of all projects. And this
8 required that each project have, essentially, a
9 latitude/longitude, so we knew exactly where it was
10 being proposed in the State or out of state.

11 So, with that information then we essentially
12 developed a set of 48 GIS overlays, if you would,
13 representing different environmental land use related
14 databases. And we essentially evaluated each project
15 and came up with a scoring mechanism, a very general
16 scoring.

17 And again, this is just an environmental type
18 screening. Every project has to go through its
19 NEPA/CEQA permitting process, regardless of how we score
20 it.

21 But it was a of identifying an environmental
22 attribute, if you would, for a project based upon its
23 location.

24 So, the focus was on in-state and DRECP-proposed
25 development focus areas.

1 We have a lot of information about the desert,
2 now, probably more than any other part of the State.
3 We've done significant habitat mapping, vegetation
4 mapping. There's just been a tremendous amount of
5 understanding, now, of the resources out there, both
6 plants and animals, and habitats.

7 So, we focused on the DRECP area, but we also
8 realized that this transmission planning was statewide
9 and so there had to be -- we had to also acknowledge,
10 you know, the other projects outside of the desert.

11 We came up with a simplified treatment for out-
12 of-state projects. They were given a score of 50 which
13 is, you know, halfway in between the best score and the
14 worst score.

15 And then the scoring, as was mentioned, was
16 applied to the RPS work in the 2012 and '13, and '14.

17 The next slide, please. So, let's see, well, I
18 just went through my whole slide without switching.

19 But just to -- let's see, we developed a
20 renewable energy tracking progress website. It's on the
21 Commission's webpage. It's at 33 percent by 2020. It
22 was last updated in March of 2014.

23 However, the projects that are on the webpage
24 today are last year's. We have to do the update of the
25 file and the map.

1 And currently, the database lists 425 proposed
2 projects, totally 40,750 megawatts, 180 of those with
3 permits totaling 11,300.

4 And the next update will be published this
5 month, in August.

6 The next slide, please. And here's just a list.
7 I won't go through it. You can barely read it.

8 But these are all the GIS layers that were
9 considered. Bureau of Land Management, National Parks,
10 and the Forest Service, Fish and Wildlife Service, EPA,
11 US EPA, US Department of Agriculture, Department of
12 Defense, Parks and Rec.

13 And continuing on to the next page there is
14 Department of Conservation, State Lands, Department of
15 Fish and Wildlife, the California Natural Resources
16 Agency, Caltrans, Wildlife Conservancy, NRDC, and
17 Audubon, and the Sierra Club all had layers that were
18 available to the staff in determining what kind of
19 environmental concerns were associated with each project
20 site.

21 The next, please. So, the environmental scoring
22 methodology, again like I mentioned, it was very basic.
23 A score was assigned based on the location of a project
24 using one of five categories, which I'll show you in the
25 next slide.

1 The scores were based on positive preferences
2 for projects in development focus areas or on disturbed
3 lands.

4 So, even though DRECP has been looking at
5 alternatives and has not selected, yet, a preferred
6 alternative, all DFAs that were being considered were
7 given equal weight.

8 And so, there is no new indication, yet, on
9 where maybe a preferred DFA would be, and those projects
10 would receive the best scores.

11 Negative, high, worse scores were given for
12 projects outside of a DFA but within the DRECP boundary.

13 So, again, because we are studying the desert,
14 designating areas where we'd like to see projects go and
15 where we'd like to see areas conserved, if a project was
16 within a DFA it received the best score, or a high
17 score. But if it was outside of DFA, then it received a
18 worse score.

19 Neutral scores of 50 were assigned to projects
20 on non-desert, non-disturbed lands outside of DRC, so
21 everything else in the State of California.

22 Rooftop-managed DG projects were assigned the
23 best lowest scores. They got a score of zero.

24 The next slide, please. And so here's the
25 environmental scoring matrix that was actually used.

1 There were five categories.

2 Essentially, the first question was is it a DG
3 project, yes or no?

4 Project location, is it in the DRECP? Is it on
5 disturbed lands? Is it within a designated focus area,
6 a delineated focus area?

7 And then what score would be assigned to that.

8 So, again, if it was in the DRECP, but not with
9 DFA, it was given a score of 25.

10 If it was in -- I mean, excuse me, if it was in
11 a DFA, excuse me, it was a 25.

12 If it was outside of DFA, in the DRECP it
13 received an 80.

14 A neutral score for all projects outside of
15 DRECP on ag lands, any other types of -- any project
16 could not be scored individually. And these are out-of-
17 state projects, as well.

18 The fourth category is a DG, no; in the DRECP,
19 yes, and disturbed lands, yes.

20 And then that got a score of 20, which is the
21 best score.

22 Except then, finally, if it's on disturbed lands
23 within the DFA it received a score of zero, which is the
24 best score, and that applied to all DG projects in the
25 State that were scored.

1 So, with that scoring, the projects that those
2 scores were given to the CPUC added those to the
3 calculator and then, again, when they ran the
4 environmental scenario those scores were used to sort
5 the projects out.

6 The next slide. So, in advancing environmental
7 scoring, as we talked about today, we were looking to
8 see what is the next -- well, what is the preferable way
9 to go forward with evaluating renewable energy projects?

10 And how can we be applying regional and
11 environmental databases to evaluate the out-of-state
12 projects, as well.

13 That's one thing that we've been essentially
14 neglecting. We don't have good information on out-of-
15 state projects. So, how can we deal with that issue?

16 And how can we modify the environmental scoring
17 criteria to better reflect preferred geographic
18 locations and risks from possible permit failures?

19 We want to implement state-of-the-art GIS
20 analytical techniques to transparently integrate data
21 across many layers. Really, using GIS takes away, if
22 you would, the subjective. It allows to quickly look at
23 projects based upon where they're located and what
24 layers they're within or near.

25 A mapping tool to include generation and

1 transmission projects is I think, what's needed.

2 And evaluate the landscape implications of
3 proposed projects.

4 And then we need to help developers identify
5 locations with low environmental risks.

6 But, finally, we need to increase the
7 transparency and facilitate broader collaborative effort
8 among agencies in developing this methodology.

9 As was mentioned, the PUC plans to have multiple
10 workshops to talk about any kind of environmental
11 module, if you would, that goes in the RPS calculator,
12 and we're looking forward to working with them on that.

13 And that's the conclusion of my presentation,
14 thank you.

15 MR. RANDOLPH: Great, thank you. And
16 congratulations all three of you, you were under your
17 allotted time. I don't know if I've ever seen that in a
18 panel discussion before.

19 With that, you know, I'd open it up first to --
20 I have some questions, but I'd much rather have
21 questions come from the Commissioners and the other
22 people at the table, so questions.

23 CPUC COMMISSIONER PICKER: I'm curious as to how
24 people feel that this environmental scoring will
25 actually be used to help developers pick better

1 locations?

2 Is it a regulatory tool? Is it an advisory
3 tool? Is it an educational tool?

4 And as a decision maker, how will you ask me to
5 treat this information?

6 MR. JOHNSON: Well, I see it, Michael, as a
7 planning tool that can be used to -- by any party, if
8 you would, a regulatory body or a private developer to
9 understand, essentially, the environmental risks of
10 located a project in a certain location.

11 CPUC COMMISSIONER PICKER: But that's based on a
12 choice that they've made, without additional study,
13 without additional analysis, and without due
14 consideration.

15 As opposed to a infrastructure plan, such as
16 RETI proposed that actually helped in the siting and the
17 selection of the location of infrastructure to meet the
18 larger resource needs, that did go through that kind of
19 review on the individual project level.

20 This seems to me to be pre-decisional judgment
21 that we're going to act on.

22 It hasn't -- the databases aren't, in many
23 cases, screened. I'm comfortable that people are
24 actually beginning to apply them in a more coordinated
25 fashion and that there's at least some rigor at that

1 level.

2 But I really worry that if we use that, for
3 example, to score a contract that we're actually
4 undercutting the goals of CEQA and arrogating power at a
5 staff level that is reserved to land use decision-making
6 bodies.

7 COMMISSIONER DOUGLAS: Michael, if I could step
8 in here, I think you're going to the heart of the
9 question. Which is, to the extent that this information
10 is developed in different ways how should it be used?

11 Is it an informational tool?

12 Does it have regulatory meaning? If it has
13 regulatory meaning what, by whom, who uses it?

14 It might be helpful if I start by asking this
15 panel to tell us right now, in the last round of LTPP
16 and ISO how was it used?

17 MR. MILLAR: It's Neil here, I'll take the first
18 shot at that.

19 We see the scoring being one step removed from
20 something we do act on. The scoring factors into the
21 development of the renewable portfolio standards, that
22 process we see led by the CPUC.

23 The portfolios are communicated to us and those
24 do form the basis of our analysis and our
25 recommendations on specific transmission projects that

1 move forward.

2 Over the last two years we've also further
3 integrated our longer-term transmission planning process
4 with our generator interconnection process. That
5 generators moving forward in the areas that have been
6 identified as good for development, through the
7 development of the RPS portfolios, do have an easier
8 time of moving through the generator interconnection
9 process where the deliverability network upgrades are
10 provided by the system, as opposed to funded by them.

11 So, while the scoring itself is not a direct
12 input into the transmission planning process, it's one
13 of the key inputs into the development of the standards
14 that very much directly affect those planning decisions.

15 And then in the future make it easier or more
16 difficult for generation to move forward if it's in a
17 good area versus an area that the State is not providing
18 the transmission in advance for those projects.

19 CHAIRPERSON WEISENMILLER: Yeah, I think looking
20 at the process that's gone on, I think it's really great
21 that this year we're focused on enhancing the economics
22 part. You know, that it came out of RETI. There were
23 some adjustments for photovoltaics but it had gotten
24 past whatever, you know, in terms of data.

25 I think in terms of the environmental side, the

1 two issues one faces is one -- is basically the quality
2 of the overall effort of data. You know, I mean first
3 of all I think Roger indicated that as of 2013 he had
4 about 535 projects in the database.

5 Now, last time I talked to our union friends,
6 they're tracking 700 DG projects that are more than 20
7 megawatts.

8 So, again, it's sort of like do we really have a
9 comprehensive list? Certainly, you know, we at the
10 Energy Commission have invested a lot in trying to come
11 up with a comprehensive list. The bottom line is we
12 need to invest more.

13 The other problem is not just a list of projects
14 and, again, we need to have a pretty comprehensive set.
15 And again, and at least as comprehensive as, say, the
16 unions have I guess is what I'm saying.

17 But at the same time the data, I think those of
18 us involved in the ARRA projects remember that two of
19 what I'll characterize as our more difficult projects
20 were actually ones that Interior, early on, had told the
21 developers these are great projects, go there.

22 And after the developers then spent a
23 substantial amount of money actually proving out the
24 sites they were turkeys.

25 And then as we've gone forward in -- technical

1 term -- but anyways, we've gone forward in DRECP.

2 Again, as we started DRECP, I think the first Science
3 Advisory Committee came in and just said our data will
4 be markedly weak.

5 We spent a lot of money in DRECP trying to get
6 the environmental data better.

7 But I still suspect that as we've gone through
8 identified areas for development or conservation that
9 someone's going to go into some of those development
10 areas, then do the siting level analysis and discover,
11 again, that we've missed some issues.

12 So, I guess what I'm saying is the environmental
13 screening, to really be meaningful takes a lot of effort
14 on the environmental side to really develop that.

15 And so, I'd sort of hesitate a lot on sort of
16 the broad based and we have, as Roger said, we've got
17 very good data on DRECP, less so on the rest of the
18 State.

19 And as you go west wide, you know, it really
20 gets -- again, something where again I think we have to
21 do better there.

22 You know, we've all heard of wind projects out
23 of state that eventually are alleged to have 78 equal
24 takes a yeah.

25 And so, again, how do you basically get the

1 message out that that's not a good site? You know, even
2 though it might have other attributes.

3 So again part of it, my message is that I think
4 it's really great to get the economics jacked up, it's
5 really great to have more of a dynamic model. You know,
6 certainly, the more capacity the variation.

7 Out of state we're very simplistic on DG, we're
8 very simplistic on. And I think we have to really up
9 the ante a lot on tracking projects and also in terms of
10 the environmental side.

11 And I think it's going to be really important
12 that the State invest in the development of those
13 resources, but I think it's important not to have it
14 fragmented. It's got to be done once and done well.

15 COMMISSIONER DOUGLAS: I think just to add a
16 thought and in a way I'm circling back to Michael's
17 opening question here.

18 But really, as we go through this topic through
19 the day I'm interested in hearing, you know, what level
20 of information is useful information?

21 We've got the DRECP as one model that's going
22 through a CEQA and NEPA process, and it wraps permits
23 in. It's a highly intensive process that has brought in
24 a lot of information. It's very broad-based and
25 collaborative from local government up through state and

1 federal government agencies.

2 RETI's another model. RETI had a lot of
3 promise. It needed, I think, much more investment in
4 the fundamental data and tools for analyzing data in a
5 more rigorous way to realize a lot of that promise, but
6 it's another model.

7 Scoring methodology is yet another model if it's
8 operated project by project. But scoring can be done in
9 many different ways. Scoring can be done from a
10 project-by-project assessment, built on looking at the
11 project site itself.

12 It can be done in a really nondiscretionary way
13 based on where does it fall within an area where there's
14 an existing plan.

15 It can be done in a lot of ways and it can be
16 used in a lot of ways. I mean to date scoring has not
17 been used on the procurement side of the PUC; is that
18 correct? That's correct.

19 So, you know, to date it's been used as a
20 planning tool. You know, I'm interested in hearing from
21 this panel and certainly from stakeholders is it being
22 used in the right way? Is it being overused, underused?
23 You know, what about the procurement side because I
24 think that's where people are going to have some nice
25 intense discussions this afternoon.

1 So, we'll foreshadow that and maybe not linger
2 there with this panel, but we'll look forward to it.

3 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: If I
4 might offer just a few more questions and this is coming
5 from the guy who probably is the least system expert on
6 all the energy questions.

7 But I'm really struck after listening to this,
8 Commissioner Weisenmiller, Michael and Karen, of the
9 level of information.

10 And then I sort of add questions to that saying
11 when because I think that has a big impact on purpose.

12 As to whether Michael's earlier point about is
13 it regulatory, advisory, or informational/educational?

14 I tend to be towards the informational end of
15 things.

16 But then there's also a to who? You know, the
17 point that Commissioner Weisenmiller made about Interior
18 had one view about a project site and it turned out to
19 not work out.

20 How do we get to some sort of common ground on
21 those things earlier or sooner?

22 And then there might even be a by who? You
23 know, we heard three different kinds of methodologies.
24 And if we had some uniform look at scoring, I wonder if
25 that would be useful or helpful.

1 And the last thing that I would offer is I even
2 wondered about whether or not there is a piece of this
3 that is inherent in the energy side of the question.

4 There was one of the models used cost as a
5 surrogate for different kinds of issues or questions.

6 And then, also, are there two scores really? Is
7 the environmental score something separate and
8 deliberately separate or not, and particularly if it's
9 informational?

10 So, there are I think a whole -- what this panel
11 has done for me, and I thank you for that is I think
12 really laid out nicely a lot of questions.

13 (Laughter)

14 MR. DOUGLAS: Commissioner Douglas, you know,
15 and Commissioner Picker were talking about what is the
16 role of environmental scoring? Do you use it at sort of
17 an environmental landscape level for planning purposes?

18 Do you use it for assessing project viability of
19 projects when you're short-listing them?

20 Do you assess the viability of projects before
21 the PUC for PPA review and approval?

22 And one of the questions I had included in my
23 slide was that -- this is a hypothetical, which is that
24 if we have so much renewable potential, orders of
25 magnitude more than we would need for, you know, 40

1 percent.

2 And, you know, I talk to a lot of the renewable
3 developers and say we're way better than we were in
4 2004. We're not going to make all those mistakes and we
5 know what we're doing.

6 And I was like, all right, so why don't we see
7 if we're -- so, we're discounting the potential by 95
8 percent.

9 Is the reason why we're doing environmental
10 scoring is to assess the transmission lines that are the
11 least regret.

12 And I think that's one of the issues that Neil
13 brought up, which was that the ISO has been planning
14 transmission and I guess approving -- selecting
15 transmission based on cost and need.

16 And then one of the things that they've realized
17 recently is, you know, the environmental impact is a
18 significant cost from a regulatory perspective, not so
19 much from a cost perspective, I guess, when planning for
20 transmission. Is that the role for environmental
21 scoring?

22 And that's one thing that the RPS calculator
23 doesn't currently do is actually have a methodology for
24 assessing the environmental impact of transmission right
25 of way.

1 And so, and then also you don't want to bridge
2 to nowhere. That had been one of the concerns in RETI
3 era, which was that we were going to build all of this
4 transmission and it wasn't going to anywhere because
5 none of these projects were real.

6 And so, maybe that's another purpose for the
7 methodology is just sort of looking at the potential at
8 the end of that transmission and saying, you know, on
9 aggregate, without actually doing project-specific sort
10 of permitting, that the risk seems reasonable if we
11 build transmission there.

12 And, you know, that's one of the questions that
13 we -- so we've had a lot of conversations recently,
14 particularly around this topic, and you hear a lot of
15 people are sort of articulating so what is the
16 environmental footprint of our current program? And
17 then what is the environmental footprint of some other
18 percentage higher than 33 percent?

19 And depending on how we feel about that, does
20 that dictate a particular procurement strategy or
21 transmission build out, or does that sort of require a
22 more rigorous consideration about a State procurement,
23 also.

24 So, just a couple of thoughts.

25 MR. RANDOLPH: Any other questions from up here?

1 I would like to maybe follow up with a question
2 that ties in on a number of the conversations up here.

3 And it gets to the root of some of the questions
4 that Commissioner Picker was posing and some others.

5 But one of the things is this data is only going to be
6 helpful as a public tool out there if it's transparent.

7 And transparent, you made some mention to
8 transparency in terms of the process in which we develop
9 it, but there's also transparency in terms of its ease
10 to understand, the ease for the public to use it.

11 And I like your thoughts on as we're developing
12 this can we develop a tool that's fairly easy for
13 stakeholders, for developers, for those to access this
14 and understand the basis of any sort of decision making
15 that's going or if it's not a basis of our decision
16 making, for them to use themselves to make their own
17 decisions?

18 MR. DOUGLAS: So, this is Paul Douglas. So,
19 there was a comment earlier saying that, you know,
20 keeping track of the projects that are in the State,
21 either with a PPA or bid into an RFO and have been short
22 listed and, you know, it was a challenging exercise.

23 And that's actually one of the criticisms of the
24 old calculator was that it was actually challenging to
25 update it.

1 And that one of the things that we have, the
2 Energy Division has actually spent a fair bit of time
3 and resources in actually developing a very
4 sophisticated Oracle database.

5 Working with the utilities, it's been a great
6 partnership with the utilities, Edison, PG&E and San
7 Diego. I know that right now they probably say thank
8 you, but when I started the project they said I don't
9 like you very much.

10 (Laughter)

11 MR. DOUGLAS: I'm looking at them right now.
12 And so what we've done, basically, is every single data
13 field that we would use for a data request, every single
14 data field we used in the new calculator all of it has
15 been identified, all of it has been standardized.

16 And we now have the utilities doing a flat file
17 import straight through a web portal and everything is
18 updated on a monthly basis. And that started August
19 1st. We got our first successful upload of all data
20 fields that we need to keep the calculator up to date,
21 including all of the projects that are out there from
22 our perspective.

23 So, that's one element I think of the data
24 question.

25 MR. JOHNSON: Well, congratulations on that,

1 because that's been the biggest challenge is to maintain
2 an accurate and up-to-date database.

3 And, you know, again you mentioned you have a
4 limited set of projects for the IOUs. There's a whole
5 'nother set of projects out there with the POUs.

6 And then there are those projects that really
7 are just in discussions with the locals. They're
8 thinking about a project and they've got an idea and a
9 location, but they haven't even started a procurement
10 solicitation, yet.

11 So, there's those projects also to consider
12 because somebody's got their eye on a piece of property
13 and they have a project in mind.

14 So, that's where the REAT database came in, as
15 well. So, there is a need to combine all of these
16 databases and essentially try to accurately portray the
17 status of these projects, but know that they all should
18 be considered in a database. And, hopefully, it is
19 public.

20 So, I don't know about the accessibility of your
21 database, but we don't need to have all the fields, but
22 just the project, the location, the technology, the
23 size. Those are sort of like the basics.

24 MR. DOUGLAS: This is Paul Douglas. The
25 expectation of the database is that we would use it --

1 it's a resource for our sister agencies and also another
2 phase of the project is that we'd actually have a portal
3 that public -- that the public could actually interface,
4 and actually query the database and do their own
5 searches.

6 And, obviously, some of the confidential,
7 commercially-sensitive data is masked.

8 But you'd have access to renewable data you
9 would never have before, and it would be very dynamic
10 and updated on a monthly basis.

11 COMMISSIONER SCOTT: So, I was just -- this is
12 Commissioner Scott.

13 I was thinking about this a little bit. And
14 what I feel like I'm hearing throughout the discussion
15 and I know has been a tension for us, as we've all been
16 working on this, is kind of this tension between what do
17 we do up front kind of based on what we think we know
18 versus what do we do on the back end after we've done
19 all of the studies, we've got all of the NEPA work,
20 we've got all of the CEQA work.

21 And there's kind of that inherent tension
22 between those two things because we're all working very
23 hard to try to pick what we think are the best projects
24 or the best locations.

25 But we've also got, I think, a little bit of

1 different screens, too, and that also adds to the
2 complication here.

3 I mean sometimes we're looking at it for a least
4 cost/best fit. Sometimes we're looking at it for
5 economic benefit. Sometimes we're looking at the
6 environmental impacts or the cultural impacts.

7 And when you kind of put all of those layers
8 together and then sort of hit this tension between how
9 much can we do up front versus how much do we do on the
10 back end it gets pretty complex.

11 But it's been really informative for me to hear
12 this about the different tools and how we're using them,
13 and how to update them, how to keep them transparent and
14 try to kind of capture all of that.

15 So, I just wanted to add that.

16 MR. MILLAR: It's Neil here. I'd just like to
17 add that one thing we need to take into account when
18 we're looking at the longer-term transmission plans is
19 given the timelines it takes to get these major
20 transmission facilities into -- especially into new
21 areas or areas that need significant reinforcement, they
22 tend not to be influenced by any single project.

23 Obviously, there's a need for accurate
24 information, but we also have to recognize that these
25 decisions we're making five and ten years out for major

1 transmission lines the data will be less than perfect.

2 It's directional.

3 We have to move with what's the best available
4 information and we know there will be changes along the
5 way for individual projects.

6 So, I think we need to be just mindful of the
7 need for data accuracy as best we can, but when it
8 starts to factor into procurement decisions on a case-
9 by-case basis obviously, then, the data needs to be much
10 crisper than when we're looking at an aggregate area
11 indication in deciding whether or not that's a good area
12 to build transmission to, to support a larger number of
13 projects. Thanks.

14 MR. RANDOLPH: And Neil, thanks for bringing up
15 that point. That actually was a question that I had for
16 everybody was a timing question.

17 And if you look at where we are today, I think a
18 lot of the procurement decisions that needed to be made
19 got ahead of the DRECP process and some of the other
20 planning processes to the point that they aren't
21 informing the decisions we thought they they'd been
22 informing when we're looking forward.

23 I have a question, you know, is it -- given the
24 time it does take governmental agencies to work through
25 certain processes and decision making, do we think it's

1 even realistic that we can develop a set of planning
2 tools that can stay ahead of those decision making
3 processes?

4 And, for example, as technologies change, as we
5 see the need to push for resources that have higher
6 integration values than ones now, how useful would a
7 tool like this be if we're always developing the matrix?

8 Well, I shouldn't say "if we're always".

9 Can we develop the matrix ahead of the decision
10 making? Can we get to a point where it's almost
11 automatic and the tool is there so we aren't always one
12 step behind?

13 This is really for both Paul and Roger.

14 MR. DOUGLAS: Thanks Boss. I work for him, if
15 anyone's keeping score at home.

16 So, what is the answer? I think, you know, I
17 think we -- one of the reoccurring things in my
18 presentation was is we're actually starting to figure it
19 out.

20 You know, in 2004 we were speculating what 20
21 percent would look like and it seemed like it was
22 climbing Everest.

23 Now, we've done 33 percent and we've sort of hit
24 a target. And, you know, I think a lot of the work that
25 we're doing in Energy Division, looking at the value of

1 renewables, how the value changes, the impact on the
2 system, also having a better sense of, you know,
3 procurement streamlining and reform, and what really
4 matters.

5 And, also, I think the infrastructure that we're
6 building around the program with this database.

7 I think that between the agencies I think that's
8 something that could be done. From PUC perspective, I
9 feel we're poised to, you know, have everything in
10 place, hopefully, by the beginning of next year.

11 And I think, you know, Roger's doing a lot of
12 fine work and I think we're committed to coordinate. I
13 think it's just a matter of just everyone saying we want
14 to do it and getting in a room and coordinate.

15 And I think that's what Mr. Kenna's reoccurring
16 theme was is the collaboration, coordination and, you
17 know, having the right people around the table.

18 I don't know, it's an answer, but I don't know
19 if that's the right one.

20 MR. DOUGLAS: Well, I'd like to see us get
21 there. And I'd like to see us get there so that we can
22 essentially feed into the cycle, this regular cycle that
23 the ISO has and have a methodology where we can just
24 keep turning the crank, and keeping up with the
25 database, keeping it current and having a process that

1 would do just that.

2 MR. RANDOLPH: Thanks. And that was the last
3 question and I think we're going to wrap up.

4 I'll take advantage that I have the mic here for
5 a second, and to your last point that we're trying to
6 develop these processes that we can crank in.

7 As everybody saw in these slide presentations,
8 the planning process is extremely complex when you've
9 got all these -- all three agencies having decision
10 makings in there.

11 And I think the agencies, much at Chair
12 Weisenmiller's pushing, President Peevey's pushing, the
13 ISO's pushing and the Legislature's pushing are doing a
14 much better job over the last couple of years of
15 aligning our assumptions and aligning our processes.

16 We still have a ways to go, but we're getting
17 there. And a lot of these maps here today show those
18 steps forward.

19 COMMISSIONER SCOTT: So, I would like to say
20 thank you very much to Ed for moderating and to our
21 excellent panelists.

22 I mean I think this has been really good and
23 we've got some great questions on the table. We had
24 some good discussion, got good information.

25 So, thank you very much.

1 We're going to take a ten-minute break and start
2 again at 10:40 and with our Panel Two. Thank you very
3 much.

4 (Off the record at 10:25 a.m.)

5 (On the record at 10:46 a.m.)

6 COMMISSIONER SCOTT: Okay, welcome back
7 everybody. We're going to go ahead and get started for
8 our second panel for the day.

9 I wanted to let folks know that apparently it's
10 sort of a nationwide issue with WebEx that's taking
11 place right now. It's not just the Energy Commission's
12 WebEx. We're not -- WebEx itself is down. The team is
13 working very hard to get that fixed, also to look for
14 other options for phone lines and whatnot for people to
15 call in and hear what we're talking about.

16 They're going to bring in additional chairs so
17 that anyone who's sitting in the overflow room can
18 hopefully fit here.

19 And they are working diligently to try to get
20 that fixed. So, I just wanted folks to know that's
21 what's going on.

22 Yeah, and you know what we might like to do is
23 invite our afternoon panelists to come and sit up here
24 at the table with us and that will provide some
25 additional seats, I think, around the room.

1 So, afternoon panelists, if you'd like to come
2 up and join us that would be terrific.

3 I would like to welcome, we have Alex Pitts from
4 the Fish and Wildlife Service, who has joined us.

5 Welcome Alex.

6 And also, I'd like to let folks know, I'm
7 looking for my Public Adviser, Lon Payne, he has the
8 blue cards. Oh, there he is right there. He has the
9 blue cards in his hand.

10 If you would like to make comments, please be
11 sure that you get a blue card from him and write down
12 that you'd like to speak during public comment, and
13 he'll make sure that we get that for us.

14 So, with that we'd like to kick off our second
15 panel discussion, which is going to be "Planning
16 Approaches and Tools".

17 And that will be moderated by Carl Zichella from
18 the National Resources Defense Council. Welcome Carl.

19 MR. ZICHELLA: Thank you, Janea. Thanks
20 everybody. Boy, the first panel was really interesting.
21 It was hard not to jump in.

22 This afternoon we've got this -- this morning,
23 still, and this panel we have a number of speakers who
24 are going to help us take a look at how environmental
25 data is being used.

1 We'll hear from Elizabeth Klein, from the
2 Department of the Interior, about strategy for improving
3 mitigation policies and many of you may know that
4 Secretary Jewell released this fairly recently.

5 Chris Beale, of the Desert Renewable Energy
6 Conservation Plan will describe the status and goals of
7 the DRECP and the kinds of coordination that's going on
8 between the DRECP and local governments in the planning
9 area.

10 And Jim Strittholt, from Conservation Biology
11 Institute, who will demonstrate the Data Basin Tool,
12 which is sort of the data core and heart of the DRECP
13 effort.

14 Before we begin, I just wanted to introduce the
15 topic slightly by saying California's leadership in
16 using environmental data has been extremely influential,
17 not just in our own State but throughout the west and
18 actually across the country.

19 RETI, which has been mentioned, was the very
20 first planning process to consider economic and
21 environmental issues together.

22 You know, we had a problem with the
23 environmental data. We realized our wildlife data were
24 not adequate in order to provide the truly informative
25 product that we wanted and a DRECP type process was

1 needed, and California followed up with that.

2 The ideas that we created about forming
3 renewable energy zones and rationalizing transmission to
4 serve them is still a very strong idea, and still should
5 be guiding, in my opinion anyway, and NRDC's, our
6 approach to renewable energy siting.

7 It's not doing NEPA. It's doing things that
8 make NEPA easier.

9 We're talking about trying to identify areas of
10 lower risk. There's no such thing as no risk. We live
11 in California here, after all, and it's the highest
12 level endemic species, after Hawaii, in the country.

13 We've got a lot of environmental riches to take
14 care of here. So we've got to understand, even in areas
15 that appear to be low risk, and we can't fault the
16 Department of the Interior too much for not getting it
17 exactly right, there is no exactly right in California.

18 I can point to a couple of places that are
19 probably easier than others in the Central Valley. But
20 the idea that there's no risk is a wrong idea.

21 We need to do the best we can to site projects
22 as effectively as we can because we have to build them
23 expeditiously.

24 That was one of the purposes of RETI that didn't
25 get mentioned. We had a goal to reach our RPS

1 standards, our RPS goals. We needed to do it on a very
2 tight timeline. I think someone else mentioned it, it
3 looked like Mt. Everest, in the previous panel, and it
4 certainly did to us.

5 But the fact that we did this work has helped us
6 make the progress that we've made. Four other western
7 states have renewable energy zoning processes. The
8 Western Governors did a renewable energy zoning
9 initiative, led by Pam Eaton, who's here from the
10 Wilderness Society.

11 We have created at WECC a geo-spatially informed
12 siting tool -- or excuse me, not siting, a routing tool
13 for transmission lines that's being used right now.

14 We have a data viewer that's available. And
15 someone mentioned how are we going to get this
16 information without environmental risks of transmission?

17 Well, there is a tool that's already been
18 developed. It's a planning level tool, not a siting
19 level tool.

20 So, we're not trying to do anything that would
21 prejudge anything for NEPA or CEQA, but this tool is
22 available right now and it's free.

23 There's a data viewer that's available online,
24 on the WECC website, and transmission planners and
25 transmission developers across the west are using it

1 right now.

2 So, we certainly could take advantage of it
3 here, if we wanted to try it and see how it worked for
4 us. Again, it's a high level tool, not a siting tool,
5 so it still would require quite a bit of analysis and
6 analytical work under CEQA and NEPA.

7 With that, I could go on as people know, my
8 nickname is "long but sweet", we will turn to our
9 panelists here.

10 A final word is where we go next. I think the
11 thing we need to think about is system benefits. We're
12 not confronted with the high level of speculation we
13 were when we developed these tools to come up with the
14 lists of projects.

15 We need to think about zones, again, whether
16 they are in the Central Valley or elsewhere, and
17 transmission to those zones as a means of getting
18 projects off the ground and identifying new resource
19 areas.

20 So, I'm going to start, turning to Liz Klein.
21 Liz is with the Department of the Interior. Lis is
22 going to walk us through the new mitigation strategy
23 that the Department has produced.

24 She is an excellent person to tell us about
25 this. She's been on the top of the list at DOI in

1 helping to pull this together and we're grateful she's
2 here with us today. Liz.

3 MS. KLEIN: Thank you, Carl. And thank you to
4 everybody here for joining us. I want to thank the
5 Commission for putting together this workshop. It's
6 really invaluable for us to come and hear the kind of
7 planning processes and things that folks here in
8 California are thinking about to really make sure that,
9 to use a technical term, we could call this whole
10 workshop "How to avoid turkeys".

11 (Laughter)

12 MS. KLEIN: So, the Department of Interior, I am
13 really grateful to be here. The State of California is,
14 without a doubt, the leader in going through these
15 planning processes to figure out how to do renewable
16 energy development in a thoughtful way that has the
17 least amount of impact on the invaluable environmental
18 resources and values, and cultural and historic values
19 that are out there on the landscape.

20 And just, you know, stepping back a little bit,
21 I know that we don't always agree through these
22 processes and sometimes things can get a little heated,
23 and people have passionate opinions about all of these
24 issues.

25 And, really, I like to step back sometimes and

1 just think about why we're here. This really is about
2 an issue that's bigger than all of us. It's about how
3 do we reduce our reliance on really carbon-intensive
4 energy sources.

5 And so that's something that's a priority
6 certainly of the Obama administration. It's a priority
7 of our own Secretary. And so, we are spending a lot of
8 time in the Department of Interior figuring out how we
9 can really take a thoughtful approach in facilitating
10 this type of renewable energy development all across the
11 country.

12 And so, as Carl mentioned, I'm really here to
13 talk a little bit about a mitigation order and strategy
14 that the Department of Interior released earlier this
15 year. I'm not organized enough to put together a
16 PowerPoint presentation so, hopefully, my sparkling
17 personality will carry the day.

18 (Laughter)

19 MS. KLEIN: You know, I think key to the order
20 in our approach is how do we plan ahead. And it sounds
21 so simple when you say it, but it is now how the
22 Department of Interior approached these things.

23 When we arrived, and I'm looking at Janea, when
24 Janea arrived at the Department of Interior many years
25 ago this was not how we approached renewable energy

1 development.

2 I'm sure, as a lot of you know, it was a first
3 come/first served operation. It was a very reactive
4 approach. You know, basically it was project proponents
5 coming to us, telling us where they wanted to put
6 projects and us reacting to that.

7 That approach automatically sets up, you know,
8 an antagonist situation where, you know, folks are
9 working with imperfect information. They don't have the
10 same data about things that are happening at a
11 particular site.

12 We always, you know, are not exactly transparent
13 about how we're looking at these projects and deciding
14 how to move forward or not with them.

15 So, we really have spent the last five years or
16 so figuring out a new way and how can we stop being so
17 reactive. How can we do some of the planning ahead of
18 time to figure out a better approach to facilitating
19 this kind of development on public lands?

20 And so the mitigation order that was released
21 late last year really was only a piece of a multi-year
22 process that we've been going through.

23 And when we talk about mitigation, really the
24 first step in the mitigation hierarchy that we think of
25 is avoidance.

1 So, how do you avoid the impacts of this type of
2 development in the first place?

3 And one of the key ways that we have been
4 attempting to do that is through landscape level
5 planning efforts that, you know, identify places on a
6 landscape that really make sense for this development to
7 go.

8 And, you know, "smart from the start" came up.
9 That was something that we've talked about for many
10 years. How do we figure out -- how do we collect all of
11 the data?

12 How do we figure out what data is the best to
13 use?

14 Who do we talk to? We talk to the states, we
15 talk to stakeholders, we talk to users of these
16 landscapes and we figure out what's happening across a
17 landscape and what uses and activities are happening
18 there. And then what are the potential conflicts
19 between those particular uses and activities.

20 So, again, it doesn't really -- when you start
21 talking about it, it doesn't sound incredibly
22 complicated. This isn't rocket science. But it's
23 somewhat revolutionary in how the Department of Interior
24 has approached these things in the past four or five
25 years.

1 And so, as you move through the mitigation
2 hierarchy the next step is all about avoidance. Once
3 we've decided that a project is going to get
4 constructed, how do you construct that project in a way
5 that actually avoids or minimizes the impacts?

6 And I know that's not the particular topic of
7 today's conversation and could probably take up several
8 days, weeks of workshops to figure out how best to
9 develop a suite of measures, and requirements, and
10 tools, techniques to avoid or minimize the impacts of
11 these projects.

12 And one of the key questions for us, as the
13 Federal government, is always how do we keep up with the
14 best technology?

15 How do we make sure that we're continuing to be
16 on the cutting edge of what are the best ways to make
17 sure that solar projects, and wind projects, and
18 geothermal projects are avoiding the impacts.

19 Because as Carl mentioned, we're not in a zero
20 impact space, you know, anywhere on the landscape and
21 certainly not in California.

22 So, then you come to this suite of unavoidable
23 impacts and what do we do? You know, what do we do to
24 address those unavoidable impacts?

25 And often what we do is a project goes through

1 its review process and there's, you know, a year or two
2 years of NEPA, and CEQA, and back and forth, and lots of
3 meetings, and public comment and then, finally, at the
4 very end we sort of come in and say, oh, surprise,
5 here's what we're going to make you do to mitigate for
6 the impacts of the project that we've been talking about
7 for so long.

8 And so, it was clear to us that this approach
9 was not satisfactory to a lot of folks. There wasn't a
10 lot of transparency or predictability. It felt to
11 project proponents, certainly, to be a little bit ad
12 hoc. I'm sure it felt that way to a lot of NGOs and
13 continues to feel that way.

14 You know, we were looking -- we assessed what we
15 were doing with our "smart from the start" landscape
16 approach, our solar programmatic environmental impact
17 statement identifying solar zones and, you know, we have
18 a lot of these processes happening right now in other
19 places in the country.

20 We have offshore wind energy areas. We're
21 taking a similar approach of identifying places.

22 The key part that was really missing was that
23 last -- what has been the last step in the process, the
24 mitigation.

25 You know, we refer to it, actually, in the

1 mitigation strategy that was put out earlier this year
2 as the compensatory mitigation, which I think a lot of
3 people automatically start to think of some sort of
4 fund, or mitigation banking.

5 But it's not just that, it's, you know, what are
6 the suite of ways that we try and mitigate the impacts
7 to these projects.

8 So, the key goals that were outlined in this
9 strategy that I think are important to highlight is,
10 one, how do we more effectively move through that
11 hierarchy?

12 How does an agency, like the BLM, first what
13 tools are available to them to first avoid the impacts?

14 What tools are available to them to make sure
15 that the projects are minimizing whatever impacts they
16 will cause?

17 And then, lastly, how do we set up a better
18 process for planning for mitigation up front so that we
19 can have more of an understanding from the beginning of
20 the project review process.

21 You know, if you are going to have this suite of
22 impacts, here's likely to be what you can expect in
23 terms of the compensatory mitigation requirements.

24 The second key goal is really about providing
25 better information and data, and sort of that greater

1 predictability.

2 We are at an era, now, where we are inundated
3 with data. There are so many data sets out there and
4 available to us. How do we collect them? How do we
5 make sure that they're quality data sets?

6 You know, within the Department of Interior we
7 have the USGS which, you know, has a lot of views on the
8 quality of data sets, and which data sets are really
9 useful to use as planning tools and decision support
10 tools.

11 And one of the challenges for us, certainly, has
12 been coming into not just the 21st Century, but the 20th
13 Century in terms of our technological tools.

14 And, you know, Alex Pitts could tell you that
15 not too long ago they were on Lotus Notes for e-mail,
16 and so we're kind of -- we're crawling into the 21st
17 Century, the Department of Interior.

18 And so, this issue of how do we better use GIS-
19 based tools and other decision-support tools that make
20 sense and that are available to us.

21 The third key goal is really about improving the
22 resilience of resources in the face of climate change.
23 So, you know, stepping back again about why we're here
24 and why we're doing this, it really is about planning
25 for and reducing the impacts of a changing climate.

1 And so, we have a lot of effort underway at the
2 Department of Interior to look at these issues at a
3 landscape scale.

4 How do we identify a particular landscape,
5 understand the potential impacts from climate change
6 across that landscape, and how do we create adaptive
7 strategies, I guess, to address those coming impacts.

8 Which leads to, really, the fourth key goal of
9 the strategy which is to be more strategic about our
10 conservation investments.

11 So, as we assess a landscape and we understand
12 what is likely to happen as a result of climate change
13 and other landscape-scale stressors what are our
14 conservation objectives for that landscape?

15 How are we -- you know, what is it that we want
16 to see 10, 15, 20, even 50 years from now across a
17 landscape.

18 And then the fifth key goal is really about, you
19 know, increasing compensatory mitigation efficiencies,
20 durability, transparency and consistency.

21 So, given what we know across a landscape, what
22 the likely future looks like, identifying strategies,
23 conservation objectives across that landscape and then
24 putting together more effective compensatory mitigation
25 programs that are more strategic. They are durable so

1 they last for longer than just our time. And people
2 understand and can expect, they have some predictability
3 and transparency about what will be expected of them.

4 So, this has been a -- it's something that we
5 are very much still in the middle of. This strategy
6 came out earlier this year and we have a number of
7 processes and plan revisions in place.

8 And this is really a tall order for the
9 Department of Interior and it's going to require efforts
10 at all levels.

11 So, it will be as mundane as new guidance for
12 our bureaus and our agencies to undertake this type of
13 planning effort to, you know, actually identifying
14 places around the country where we'll undertake the
15 advanced planning that's really required to do this
16 right.

17 The strategy, you know, talks about four steps
18 to a landscape approach to mitigation. So that last
19 piece of the strategy, the goal was really about
20 increasing the compensatory mitigation efficiencies.

21 And the steps that were outlined in the
22 strategy, first is identify landscape scale attributes.
23 So, this is about looking across a landscape.

24 And we have a number of efforts underway. The
25 Bureau of Land Management, for instance, is engaged in

1 the development of rapid ecologic assessments, or REAs
2 which help inform. They're the kind of data that help
3 inform what the landscape looks like.

4 The work that the Conservation Biology Institute
5 has done and groups like Nature Serve, and others
6 gathering that information so that we understand the
7 attributes of a landscape, again developing those
8 landscape-scale goals and strategies, developing the
9 efficient and effective compensatory mitigation
10 programs.

11 And then the fourth key part here that is
12 something that we actually haven't talked, I don't
13 think, a whole lot about yet today is the monitoring and
14 evaluation process that we all need to think about as
15 we're moving through these processes.

16 It's not just about getting the planning done.
17 It's not just about getting the projects built. It is
18 about being adaptive in our approach which requires
19 evaluating and monitoring how we're doing. And, you
20 know, making changes as necessary.

21 And, you know, when you're in a sort of
22 fiscally-constrained universe where you don't -- you
23 know, you're putting all of your capacity, and your
24 staff, and your financial resources, and your budget
25 towards evaluating projects and doing this planning

1 often, I think, the monitoring and evaluation piece
2 tends to fall off.

3 And so, that's really something that we're
4 focused on, how do we develop the tools and the policies
5 that our bureaus need to really make sure that they're
6 doing the monitoring and evaluating, and then adapting
7 as needed.

8 So, these are big challenges for the Department
9 of the Interior. And, you know, I'm sure we're not
10 going to do -- we're not going to be perfect in how we
11 implement this.

12 We do have a lot of competing interests that
13 come at us at any given moment which, you know, are not
14 anything that's unique to us.

15 I know this State has similar issues with, you
16 know, stakeholders that feel very passionate about a
17 particular issue, a particular species, a particular
18 place. You know, balancing that against the
19 responsibility that we all feel and the pressure that we
20 all feel to make sure that we're getting projects up and
21 running to actually address this goal of reducing our
22 reliance on more carbon-intensive energy development.

23 But, you know, all of that said, I think the
24 fact that all of you are here in the audience, and I
25 guess if anybody's still on the phone they can't see

1 that, you know, we have a packed room here.

2 And so, I think it's incredibly important that
3 we have stakeholder interaction and we have that passion
4 and, really, constructive feedback from our stakeholders
5 to help us do better as we move forward in this process.

6 You know, the DRECP has been mentioned a couple
7 of times. It's really like nothing else in the country.
8 It's, without a doubt, the most ambitious planning
9 process we have going now in the Department of the
10 Interior, I would say, in the renewable energy context.

11 It's no pressure on all of us, but it's really
12 being looked at as a model of how to do mitigation and,
13 really, to provide the transparency, and to provide the
14 certainty up front of here's where we think, you know,
15 the best places are for development. And here's how you
16 can move forward with your project in a way that can
17 still conserve and protect the environmental and
18 cultural values that are in the California desert.

19 So, we are really looking at the DRECP as a
20 potential model that we could export to other places in
21 the country.

22 And I think the challenge for us, moving into
23 the next -- well, for some of us it will only be about
24 31 months, but for the next four years, and five years,
25 and ten years and beyond, you know, what is the next

1 suite of processes? What is the next place? What is
2 the next effort that we should undertake and how do we
3 do that in a really thoughtful way that can help us to
4 continue to facilitate renewable energy development and
5 get us toward that goal of reducing our reliance on more
6 carbon-intensive development?

7 So, again, I just want to thank you all for
8 being here and for your passion and engagement on these
9 issues, which I think is really valuable.

10 MR. ZICHELLA: Thank you, Liz. A great segue to
11 the DRECP.

12 Our next speaker is Chris Beale, of the Desert
13 Renewable Energy Conservation Plan.

14 And I just wanted to take a quick second to
15 point out something Paul Douglas said. And that is that
16 some of the things we're doing right now are working.

17 And one of the things we're doing that's working
18 is the coordination between our state and federal
19 government, and the efforts we're making to coordinate
20 better with local governance in California.

21 This is one of the big needs that we had when we
22 got started in this work seven, eight years ago that we
23 had to fix that problem or we weren't going to do what
24 we needed to do.

25 And the DRECP has been a great example of this,

1 a coordination of work that Michael Picker did with the
2 Governor's Office, the work that the Interior Department
3 has done and Liz's presence here, today, is an
4 indication of.

5 So, as we move into Chris's presentation about
6 the DRECP, bear in mind how closely this is being
7 watched. Liz just mentioned the fact that it could
8 become a model elsewhere.

9 I can tell you from my work around the Western
10 United States this is a critical thing that has to
11 succeed.

12 And the passion of the stakeholders has been
13 really something. It's made it tough at times but what
14 we're trying to do isn't easy. It's worth it.

15 So, I'm going to hand this off to Chris right
16 now to talk a little bit about the nuts and bolts of the
17 DRECP, how we've gotten to where we are, sort of what we
18 can look forward to in the next couple of months.

19 And we'll move on from there to some of the work
20 on Data Basin.

21 But, the ball's yours, Chris.

22 MR. BEALE: Thank you, Carl. And thank you,
23 Commissioners, for the opportunity to speak today.

24 I think it's appropriate that we follow Liz's
25 comments with an overview of the DRECP.

1 The goals of the strategy, mitigation strategy
2 that Liz was describing are elements of the DRECP.

3 And I think we're all hoping it will be a model.
4 But as I'm going to say in a few minutes this will go
5 out for public review fairly soon and I think we'll be
6 getting a lot of input about that.

7 But the next slide. First, for folks who may
8 not be familiar with the DRECP, what is it? It's a BLM
9 land use plan amendment.

10 Under State law and under the Natural Community
11 Conservation Planning ACT it's an NCCP.

12 Under the Federal Endangered Species Act it's a
13 general conservation plan which is a kind of habitat
14 conservation plan.

15 And integrated with those documents is an EIR
16 and EIS. So, what we're talking about is a document
17 that combines all of these planning components.

18 Back up one, still there. A number of agencies
19 have been involved in the plan. The core agencies that
20 have been developing the plan are the Energy Commission,
21 California Department of Fish and Wildlife, BLM, and the
22 Fish and Wildlife Service.

23 The California State Lands Commission is also
24 seeking a permit for renewable energy development on its
25 own lands under the plan and they've been very involved.

1 There have been a host of other local, state and
2 federal partners, a list too long to name here, but
3 include the Department of Defense, the National Park
4 Service, the State Department of Parks and Recreation,
5 several counties including Imperial County.

6 I would note that Andy Horne's here today.

7 The next slide. The plan area is vast. We have
8 about 22 and a half million acres. It roughly follows
9 the Desert Eco Region for the Mojave and Colorado
10 Deserts. There are some modifications to that, but
11 that's why it looks the way it looks. And we cover all
12 or parts of seven counties.

13 The next slide, please. The plan area, you
14 know, while it is focused on the desert, the desert
15 ecosystems, it is still complex. We're in California,
16 after all.

17 We have ten ecoregion subareas, 31 natural
18 communities, a long list of endangered species.

19 So, the planning effort is complex just because
20 of the scale of the planning area, alone.

21 The next slide, please. The goals of the plan
22 are -- there's two primary goals. One is to facilitate,
23 that should be utility-scale renewable energy
24 development, recovering all the technology, solar, wind
25 and geothermal.

1 And, you know, we're covering smaller projects,
2 too, but it's really the utility scale that created the
3 impetus for the plan and is the focus of the renewable
4 energy portion of the plan.

5 The next slide. Also, the other primary set of
6 goals, I'll call it, have to do with conservation of
7 species and natural communities. This is a list of some
8 of the species that we're looking at.

9 But because of the scale of the plan and the
10 approach that's taken, we're looking at natural
11 communities and habitats, as well.

12 There are over 30 species that are on the
13 proposed covered species list and that includes a range
14 of different type of animals, from tortoises, birds, and
15 so forth, plants.

16 So, it's ambitious from a conservation
17 perspective, too.

18 The next slide, please. Status of the plan,
19 we're working on it mightily right now. The goal is to
20 have a draft of the plan out by the end of the summer.

21 And because of the -- all that we're trying to
22 do here in combining these documents, it's probably
23 going to come in at over 8,000 pages. It's very
24 complex.

25 And again, we're looking forward to public

1 comment.

2 The next slide, please. So, I wanted to go
3 through, quickly, just kind of what is the DRECP and
4 spend a little bit more time on the more interesting
5 questions that may tie into what we've been talking
6 about today.

7 The planning considerations and challenges for a
8 plan of this scale are pretty significant. I list these
9 here not so much because they're obstacles or problems,
10 but they're things you have to factor in if you're
11 trying to develop a regional plan that does what the
12 DRECP is trying to do which is, you know, planning
13 ahead, using better information, trying to do the things
14 that Liz was talking about in the mitigation strategy.

15 One of the key things is that federal agencies
16 control or manage a very large portion of our plan area.
17 And, primarily, that's the Bureau of Land Management,
18 one of the chief partners in the planning process.

19 And what that means is, you know, the mosaic of
20 local, state and federal jurisdiction applies to the
21 plan area. And one of the key things that we need to do
22 is make sure the plan works on federal lands and for
23 federal land management.

24 Kind of at the local government scale, we're
25 working with seven counties. Each of the counties has a

1 somewhat different perspective on renewable energy
2 development and natural resources goals, and a different
3 perspective on participating in the plan.

4 So, while we encourage all of the counties to
5 participate, we need to anticipate that the level of
6 participation at the local level will likely vary from
7 county to county.

8 The next slide, please. One of our key planning
9 partners, the CEC, it's jurisdiction's limited to a
10 certain range of covered activities, as we call them,
11 the renewable energy development, primarily, solar
12 thermal projects that can generate 50 megawatts or
13 higher.

14 The State Lands Commission, one of our
15 permittees, has a limited geographic jurisdiction and
16 essentially they're planning for their lands.

17 So, these are all pieces of the puzzle that
18 we're trying to make work.

19 The next slide, please. And so, that kind of
20 gets to the main description here of what we're trying
21 to do, I mean the basic premise of the DRECP is that
22 there's a couple -- at least a couple of things that we
23 can do better if we step back and take a kind of
24 regional perspective and plan ahead.

25 One of them is that we can do a better job of

1 providing compensatory mitigation and other forms of
2 mitigation. As Liz mentioned, I mean the hierarchy
3 begins with avoidance.

4 I would say that while the plan will include
5 avoidance measures that apply specifically to projects,
6 one of the key things it's doing for avoidance is
7 identifying areas where there are relatively low
8 environmental conflicts.

9 I mean one of the most important things you can
10 do to avoid environmental impacts is avoid siting
11 projects in areas where there are a lot of environmental
12 resources.

13 So, a broader planning perspective allows you to
14 do that.

15 The other thing that you can do, before we move
16 on, is improve the quality of the mitigation that's
17 provided. And in this context I'm thinking primarily
18 about compensatory mitigation but you're also, in doing
19 this, simplifying mitigation requirements.

20 So, by identifying conservation priority areas
21 we are identifying areas where we can make strategic
22 conservation investments with either implementation fees
23 collected to mitigate impacts, or using other funds.

24 So, what we're able to do with the regional
25 planning perspective is really plan for mitigation,

1 identify areas where development can go.

2 And so, improve mitigation and also simplify the
3 requirements for renewable energy projects.

4 The next slide, please. So, because of the
5 coordination of the agencies involved one of the things
6 that we can do, and looking at this from a regional
7 perspective is we can standardize mitigation
8 requirements, including compensatory mitigation ratios.

9 We can develop standardized approach for
10 addressing impacts to birds and bats from operations.
11 This is something that's really key information that's
12 coming in, approaches revolving -- the DRECP will allow
13 us to sort of come up with a systematic approach for
14 that.

15 And also, a really key thing that the DRECP
16 allows us to do is emphasize not just land acquisition
17 as the primary form of compensatory mitigation, but also
18 other non-acquisition forms of mitigation, such as
19 restoration of public lands.

20 And that explanation of how we can use non-
21 acquisition forms of mitigation is really made possible
22 by the regional perspective and the conservation plan in
23 where we are able to identify strategic conservation
24 outcomes, high priority actions that can take place for
25 sensitive species or communities.

1 If those priorities are on public land, then we
2 can come up with an approach to direct mitigation to
3 mitigation on public land.

4 That's been a difficult thing to do project by
5 project, but at a regional scale we can come up with a
6 way to do that well, we think.

7 The next slide, please. The other thing that
8 the DRECP enables us to do, again with the coordination
9 of all of the agencies and with a regional approach to
10 the mitigation, is develop a kind of structure that
11 allows for the implementation of mitigation measures
12 over time, but also a coordinated review of renewable
13 energy projects that are proposed.

14 So, you know, by first of all identifying areas
15 that the agencies collectively agree are the areas where
16 the environmental conflicts will be the lowest, and then
17 by developing a consistent set of mitigation measures
18 for impacts within those areas we come up with a
19 consistent approach across a range of projects,
20 technologies and locations.

21 And also, a way for all of the agencies involved
22 to work together in reviewing project proposals to make
23 sure that the requirements from each agency are
24 consistent and they're not redundant.

25 So, in the case of the DRECP, what we proposed

1 is a multi-agency coordinated management structure for
2 implementation of a plan that would collectively make
3 decisions about what mitigation measures would be and
4 also how fees collected for mitigation would be spent.

5 The other thing that a regional approach and a
6 programmatic approach like this allows is to get a
7 better handle on how adaptation to climate change should
8 be handled.

9 It allows for us to have a monitoring and
10 adaptive management program that, again, is not focused
11 on specific projects but is focused on the plan area,
12 including the projects and the mitigation provided for
13 the projects within the plan area.

14 Again, these are things that when you scale up
15 become easier to do.

16 The next slide, please. So, the final thing I
17 wanted to say is that the DRECP, I think, ties in to the
18 discussion we've been having today in a couple of ways.

19 There's been an emphasis on the importance of
20 identifying appropriate areas for development and that's
21 something that the DRECP does in a couple of ways.

22 It's worth pointing out, from the DRECP's
23 perspective, that when it proposes a variety of
24 configurations of development focus areas, areas that
25 seem appropriate places to site projects, areas with

1 lower environmental conflicts, it's using primarily an
2 incentive approach.

3 I mean the notion here is not that the agencies
4 can or will prohibit development outside of the
5 development focus areas, but the notion is we create
6 incentives that will entice developers to site projects
7 in those areas.

8 And then the other thing is in tying into the
9 mitigation strategy what we're trying to do is, by
10 planning ahead, make sure that the projects that are
11 sited in these areas and can be covered by the plan have
12 an easier time of providing compensatory mitigation, but
13 that also the mitigation that is provided for those
14 projects is invested, or used, or determined in a way
15 that can yield better, more strategic conservation
16 outcomes.

17 So, as other folks have made the point for me,
18 this is a very complicated plan. There's a lot of
19 attention on it.

20 And, certainly, the document that will be put
21 out for public review will be flawed in some ways, but I
22 think it does reflect a serious effort, based on input
23 from a lot of public, local, state and federal agencies,
24 members of the public, highly-informed stakeholders that
25 will, I think, start a really constructive discussion

1 about how it can be made into the model that folks want
2 it to be.

3 MR. ZICHELLA: Thanks Chris.

4 Our next speaker is going to be Jim Strittholt
5 of the Conservation Biology Institute.

6 As has been mentioned several times, getting on
7 the same page about data is one of the key ways that we
8 can make coordination work.

9 This is an extraordinary tool. And I'm just
10 going to hand it right off to you, Jim, so you can run
11 us over the hurdles on how this works and how it's being
12 used in the DRECP to help guide the completion of the
13 plan.

14 MR. STRITTHOLT: Well, first of all, I'm
15 impressed with all the previous speakers. I don't know
16 how they can sit and present. My brain would seize up
17 in the first minute or two.

18 I have to stand and, preferably, I'd like to
19 pace, but that's not going to be possible because I have
20 to drive the computer.

21 And I don't know what the alarm is. I don't
22 know if that's a Dr. Who thing, or we're supposed to pay
23 attention to that alarm.

24 MR. ZICHELLA: Somebody opened the wrong door.

25 MR. STRITTHOLT: Okay. Well, I've actually

1 changed my talk three times since sitting here this
2 morning, so we're going to have this, give it a go and
3 we'll see how it works, based on the previous comments.

4 Certainly, the DRECP is really complex. Our job
5 was to try to take the complex and make it usable.

6 We did not -- my organization did not develop
7 the plan. That was handled by agencies and other
8 consultants.

9 Our job was to try to make the plan come alive
10 and work into the future so it could be truly adaptive,
11 where monitoring could actually occur, and we could
12 learn from our errors and make improvements as we go.

13 The four main pieces about which or I'm going to
14 drive this in a moment, and this is all live, this is
15 not on the PowerPoint, so we'll see how that goes as
16 well.

17 This is based on our Data Basin technology and
18 it really had four basic principles and they're really
19 not difficult, but I think you'll understand them.

20 Number one was we were trying to improve
21 accessibility. Having access to things matter and it
22 matters to everybody. So, accessibility was one of the
23 things we were trying to address.

24 Integration is a second one. It doesn't do you
25 much good if you can't put it all together into one

1 thought space.

2 Thirdly, it has to be usable and not just usable
3 for GIS professionals, or other scientists, or others.
4 It has to be used by anybody who makes spatially
5 explicit decisions, which is probably everybody.

6 And the last one, we were trying to build
7 something that allowed for collaboration. And when I
8 say collaboration, I mean collaboration in multiple
9 ways.

10 Collaborations from the stand point of public
11 review and comment, collaboration of people working
12 together on something for the first time, collaboration
13 in terms of negotiating differences in opinion.

14 And this system was built to address all of
15 those at the same time.

16 It's not just a big data haystack in the sky.
17 It's supposed to be much more than that.

18 So, the current DRECP database and gateway is
19 what you're looking at here. It was soft launched back
20 in the late fall of last year and we've been building on
21 it ever since. It is getting a lot of window dressing,
22 now.

23 So, if you go there today there's a lot of
24 changes that are occurring.

25 And it's really built on a couple of key

1 concepts. Data sets are spatial data layers. Maps are
2 maps created by people in the system, including you.
3 Galleries are collections of data. And groups are
4 groups that you create to do whatever kind of group work
5 you want to do.

6 The security and ownership is up to you. It's
7 not up to us. It's built that way. If you want to have
8 your group totally private, it's totally private.

9 If you want to have it totally public, it's
10 totally public.

11 We don't decide that. The users of the system
12 decide that.

13 Well, I don't want to spend a lot of time going
14 through the nuts and bolts of this. We have free
15 webinars that are offered every other week. They're
16 recorded and you can go to our database in .org website
17 and find it, and look at it at your leisure.

18 All of this, by the way, works on your web
19 browser. You don't have to install anything. It
20 works -- you're looking at Google Chrome right now, but
21 it works on Safari, and it works on Firefox, and the
22 later instances of Internet Explorer.

23 I want to make a distinction based on the
24 comments today. I want to make a distinction between
25 planning and site assessment and I think they're

1 important distinctions.

2 We've built some tools into the system that
3 allow you to do both. I'm going to show you an example
4 of a very simple planning, landscape level planning tool
5 where we've actually -- Chris Beale showed a slide at
6 the end of his talk which was the intactness layer. It
7 looks like this.

8 Where we have a model underneath it and one of
9 the real resonating themes throughout is that the system
10 has to be transparent.

11 Black box models don't work very well if you're
12 inviting participation by anyone. So, all of the models
13 that you see here have full transparency.

14 This is a rollup of many different layers that
15 were all put together in the model. I won't show it to
16 you because I want to keep close to time.

17 But if you drill down on any one of these cells
18 it will tell you exactly why something is green versus
19 blue, versus yellow, other than it has a number, which
20 means nothing if you don't know why it is what it is.

21 So, those kinds of transparent models are really
22 important.

23 If we go back to my other example, and I'm going
24 to go full screen and I'm going to zoom in, and I'm
25 going to change my base map so you can see some

1 information on the top. And I better make this a little
2 transparent so you can see through it a little bit
3 better. It gives you the idea, okay.

4 What I'm trying to show, this is actually a
5 combination of two different models put together and
6 it's just an illustration of a decision, a planning,
7 landscape level planning decision.

8 The colors are to be read like this, there's a
9 suite of greens, purples and yellows. The high intact
10 landscapes are all in green. The low intact landscapes
11 are all in purple. And the moderate intact landscapes
12 are all in yellow.

13 The brighter the color has the highest numbers
14 of conservation values according to a model that's fully
15 transparent.

16 The softest color of any of the three has the
17 lowest levels of conservation values.

18 It doesn't mean they have no value, it just
19 means that they have lower value than some of their
20 neighbors. And it can all be queried to find out
21 exactly why and what's there.

22 So, real quick, how would anybody use something
23 like this to make landscape level decisions?

24 If I want to target places for renewable energy
25 development and have the least likelihood of hitting

1 things that really matter ecologically, I'm going to go
2 for the purple places. And, ideally, I'm going to go
3 for the light purple places first because those are the
4 places where I'm going to have the least conflict with
5 the values that have been recorded and mapped here.

6 Now, this is a regional type of thing. But, of
7 course, you have to go on the ground and do some of your
8 due diligence there as well.

9 So, let me show you another quick tool. And
10 I'll try not to trip that up. This is an example of a
11 site tool and I've loaded a bunch of data sets ahead of
12 time, and I can turn on a couple just to give you an
13 idea of what we're talking about.

14 Here are Golden Eagle nests. Here's a
15 California Natural Diversity database, so the red dots
16 are animal records, the green dots are plant records and
17 then there are some other dots that are communities, but
18 you get the idea.

19 And I can turn these on and off as I wish and I
20 can save this any way I want.

21 And what I really want to show you, I want to
22 add in -- I can do a drawing or I can do a selection,
23 but right now I'm going to do a drawing.

24 So, because I'm going to add a drawing and right
25 now I'm going to pretend, and this is all make believe,

1 so don't get angry at me. I'm going to make a new power
2 line and it's going to go like this.

3 (Laughter)

4 MR. STRITTHOLT: I know, I know. And what I'm
5 going to do real quick is I'm going to do a buffer. And
6 let's just say I want to do a mile. I can set anything
7 I want, but for now I'm just going to do a mile, and
8 it's done.

9 And now I want to know, well, what is that
10 likely to hit? So, one of the things that's really
11 important, it's not just the data, you have to give the
12 data into ways that are informative, whether it's
13 informational, you're learning about a place, and we've
14 got a couple of examples that I won't have time to show
15 today. I have a really good climate change one. If I
16 have time, I will.

17 Or they're very targeted like what do you want
18 it to do? Well, for this case we have several tools
19 that you see here.

20 I have one that we built for the Inter-American
21 Development Bank and it's a policy analysis. It's their
22 policy. It's all set up and ready for them to go.

23 We have a carbon calculator. It's a big deal
24 with carbon credits around the world, so we have a
25 carbon calculator tool that we built.

1 Here's one that's a little bit more generic and
2 it's a site assessment tool. And I'm going to go
3 through and I'm going to say everything that's open in
4 my map, even though you're not looking at all of it
5 right now, I want to know if I'm going to hit any Golden
6 Eagle nests, any rare occurrences, important bird areas
7 or critical habitat. I can click any of these I want.

8 And let's just say that's good enough for now.
9 I'm going to go next and I can say, well, what do you
10 want to summarize it on? Well, I can do it on a common
11 name.

12 And I'll go down and maybe "owner", what kind of
13 owners am I going to hit, owner name, next. And I'll
14 leave it at that and I'm going to say go.

15 Now, this is running out and it's fetching all
16 of that data on the web and it's tallying it up for me.

17 This is a first pass site planning tool. Not a
18 landscape level regional tool. It's a site tool. And
19 it came back with my results. So, it's telling me how
20 many things that I hit with that buffer, over that
21 little line I just drew.

22 And if I want to save it, I can save it and I
23 can give it a name. And I'm just going to go quickly
24 enough.

25 And it's actually going to attach it to my map

1 because this is not a one-off visit. You say these in
2 your private workspace so you can come back to them any
3 time you want.

4 Those are the kinds of things that make it truly
5 participatory. It isn't a visit and go and everything
6 disappears. You visit and stay, you come back again,
7 and again, and you bring your friends and sometimes your
8 enemies.

9 So, I'm going to say, okay, I'm done, but let's
10 say I want to download this PDF and it's already done.
11 And I'm going to open it up and you can see what it
12 looks like. So, now I have a report. It's all set and
13 ready to go, it gives me all the layers, it tells me
14 everything I had, and it attaches it to the map and I'm
15 off to the races.

16 It's these kinds of things that allow -- sorry,
17 it's these kinds of things that allow users and groups
18 to do real work, and that's what this is really trying
19 to provide.

20 It also provides a mechanism for anybody, who
21 has something to offer here, can load it in for
22 consideration.

23 There are a couple of new tools being developed
24 now, and I'm going to close. We have a mitigation tool
25 that's going to be launched in the fall.

1 A climate change information tool and I'm going
2 to steal one more minute and show you one because I
3 think it's pretty cool. It will give you an idea. It
4 will be a teaser.

5 This is a tool we built for another client. And
6 it's not going to be exactly like this, but it will give
7 you an idea of what I'm talking about.

8 What do you mean a tool that will help me
9 understand things?

10 So, here's a tool of North America and it's
11 showing climate change. It's plotting mean annual
12 precip and mean annual temperature, the differences, in
13 the whole map of North America.

14 And you'll notice that the little graph on the
15 left and the map on the right are hooked together. And
16 we're building something similar to this for the DRECP,
17 but it's going to be a four kilometer resolution instead
18 of ecoregions.

19 In fact, we're going to have an eco-section and
20 a four kilometer resolution version.

21 You can drill down and understand what is it
22 likely to do, wetter, drier, warmer? Where are the
23 refugia? Those kinds of things become -- where are the
24 sensitive soils?

25 They all become part of the dialogue that we

1 need to maintain.

2 But if I just threw up the data and said here
3 you go, everybody, here's all the data, go have at it,
4 how many would know what to do with it? Very few.

5 So, you need to build these kinds of interfaces
6 to allow people the time to take complicated data and
7 make really good use of it, and then put it together
8 with other things that are of importance to them, and
9 put it in one location.

10 The other announcement and I'm done. There is a
11 new viewer that is being launched on Friday, so stay
12 tuned for that. It was built to help people who like to
13 use tablet computers, like i-Pads. It will work right
14 on i-Pads. And we added a couple more tools to it, but
15 it actually drives a little simpler.

16 The whole key is take the complicated and make
17 it less complicated.

18 Okay, I'm done, thanks.

19 MR. ZICHELLA: Thank you very much, Jim. We're
20 still okay on time but I want to open this up for
21 questions to our panel here, our Commissioners, and
22 others.

23 But let's start with you guys, if we can. We've
24 got about five or six minutes here where we can ask the
25 questions. I know we could go all day on this. It's

1 fascinating stuff.

2 CHAIRPERSON WEISENMILLER: Yeah, so in terms of
3 where we are now, what would be the key lesson learned
4 from the DRECP process, assuming we were getting ready
5 to launch on another area?

6 MR. ZICHELLA: I think that's you, Chris.

7 MR. BEALE: I'm trying to think of what the one
8 lesson is from the DRECP process.

9 Terry had a good suggestion, Data Basin, and
10 actually others have said this before. You know,
11 embarking on a planning process like this, it would be
12 helpful to have something like Data Basin from the
13 outset.

14 We had the benefit of Data Basin after we were
15 into the process a few years. It's a great way to
16 organize the information you have for planning purposes
17 and also get constructive feedback from public and
18 stakeholders, so that's a key thing.

19 I think if I were to identify one other thing, I
20 think it's that it's really important to develop an
21 initial concept early and allow people to react to that.

22 In a plan that's this complex, it's very easy to
23 say wait a minute, let's add another data layer, let's
24 consider one more thing before you come up with a
25 concept that people can react to.

1 And it's helpful, in something that's this
2 complicated, to start with that.

3 COMMISSIONER PETERMAN: I'll ask a follow-up
4 question, Carla Peterman with the CPUC. That's helpful
5 to understand the value of the database.

6 And I was just curious, in terms of data layers
7 are there particular layers that have just been absent
8 that you're still seeking in terms of information, or
9 was the data available but it was a matter of putting it
10 all into one place?

11 MR. BEALE: It's both. I mean, you know, for a
12 22 and a half million acre planning area there's never
13 going to be, really, a level of information and quality
14 of information that every participant will agree is
15 enough.

16 We did a lot of vegetation mapping. We gathered
17 a lot of information that I think helped in the planning
18 process, but there's always a need for more. Data Basin
19 helped in both respect, really in terms of taking the
20 information we have and collecting it, and organizing it
21 in a helpful way.

22 But also, as Jim was emphasizing, it is
23 comments. A lot of people interact with it.

24 And I'll say, you know, I've worked on a lot of
25 these kinds of conservation plans in the past and a lot

1 of the information that we have now is not new. The
2 types of information that are available for a plan like
3 this aren't so much new.

4 But the ability for folks to understand the
5 layers behind the maps and interact with it I think is
6 really -- that's changing a lot and Data Basin is a
7 great example of that.

8 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: Let
9 me offer up at least an observation that I think, for
10 those of us who were internal to the mechanics of this,
11 there was a slide in Chris' presentation, or two slides,
12 that went through where all the data came from.

13 And I think that the point that that
14 illustrates, that I think is a key lesson, is we had to
15 think about the first two steps in Liz's presentation,
16 that assessment step, and that goal-setting step in a
17 way that we let go of just holding on to our piece of
18 the elephant, and agreed that we were all going to own
19 the larger outcomes that we were trying to get to.

20 And that we then were going to divide up the
21 work and then add it back together.

22 And the reason I say that is that any one of us
23 couldn't have independently put this together.

24 And the key was all of the agencies being
25 willing to let go a little bit in order to achieve that

1 higher outcome.

2 COMMISSIONER DOUGLAS: I'll second that and
3 maybe follow up with a question for Jim, and I don't
4 know, Chris, if you might want to add on.

5 But, you know, we've done a lot of work in the
6 DRECP area to go out and collect original data. And
7 when we think about information that's available outside
8 of the DRECP area, or out of state, and I know, Jim,
9 you've got experience with international clients,
10 national, regional clients, and so on.

11 You know, from your point of view how big a
12 challenge is data collection, data gathering?

13 Is it generally the case that data is available
14 and you've just got to get it?

15 Or how often are you in the position of really
16 having to, you know, find ways to get new information
17 developed?

18 MR. STRITTHOLT: I think that the data issue for
19 California, and it's true for much of the United States,
20 but not all of the United States, is that I think the
21 perception is we're buried in data and that's partially
22 true.

23 It's also true that we don't have enough of the
24 right kinds. And we don't have a clear mechanism for
25 taking data that people either have collected in

1 nontraditional ways or continue to do so, to put them
2 into a place that we can actually benefit from it.

3 There's a lot of data that's still buried. You
4 go and you hire a contractor to do a survey, and all
5 that survey data sits on a shelf, and it sits on a shelf
6 forever. But, boy, would that be helpful to inform the
7 bitter picture if there was a mechanism to put that
8 together in some meaningful way.

9 So, even though we are data rich in many ways,
10 we are still information poor in many ways. And there
11 are some things we need to do to make that work better.

12 COMMISSIONER DOUGLAS: When you talk about some
13 of the things that might need to be done to make that
14 work better, what comes to mind?

15 MR. STRITTHOLT: Well, one of the things I
16 think -- there are a couple of things on monitoring.
17 I've been spending a lot of time thinking about
18 monitoring because that's been one of our charges to
19 say, okay, let's look forward now.

20 Okay, what's missing? What do we need to get
21 ahead of the game on?

22 There are some traditional agency monitoring
23 that you need to take advantage of but, again,
24 oftentimes it's siloed.

25 And I know I've talked to lots of agencies,

1 there are even people within the same agency that don't
2 know what partners in their own agency are doing, much
3 less other agencies that are not related to them.

4 That's a problem. It exists, but it's hidden in
5 lots of places and lots of ways. So, that's one of the
6 things. That's a social problem. That's not a
7 technical problem.

8 Some of the barriers -- in fact, that's been
9 true throughout my whole career. The technical stuff we
10 can figure out, it's the social ones that are just
11 killers. Trying to get people to think of the world a
12 different way or think of their role in a different way
13 that makes things work better.

14 MR. ZICHELLA: Any other questions?

15 I think we're just about, a little bit past our
16 time, actually.

17 I don't see why not, John. John White.

18 MR. WHITE: I'm John White from CEERT. And I'm
19 listening to this conversation and trying to figure out
20 what it means and I get back to Commissioner Peterman's
21 original question about how does any of this inform a
22 developer's ability to site and choose wisely?

23 I'm reminded of a couple of examples. In the
24 Solar PEIS, which we had a significant role in, the
25 Department of Interior made a commitment to develop a

1 solar development zone in the West Mojave. And, yet, to
2 the best of my knowledge this still hasn't happened,
3 yet.

4 And one of the things I wanted to ask the
5 gentleman from CBI is you had these shadings of the
6 data, but did you have a ranking of the quality of the
7 data or the robustness of the data?

8 And is there ever going to be -- one of the
9 things about this tool, it looks like it's mainly going
10 to aid in identifying places and risks for development,
11 but it doesn't look like it's giving much weight or
12 analysis to the -- where would be good areas.

13 And furthermore, since Mr. Douglas has his own
14 database at the PUC, it's not clear to me that any of
15 this is going to influence where we put things, or by
16 valuing areas where we want people to go and having that
17 result and some kind of an incentive for them to do so.

18 I think, you know, Jim mentioned this was
19 designed to be an incentive program, but it seems that
20 what we're doing is adding to our database of
21 conservation and habitat. Not necessarily evaluating
22 the quality of that data, but just piling more and more
23 stuff on, and taking embedded assumptions and not
24 changing them.

25 So, in the case of the West Mojave, we still

1 don't have areas that have been identified that can be
2 adjusted from the Mojave Ground Squirrel habitat. And
3 we don't necessarily have a corresponding recognition at
4 the PUC, yet, that they're going to value these areas,
5 if they're ever identified, to encourage people to go
6 there by recognizing that those projects would be ranked
7 higher.

8 So, I'm just wondering how we connect the dots
9 here and how do we evaluate the quality of the
10 underlying data when, in fact as I recall, there's a
11 fairly significant amount of uncertainty in that
12 question.

13 COMMISSIONER DOUGLAS: So, John, let me just try
14 to parse that question a bit and I think we can end this
15 panel on that question.

16 In terms of development areas and where they're
17 proposed, and various alternatives, I'm just going to
18 ask you to wait as patiently as you can until the draft
19 is out and you'll have the opportunity to see those
20 areas and the analysis behind them, in those different
21 proposals.

22 But, you know, Jim in some ways we did you a
23 disservice by not giving you enough time. Because if we
24 had given you time, I think you'd have walked through
25 the presentation in a way that helped John with his

1 questions.

2 Could you take, you know, five, six, seven
3 minutes and sort of think through how you might approach
4 addressing some of what you've heard?

5 MR. STRITTHOLT: Six minutes?

6 (Laughter)

7 COMMISSIONER DOUGLAS: I know, we're terribly --

8 MR. STRITTHOLT: No pressure or anything.

9 COMMISSIONER DOUGLAS: -- we're terribly
10 unrealistic. Go ahead.

11 MR. STRITTHOLT: I mean there's a lot of good
12 comments and questions in his comments, and let me
13 tackle a few.

14 The first one deals with data quality. All of
15 the data inputs that were used in any of the models that
16 we generated have been vetted and noted.

17 Are they perfect? No, there is no such thing.
18 It's one of degree.

19 We have also noted those datasets that could use
20 substantial improvement for later, and those could be
21 handed off to whoever is responsible for maintaining
22 those.

23 So, that's all written up and it's all
24 transparent and clear.

25 The second point I want to make is all of the

1 models that we generated, like the two I showed you very
2 quickly because I didn't have a lot of time, they were
3 built on purpose to be highly transparent and easily
4 updated.

5 I have yet to go to a public forum where we've
6 done any kind of models and the first thing people say
7 is, well, I've got better data for that one thing and
8 why don't you use my data?

9 And the answer is, exactly, can I use it now?
10 And we'll take it and use it. And then they go, well,
11 maybe you can't have it.

12 No, I'm just kidding.

13 (Laughter)

14 MR. STRITTHOLT: But they do say that sometimes.

15 And the third comment I'd make is that the
16 models that we were asked to generate, one was an
17 intactness model and the other one is a conservation
18 values model.

19 We used a software that we wrote, and I won't go
20 into the details, but it's actually logic bundled. It
21 teases out shades of gray instead of having things
22 absolute, which adds a lot more nuance to the results.

23 You're not saying, oh, this place is great and
24 this place is terrible. It's one of degree and you can
25 see that clearly in the model.

1 And the last point I'll make is if the objective
2 was to pick the places of high energy potential, with
3 least amount of impact, that is a different model that
4 could be created using the same software tool and could
5 be put together where everyone could see it and comment
6 on. That's another way forward.

7 Did that help? Okay.

8 MR. ZICHELLA: Please go ahead.

9 MS. KLEIN: Closing comment that, I mean, the
10 piece that Data Basin provides, it is the data, but the
11 question of how you analyze that data and what you do
12 with it is another whole operation altogether, right.

13 I mean it's not actually Data Basin's role to
14 make these -- you know, they're decision support tools
15 but, ultimately, the decision rests with the agencies
16 that have to go through the permitting process.

17 And I think, you know, for the Department of
18 Interior, certainly, we have all of these same questions
19 about, first, how do we go find the data?

20 I mean there are Fish and Wildlife Service
21 biologists spread across the country who have data
22 actually sitting on their desktops, and how do we grab
23 that, you know.

24 And how do we go out and gather data from
25 stakeholders, and how do we make sure that it's quality

1 data? You know, what are the standards that we use to
2 sort of decide what data is okay and what data might not
3 be great for these decision support tools?

4 You know, and then you develop these tools like
5 Data Basin has, but then the next step is really what do
6 you do with that information?

7 And you can make all sorts of qualitative
8 judgments about identifying areas for development with
9 those decision support tools but, ultimately, it's
10 processes within the permitting agencies that have to go
11 through those balancing questions. You know, you have
12 all this data, you have intactness, you have eagle
13 nests, you have cultural resources in a place and how do
14 we balance all of those things in a way that will
15 minimize conflict because we know we'll never get rid of
16 it.

17 But that's sort of -- you know, people
18 shouldn't, I don't think, look to Data Basin as kind of
19 the -- you know, I'm going to put in a bunch of values
20 and I'm going to find the perfect spot when, really,
21 that involves another step in the decision making
22 process.

23 MR. ZICHELLA: If I can just say, there's a
24 method we can use that I would like to suggest people
25 think about, for updating. At WECC, the Environmental

1 Data Taskforce has an open season every other year where
2 if people want to bring datasets forward, or recognize
3 that information needs to be updated that there is a
4 time frame where they can do that, and the data can be
5 subjected to data quality screening.

6 So, just one way of handling it is to have a
7 period of time where people know that they can do this.
8 You can always add it whenever you want to, but at least
9 you'd have that for stakeholders to bring it over.

10 That's something that another entity, using GS
11 spatial information is using right now.

12 COMMISSIONER SCOTT: I just want to say thank
13 you to all of you for an incredibly interesting panel.
14 I think we heard a lot about how to gather data and how
15 it can help us meet goals, like those that Liz Klein so
16 eloquently highlighted from the DOI mitigation strategy.

17 We heard about how quality is really important
18 and we kind of heard that in different variations from
19 all of our panelists.

20 How important it is that the data be accessible
21 and that it can be used in an informative way, and we
22 looked at the tool, very briefly, of Data Basin.

23 And as Jim said, it's not just a big data
24 haystack in the sky. I mean we really are trying to put
25 in layers and put them in, in useful ways.

1 But it's really complex when you're looking at
2 multiple layers across a 22.5 million acre space.

3 But I kind of wanted to end by saying that, you
4 know, Carl said what we're trying to do isn't easy, but
5 it is worth it.

6 So, I want to say thank you so much to all of
7 our panelists and to our moderator, Carl. This was
8 really interesting so thank you for that and thank you
9 for coming.

10 I'm going to transition just a little bit. I
11 think I'm hearing that our WebEx is mostly fixed so,
12 hopefully, that information has gone out to everybody
13 and they're able to hear us and see what's going on
14 here.

15 A reminder for folks around the room, if you
16 want to make a public comment that we have Lon Payne in
17 the back of the room here. He's waving at you. He's
18 got the blue cards, so make sure that you get a blue
19 card to him for comment.

20 And I will turn, now, to Terry Watt, who's going
21 to moderate Panel Three, which is the Local Government
22 Perspectives. Welcome Terry.

23 MS. WATT: Well, it's great to be here. Thank
24 you for including a panel on local government.

25 Many of you know that the Desert Renewable

1 Energy Conservation Plan goals concern two of our State
2 planning priorities, renewable energy and conservation.

3 But it is also, to make it even more
4 challenging, a plan for both public and private lands.

5 And those private lands are largely under county
6 jurisdiction and it's important to note that counties
7 not only have as their planning concern renewable
8 energy, but also other types of energy, and other types
9 of development.

10 So, I think the Chair got us off to a great
11 start. The focus of our panel is how can we make a
12 better connection between state, and federal and local
13 planning.

14 Now, the CEC was very wise in making possible
15 some planning grants a couple of years ago. And so, six
16 of our seven panelists, although we may not have Cindy
17 today, have received CEC planning grants to do what are
18 essentially parallel plans for energy and conservation.

19 And you're going to hear from some of those
20 counties today about their planning efforts, as well as
21 their recommendations for how we can better integrate
22 the counties into the planning process, and the
23 information the counties have into our information and
24 database.

25 So, without taking any more time, let me see if

1 Gerry Newcombe is ready to kick us off.

2 MR. NEWCOMBE: Yes, I am. Can you hear me?

3 MS. WATT: Very well. Thank you, please
4 proceed. Gerry is the Director of Public Works for San
5 Bernardino County.

6 MR. NEWCOMBE: Thank you. My thanks to the
7 Commission for conducting this workshop, I've been
8 fascinating with some of the information I've seen.

9 And actually, all along through this process of
10 participating in the DRECP it's been very interesting
11 and helpful for us.

12 But I would, if we could go to the next slide,
13 just make note that view sheds and the impact of these
14 projects on view sheds is a huge issue in the Mojave
15 Desert in our county.

16 And I'm not sure how well that issue has really
17 been addressed. You know, this is a shot of the Ivanpah
18 Valley and the BrightSource project which, in itself, is
19 a fascinating thing to see either from the air or on the
20 ground.

21 But as you can imagine, it has a significant
22 change to what that valley used to look like. And there
23 are a lot of folks at the local level in our desert, and
24 a lot of these communities that are watching, you know,
25 the DFAs and where they're located, and in draft form,

1 and how they're going to impact, you know, their view
2 sheds and these long-held views that they've had from
3 their homes and their communities.

4 So, that's going to be a really big deal. And I
5 will tell you that there's a lot of folks that -- you
6 know, the average citizen, I think, in the Mojave Desert
7 in our county doesn't think that, you know, acres and
8 acres of mirrors or PV panels is the answer to
9 California's energy issues.

10 So, in spite of the direction we're going,
11 there's a real groundswell of, I think, concern at the
12 local level.

13 And so, along with these view sheds there's also
14 the concern about local land use decisions and how local
15 land use planning is really going to be impacted by this
16 overarching plan for renewable energy.

17 So, if we can go to the next slide? And if you
18 have the ability to zero in on some of the brighter
19 colored areas by just increasing -- dropping down, it
20 might help just a little bit.

21 But we're not, maybe, as sophisticated as some
22 of the other GIS things that I've seen being talked
23 about today.

24 But we did in our county, just as an exercise,
25 is that we looked at the DFAs and then we embedded

1 within those DFAs some GIS layers of our own.

2 And I think they're actually on the next slide,
3 it looked like, although I'm not sure.

4 Yeah, and so you can see some of -- we just did
5 this as sort of a test, but we looked at already
6 disturbed land. We looked at relatively low population
7 density. We looked at some zoning areas that we
8 thought, from our perspective, would make sense for
9 solar types of projects or renewable projects.

10 We wanted to be fairly close to a road, on
11 private land, you know, inside or maybe just close by a
12 DFA.

13 But we also didn't want them to be too close to
14 a major road or highway or too close to existing water
15 because those are areas that we want to see available
16 for other kinds of commercial development and growth.

17 And so, if you flip back to that previous slide
18 it gave us, if you will, some hot spots. And so, as you
19 drill down deeper into this map, at least initially, it
20 starts out to show us some ways that, at the local
21 level, we can further refine the plan that's coming out
22 or what the DFAs are showing.

23 And a lot of that based more on impacts on the
24 people that live in these communities, as well as the
25 plant and animal species that a lot of wonderful work

1 has done to identify.

2 But I think to some degree the locals feel a
3 little bit left out of the process. And I know we're
4 planning some meetings here in San Bernardino County.
5 We've had some already.

6 We are, you know, well using the grant that the
7 Energy Commission has provided to us to do a renewable
8 energy element to our general plan, and holding local
9 meetings in that regard. And that's really improved the
10 relationship and conversation we're having with local
11 folks.

12 But I think a lot of folks are just concerned
13 about what the on-the-ground land use and view shed
14 impact is going to be from the future of renewable
15 energy in the Mojave Desert.

16 And we represent, I think, over 50 percent of
17 the planning area that's in DRECP, so it's kind of a big
18 deal in San Bernardino County.

19 So, again, I'd be happy to answer any questions,
20 but I certainly thank you all for the time.

21 MS. WATT: Thank you, Gerry.

22 So, let me next introduce James Caruso, who is a
23 Senior Planning with the County of San Luis Obispo, not
24 a DRECP county but a recipient of a planning grant.

25 And as the State and the federal government look

1 ahead to doing this kind of planning further -- and
2 further out in the State, James brings some unique
3 perspectives, I think, to the table today.

4 So, James, are you there?

5 MR. CARUSO: I think I am.

6 MS. WATT: Great welcome.

7 MR. CARUSO: Okay, great.

8 MS. WATT: You are, we can hear you perfectly.

9 MR. CARUSO: Thanks, Terry and thank you for the
10 opportunity.

11 Terry provided some questions, some discussion
12 questions that I was going to try to stick with. I
13 wanted to describe a couple of things.

14 In the traditional approach -- in our perception
15 of the traditional approach of state and local planning
16 functions is definitely a top down process. The state
17 tells the locals what to do. The locals do it in their
18 own little way.

19 We've seen this slow erosion of local control of
20 a lot of planning issues. The latest ones are things
21 like erosion control and sedimentation control that
22 we've always had, giving up land use control in our
23 coastal zone, things like that.

24 And the way we've been looking at it is the
25 State constructs sort of a box for us to operate in and

1 that box is getting smaller and smaller.

2 Now, we're not members of the DRECP and we don't
3 operate under the MOU, so I guess we're lucky in that
4 extent.

5 How we view the process or wanting the process
6 to work between the State and the locals in these
7 planning functions, I think starts or would have to
8 start with local jurisdictions having as strong a policy
9 basis for certain actions as the State does.

10 You know, you have to give it to the State of
11 California we have very strong policies in the State,
12 just like conservation and renewable energy that we're
13 talking about today.

14 And a lot of local jurisdictions, a lot of
15 counties perhaps don't have that strong policy basis in
16 their own policy documents and their general plan.

17 So, I think that's one of the first things
18 that's necessary. We're using our CEC grant to do just
19 that.

20 We've had a fairly contemporary, modern
21 conservation and open space element that's going to get
22 even better through the grant process, the grant monies
23 that the CEC has given us.

24 But we also have to realize that we operate in a
25 political environment at the local level. And so, what

1 our experience has been is instead of the local decision
2 makers following the State policy, following what the
3 State seems to want the locals to do, if that's not
4 consistent with what the constituency wants to do in the
5 local level, the decision makers are going to, in very
6 strange ways, try to get around these things and to
7 address them in a way that their local constituencies
8 want them addressed.

9 And it's one of the reasons I believe there's a
10 lot of tension between the State and the local agencies
11 in the things like conservation and renewable energy.

12 One of the things we heard from our stakeholders
13 in the process of going out to the stakeholders on this
14 Renewable Energy Streamlining Program we're doing is
15 that we need to sustain and expand our local options.

16 All of our stakeholders were insistent on that
17 as our local conditions are different than what,
18 perhaps, the bigger picture in the State is.

19 And while the State tends to tell the locals how
20 to react to things, our local constituencies have a
21 very, very different idea.

22 And we heard that across the board. We heard
23 this testimony from our people who have more of a
24 political or perhaps ideological view. We heard that
25 from the industry. We heard that from agriculture. And

1 we even heard that from our economic development
2 stakeholders.

3 And so, we tried to figure out what lessons have
4 we learned here. I think in our process, in what we're
5 calling deconstructing the permit process, in order to
6 find some of the basic ideas in permitting and land use
7 permitting that we can change to streamline renewable
8 energy and still maintain a high level of conservation,
9 resource conservation.

10 And one of the things that we discovered in
11 looking at the individual parts is that a lot of the
12 tension is created by State agencies, themselves.

13 We deal in our local planning process with a lot
14 of what we call the single-focus State agencies. Fish
15 and Game is one of them. The Coastal Commission is
16 another one.

17 And we made the decision early on, on the
18 Renewable Energy Streamlining Program that we were not
19 going to try to streamline renewable energy development
20 in the coastal zone. We just X'd that out immediately.
21 And it's because we did not believe that the California
22 Coastal Commission is in a mood to streamline just about
23 anything.

24 We've had 17 months to do this project. We
25 didn't think that was going to be anywhere near adequate

1 to try to get a positive response from the Commission.

2 And I don't mean to pick on the State agencies
3 because we have this experience at the local level, too.
4 We have single-focused agencies that, for example, focus
5 on important agricultural soils and that's all they look
6 at.

7 So, in our world, when we're trying to expand
8 the universe of renewable energy, perhaps streamline the
9 approval process what we see put into the way are
10 obstacles, mostly by the agencies that look at one issue
11 and one issue, only.

12 So, what can we do about that? I think one of
13 the most important things to do about this is we need to
14 align not only State policies from agency to agency,
15 which I think is important if the State believes that
16 renewable energy is -- or encouraging renewable energy
17 development is important, we've got to get the State
18 agencies in line to at least cooperate and to try to do
19 that.

20 And we don't really see that happening. We see
21 more of obstacles being placed in our way.

22 And one little thing I do want to mention, and
23 this does not happen at the local level, it just happens
24 when we deal with the State agencies is often we will
25 have one local State office disagree or not be aligned

1 with the home office in Sacramento. Local agencies get
2 two different answers depending on who they talk to.

3 And once again, I'll admit we have the same
4 problem at the local level of alignment of policies
5 between agencies that have a different focus.

6 And I think that's probably the most important
7 thing that can be worked on, just as our local
8 stakeholders told us, that the county has to speak with
9 one voice, I think the local jurisdictions would like
10 the State to speak with one voice, also.

11 I think it would make it easier for us to
12 understand what is expected of us and I think it will
13 allow us to spend less time in trying to relieve the
14 tension between different attitudes and ways of looking
15 at things. And that's it.

16 MS. WATT: James, thank you very much.

17 MR. CARUSO: All right, thank you.

18 MS. WATT: So, let's move on to Josh Hart, who
19 is the Planning Director at the County of Inyo. And
20 Josh and other remaining speakers, I'm going to ask you
21 to keep your comments as short as possible, as our other
22 objective is to get everyone to lunch.

23 Welcome Josh.

24 MR. HART: Thank you, Terry. I hope you all can
25 hear me. Good afternoon and thanks, everyone, for

1 inviting me to participate.

2 I'm going to speak briefly about Inyo County's
3 renewable energy planning experience.

4 So, if we can move to the first slide. Due in
5 part to state and federal renewable energy planning
6 efforts it became apparent in the late 2000s that Inyo
7 County's general plan and codes did not adequately
8 address solar and wind renewable energy.

9 In 2010, the County adopted a renewable energy
10 ordinance to support, encourage and regulate solar and
11 wind energy resources.

12 In 2011, the County adopted a renewable energy
13 general plan amendment to provide guidance about where
14 solar and wind renewable energy development could be
15 considered, as well as address unique issues resulting
16 from renewable energy development such as noise, air
17 quality, esthetics, socioeconomics, private lands for
18 mitigation, et cetera, et cetera.

19 The general plan amendment was ultimately
20 rescinded due to CEQA litigation.

21 In 2013, the Energy Commission awarded the
22 County a Renewable Energy Planning Grant to update the
23 renewable energy general plan amendment and prepare an
24 associated environmental impact report.

25 The County procured a consultant team to assist,

1 led by Helix, and including Aspen and PMC, and we
2 commenced our scope last summer.

3 The County began the effort to update the
4 general plan amendment to reflect changed circumstances
5 since 2011.

6 A series of stakeholder interviews, group
7 dialogues and public meetings were held throughout the
8 fall and winter of 2013 and in 2014 to revisit the
9 criteria utilized to develop the 2011 general plan
10 amendment, critique that previous work overall and
11 solicit public input.

12 The general plan amendment was then presented to
13 the Planning Commission and Board of Supervisors in the
14 spring of 2014 for input, before initiating the
15 environmental review process.

16 So, if we could move on to the first graphic.
17 This is actually the second graphic. There was a --
18 yes, that's the right one.

19 Through this work a series of opportunities and
20 constraints analyses were developed in a GIS format.
21 And this graphic is illustrating one of those that
22 aggregates all of those factors together into one
23 graphic.

24 And those factors included biological resources,
25 esthetics, transmission and numerous others.

1 It also illustrates the backdrop of the County's
2 long mineral resource extraction history, and that's
3 what a lot of those dots are.

4 And areas with least and moderate constraints
5 are illustrated in the blue and the yellows, as well as
6 existing transmission resources.

7 Based on this public input and a variety of
8 other factors, staff developed a staff-recommended
9 alternative, which was that first graphic, if we go back
10 to the first graphic.

11 And this identifies areas where the County might
12 consider wind and solar renewable energy development
13 based on the outcome of specific studies.

14 Concurrent with this, there were a variety of
15 general plan policies and a cap and phase-in scheme was
16 developed to provide assurances about overall
17 development intensity over time.

18 And if we could finally go to the third graphic,
19 we went through a pretty robust public review process in
20 the spring and those areas were whittled down to what
21 you see here.

22 The cap and phase-in scheme was also adjusted
23 accordingly and wind was eliminated from the proposal.

24 So, before I conclude I just wanted to talk
25 about including local government in the planning process

1 and improving federal, state and local coordination.

2 So, if we could go back to the bullets that
3 would be great.

4 I think local government provides an excellent
5 forum for vetting renewable energy development issues.

6 Local officials and residents know the lands
7 where they live better than anyone and can provide
8 expertise about unique on-the-ground issues.

9 In our case, the DRECP was very helpful in our
10 preliminary public outreach phase.

11 Representatives from the CEC, and the BLM, and
12 many other agencies attended our interviews and co-
13 hosted public meetings in the county.

14 So, we were very grateful about that and I think
15 it was very helpful.

16 And we do hope that it will continue in the
17 future.

18 So, before I conclude, I just want to talk about
19 where we're going next. We just recently completed our
20 Notice of Preparation and we're working on developing
21 our draft EIR.

22 We anticipate that the draft EIR will be
23 available in the fall, with the final EIR later in the
24 winter.

25 And the general plan will be updated iteratively

1 throughout this process, in concert with the DRECP.

2 So, if anyone's interested in more information
3 about our planning effort, please visit our website.
4 It's Inyoplanning.org.

5 And that concludes my presentation, thank you.

6 MS. WATT: Thank you, Josh.

7 All right, let's move on to Andy Horne. He's
8 the Deputy CEO of Imperial County.

9 MR. HORNE: Was there a joke there?

10 MS. WATT: Not at all.

11 MR. HORNE: Never mind. Thank you, Terry.

12 Let me just start by saying, you know, a lot of
13 the stuff we are doing down in Imperial County is as a
14 result of what's going on, and we've been tracking very
15 closely the DRECP process.

16 However, Imperial County has a somewhat longer
17 history of dealing with renewable energy projects. I
18 think we were one of the -- we are one of the few
19 counties that has a renewable or alternative energy
20 element in our general plan and we've had that for about
21 30 years, primarily due to the historic development of
22 geothermal energy projects down there in the County.

23 The experience we've had more recently, of
24 course, is due to a burgeoning diversity of different
25 types of renewables.

1 And so, as a result of that we applied for and
2 we're very grateful for, and are proud recipients of
3 actually two grants from the California Energy
4 Commission, under their Renewable Energy and
5 Conservation Planning Grant Program.

6 The first is an update to our alternative energy
7 and transmission element. And that one will, I heard
8 Commissioner Scott earlier talk about a reduction, or
9 trying to reduce land use conflicts and certainly we
10 have seen that, and have been ground zero for land use
11 conflicts down there.

12 I hope Karen Mills is listening to me. We have
13 about 10,000 acres of farmland that has been converted,
14 now, to solar projects or in the process, either
15 finished or in construction.

16 We have another 8,000 acres of farmland that has
17 been permitted, but not yet built on.

18 We have another 6,000 acres of farmland that is
19 in the permitting process. Hasn't yet been granted an
20 entitlement, but we still are seeing applications come
21 through the door.

22 That's about 24,000 acres of about 450,000 that
23 we have in production.

24 So, still a relatively small amount but -- and I
25 think Karen can testify to this as she was down a couple

1 of months ago and listened to some of the concerns from
2 some of our ag community down there about this trend.

3 The other land use conflict, of course that
4 we're always reminded of, is the Department of Defense.
5 Steve might talk about that a little bit more.

6 We have had a lot of discussions with DOD folks.
7 I always thought it was a little bit quaint of them to
8 question the idea of using or deploying some of those
9 solar thermal projects in areas where they're testing
10 heat-seeking missiles.

11 I always said, you know, it might be a bad thing
12 but it would make one hell of a YouTube video, you know,
13 if they could catch that moment of conflict.

14 (Laughter)

15 MR. HORNE: So, the other thing, besides trying
16 to limit land use conflicts or avoid them, is updating
17 our element to take into account the different types of
18 technology. The element we have now is pretty well
19 geothermal-centric and we have solar, wind and other
20 types of renewables being proposed down there, and we
21 need to broaden our scope.

22 And the third thing that we're looking at doing
23 in our update is to take a look at some of the
24 opportunities and constraints that are manifesting
25 themselves at the Salton Sea.

1 I'm not going to go into a whole lot about the
2 Salton Sea. If you haven't heard about it, you can
3 Google it and find out all about it.

4 But it is an area that could -- it is the site
5 of the largest known geothermal resource probably in
6 North America, if not the world, and we think that there
7 may be some opportunities there not only for geothermal,
8 but for perhaps solar development out in the Playa area
9 as it becomes exposed due to dropping water levels.

10 The second part of our grant that we got was to
11 update our conservation and open space element. And
12 that will again be piggy-backing on the DRECP to
13 identify conservation opportunities, much as DRECP is
14 doing in the whole planning area, but doing it on the
15 local level. And so, we're just getting started with
16 that.

17 We're about the same place as Josh is, in Inyo
18 County, with our first grant on our alternative energy
19 element, and so the second one has fallen a little bit
20 further behind.

21 We think these will be very helpful tools. As
22 some mention has already been made, we're a little
23 behind the eight-ball in terms of getting the first wave
24 of renewable development has already sloshed over us,
25 and we are now preparing, hopefully, to be a little more

1 organized, and a little more prepared to handle what's
2 coming down the pike.

3 We've been told, in our effort as we move
4 forward with this planning process, that CEC or somebody
5 up here in Sacramento -- if I find him, I'm going to --
6 no.

7 (Laughter)

8 MR. HORNE: Have told us that they're looking at
9 about 7,000 megawatts of energy, renewable energy to
10 come out of Imperial County. We have about 2,000 now,
11 so we made a good dent in that.

12 They expect about 2,500 megawatts of that will
13 be geothermal.

14 So, we're planning and kind of reverse
15 engineering what we're doing to take that goal into
16 account in what we're doing.

17 I would have three areas of recommendation or
18 areas that I think we need to work on.

19 One is the permitting process. I heard Michael
20 Picker talk a little bit about some of his thoughts on
21 that. I'm not sure I always understand what Michael's
22 saying, but I think what I heard him say is, you know,
23 we need to -- and Jim Kenna said earlier, too, we need
24 to inject a little more certainty and predictability
25 into this whole process.

1 If you've gone through, after the tremendous
2 amount of work that's gone into the DRECP, and these
3 local planning efforts, if we can't carve or create a
4 better roadmap for success for project developers, and
5 state and local agencies in this process we have failed.
6 And I don't like to be part of failure. I don't think
7 any of us do.

8 And so, we've got to figure out a way to make
9 that process more predictable, more certain if we can.

10 The Legislature, for instance, and I'll just
11 take it from a local, has created some very clear policy
12 mandates for rooftop solar. Local agencies can't
13 regulate those.

14 And that's for a good reason that, you know, we
15 want to have, want to encourage people to put rooftop
16 solar.

17 There are other types of renewable energy, like
18 utility scale, that could be accorded something similar
19 to that in terms of if you have gone through all the
20 steps and you have followed these roadmaps that we're in
21 the process of creating maybe you should get some kind
22 of consideration.

23 Because we've had a number of projects down
24 there when they've got all finished have gotten sued,
25 and then have gotten off the rails.

1 That should apply, also, I think to transmission
2 construction and siting.

3 We have gone through, at the local level, the
4 nightmare of the Sunrise Power Link. Well, the
5 nightmare has become a real blessing for us because it
6 has facilitated renewable energy development.

7 But I don't know that any self-respecting or
8 sane utility would ever want to go down that road again
9 without having a little more predictability and a little
10 more certainty about what they're doing.

11 Carl mentioned the RETI process. It never got
12 really completed. We need to embark upon some effort to
13 create a little more certainty and predictability in
14 that process, and streamlining, I guess if you want to
15 use a nasty word.

16 And I told Sarah I wasn't going to use that
17 word, but I did anyway.

18 The third leg of my proverbial stool is the
19 procurement process. And John White can talk a lot more
20 eloquently than I can about, you know, the shortcomings.
21 And we've had some discussion about that today.

22 But if we look at what we're talking about, just
23 the title of what we're doing here today of integrating
24 environmental information into renewable energy that's
25 what we need to be looking at.

1 And I know we've had a lot of -- you know, I
2 look at some of the stuff's that going on around me, or
3 around us right now and I shake my head. Does anybody
4 really believe that building natural gas plants to
5 replace the carbon-free emissions at SONGS is a good
6 idea?

7 You know, does that help us with our greenhouse
8 gas reduction targets?

9 Does anybody believe that the natural gas
10 pricing and glut of supply is going to last?

11 Are we so foolish; are we so short-sighted as to
12 think that that is a reality?

13 And my final rhetorical question is, if you do
14 believe that, would you be willing to help me invest in
15 my new fracking company --

16 (Laughter)

17 MR. HORNE: -- because I've got a good idea
18 about how we can get that done.

19 I think that the thing that -- I have one more
20 little comment. I think the lot of the stuff that I've
21 heard, and if you go back and talk about the RETI,
22 somebody had a quote there from the RETI process about
23 how we can have the least impact.

24 And I think, instead, when we start looking at
25 establishing, and identifying, and attaching

1 environmental values to our procurement process we need
2 to stop looking at how we can do the least harm and
3 start figuring out how we can do the most good.

4 MS. WATT: I'm glad I didn't take the mic away.
5 That was a great ending.

6 So, Cindy, are you out there?

7 MS. THIELMAN-BRAUN: Yes, this is me. Can you
8 hear me?

9 MS. WATT: Oh, great, I'm glad you arrived.
10 Cindy, I'm going to ask you to focus on a few --
11 go quickly through your slides. But this is Cindy
12 Thielman-Braun. She's a Planner with the County of
13 Riverside, our most recent grantee. Welcome.

14 MS. THIELMAN-BRAUN: Thank you, Terry. And
15 given our relative newcomer status I don't have a lot to
16 say, actually, but I really -- especially following Andy
17 Horne, who obviously knows the territory.

18 So, briefly, next slide, just Riverside County,
19 we're in Southern California. We're almost 200 miles
20 across, east to west, so we touch practically every
21 other county.

22 The next slide, we do have a variety of energy
23 facilities in our county, the usual fossil fuel being
24 foremost. But in the last decade we've had certainly
25 the resurgence of renewables.

1 The next slide, in particular, in the last eight
2 years we went from having zero commercial solar to
3 having over 700 megawatts. And, actually, that total is
4 now over 830 because we now have two parabolic trough
5 sites at Genesis, I believe, and each is of 125 megs.

6 Those three yellow circles show where they're
7 concentrated.

8 And also, the next slide, well, I'll skip back
9 to that slide in a second.

10 So with our CEC grant, since we are at such a
11 preliminary phase, we are doing a general plan
12 amendment. And right now we're simply looking at
13 focusing on where are our renewable energy opportunities
14 and how can we coordinate that with State DRECP and
15 other efforts, and in particular the desert, as I
16 mentioned, and also the Salton Sea area which is a
17 geothermal area, as Andy mentioned.

18 The next slide, oh, to go back to the desert
19 issue, our whole eastern half of our County, which
20 encompasses almost over 3,000 square miles. Outside of
21 the City of Blythe, there's only about 6,000 people
22 living out there and a lot of the land is federal,
23 public federal lands. The tan is BLM for the most part
24 and the green is the Joshua Tree National Monument.

25 So, we're looking at getting some good

1 coordinated planning efforts. A lot of the DRECP
2 discussions from earlier are going to come in handy.

3 The next slide. And an area where we're
4 particularly keen to advance is in our Salton Sea area,
5 which is a known geothermal resource area. And Andy
6 Horne mentioned it briefly. I loved his comment to
7 Google it.

8 They do have successful geothermal sites
9 operating down there. And we do not have any geothermal
10 production in our County, yet, so I'm hoping.

11 One of the key things that we're working with
12 from the State, our CEC grant and, hopefully, the
13 outcome of this product will be coordinating and
14 learning from Imperial County's expertise and developing
15 some general plan level policies and plans to help
16 foster development of geothermal if we have suitable
17 resources, which supposedly we do.

18 The next slide. And lastly, a big component for
19 us, again, is getting everything online. This is our
20 department website, the front page. The Renewable
21 Energy Grant has its own page.

22 The next slide. And also, we are in the process
23 of launching an RGIS-based mapping, GIS mapping online.
24 It's not public, yet, but it would operate more akin to
25 some of the Data Basin work that was shown in the

1 earlier panel.

2 And, in fact, I'm hoping that we'll be able to
3 create a specific module of layers and functionalities
4 specifically addressing renewable that will be
5 accessible from this portal.

6 And who knows, maybe I'll be able to talk to Jim
7 and get even better coordination with data that we may
8 actually share.

9 The next slide. So, in conclusion, at this
10 point being so new to the process, and today helped and
11 kind of reinforced my view on this, we're at the stage
12 that I kind of call the multitude of riches or be-
13 careful-what-you-ask-for thing where there is a lot of
14 data out there.

15 The last slide, the next slide, yeah, so right
16 now what I am personally struggling with is definitely
17 what I call many maps/view plans, being able to kind of
18 see the plans through the maps and understand the
19 relationship amongst the maps, the relationship amongst
20 the plans, recognizing what data is key, recognizing
21 what we have versus what we need.

22 And we are going to be working with NREL
23 closely, and the Salton Sea Authority on getting work
24 done in that area.

25 But it's very tricky, especially when you have

1 conflicting data, different sources, having to judge
2 quality or age.

3 And then, of course, the thing that we've been
4 hearing from all day in every one of these counties
5 except, I guess, San Luis Obispo, can commiserate with
6 which is, you know, we're also trying to coordinate with
7 the DRECP and it's a moving target.

8 And, you know, so there's that sense that we
9 want to make sure that we're all rowing in the same
10 direction.

11 And I guess I'll close by saying there's a
12 reason why professional planners are also known as
13 professional cat herders.

14 (Laughter)

15 MS. THIELMAN-BRAUN: So we, hopefully, will be
16 able to learn from the work today and especially the
17 experiences and kind of the ground that's been broken by
18 our neighboring counties who have been through some of
19 this area.

20 I think that just by taking this grant and
21 getting plugged into the CEC programs already I can see
22 that we've had additional resources at our fingertips.
23 And it's the expertise of the CEC and our fellow
24 counties has already proven very beneficial and we're
25 very excited about getting this process going.

1 Thank you.

2 MS. WATT: Thank you, Cindy.

3 So, let me check in with our leadership here,
4 can we keep going? Great.

5 Good, well, let me introduce Craig Murphy. He's
6 the Division Chief of Kern County's Planning Department.

7 And we have a short video to kick us off.

8 I want to say Kern County is one of the counties
9 that has not sought a CEC grant and it doesn't appear to
10 need one. So, you're up.

11 MR. MURPHY: It will probably be easiest if we
12 just start with the video and that will kind of lay the
13 foundation for everything afterwards.

14 (Video played)

15 MR. MURPHY: The purpose of showing that video,
16 that was shown at the State of the County Address this
17 last January. And I'm actually proud to say that that
18 megawatt number is now up to 8,619 megawatts that have
19 been permitted as of this last week.

20 Clearly, Kern County is an energy county. Ag
21 and energy is what we do.

22 And, you know, the theme that I'm going to kind
23 of go through here and just kind of touch base, and why
24 I thought it was important to show ag, oil, renewable
25 energy, even though we're talking about renewable energy

1 today, is because our approach to fostering industry,
2 which I think will help your thinking if you spin your
3 mindset just a little bit.

4 So, it's the responsibility of local
5 jurisdictions to implement land use on private lands.

6 Unlike Ms. Klein, I actually very easily, if a
7 developer comes into me and says what are the impacts,
8 what are the mitigation for a solar or a wind project, I
9 can give them a pretty good estimate in terms of what
10 mitigation is going to be required.

11 Biology is kind of always that one because it's
12 so site specific. But other than that, everything else
13 I can give a pretty good handle and understanding, and
14 give really good early direction partly because that's
15 what we do.

16 My job is to process projects and implement land
17 use. That's the commodity that I bring to the table.

18 I don't tell a business how to operate. You
19 know, that's their job, they're going to figure out how
20 to do certain things.

21 My job is to make sure that there's a system in
22 place that allows them to go through the process.

23 So, my recommendation or theme for today is
24 that -- or my advice to you was that you need to start
25 thinking of local jurisdictions as a business.

1 You know, my job is to permit and process
2 projects.

3 Too often regional approaches, whether they are
4 intended to, but they result or what appear to result in
5 superseding local governments' and local jurisdictions'
6 authority over land use.

7 As was mentioned earlier, there's a box that
8 seems to get put around us and it limits our ability to
9 be flexible.

10 So, I'm going to give you two very real-world
11 examples of how the State's actions are not business
12 friendly when they come to the permitting of projects
13 and local land use.

14 I'm going to start with your PPA process. I do
15 not know all the details that go into getting your PPA
16 and going through the CALISO process.

17 What I see on my end is after a year and a half
18 of processing an environmental impact report, when we've
19 gone through all the issues, the mitigation's been
20 identified, we're going before our hearings and my board
21 members want to take out seven wind turbines, they want
22 to reduce a size of a, you know, 1,000-acre project to
23 700 acres so that they can address environmental
24 concerns, land use compatibility with local
25 jurisdictions and local residents.

1 To be told the fact that, I'm sorry, I have an
2 agreement already. If you do this, the project is dead.
3 I get told that a lot.

4 I've had another individual tell me my agreement
5 ends on this day. If I don't have an approval, then the
6 project is dead.

7 You know, going through this land use process,
8 this local entitlement process, this local public
9 process is an important factor that we know how to do.
10 And to have a hard deadline that says something like
11 that limits our ability.

12 There is no flexibility in that process at all.

13 I have one project that may be not the best
14 sited. We'd like to move it over. I was told that they
15 would go, right from the beginning in their power
16 purchase agreement in CALISO they'd be thrown at the
17 back of the queue when they've already gone through.

18 That puts local elected officials in a very
19 difficult position of trying to manage conservation,
20 manage land use, and also produce these projects.

21 The second option or the second item I just want
22 to bring to the forefront, because I have to think of a
23 lot of different things.

24 You know, this group is really focused on the
25 energy aspect of it, but here's how different

1 regulations contradict each other.

2 SB 375, I'm required to reduce my vehicle miles
3 traveled to meet greenhouse gas goals. I have over
4 8,000 megawatts of permitted renewable energy, none of
5 which can count for reduction of greenhouse gas
6 emissions.

7 You're asking us to participate in this DRECP
8 process, where a lot of the mitigation land would be in
9 Kern County and the projects, themselves, would be in
10 our adjacent counties.

11 Why is that an issue? Because if you're going
12 to hold me to the standard of reducing vehicle miles
13 traveled and I have a city, Cal City for example, that's
14 kind of out in the hinterlands in the desert, they need
15 to have wind to mitigate their own projects.

16 If they need to build a shopping center in Cal
17 City because it's too far to drive to Tehachapi, I need
18 to have mitigation lines. I need to have those areas
19 that I can meet the needs of my constituents.

20 And that's what makes this overall process
21 somewhat difficult at times because I have a lot of
22 different interests and a lot of different boxes that
23 every different State agency has put us in and we're
24 trying to juggle all of that.

25 And so at times the best approach is to say I

1 know how to implement industry in my County. What is
2 the benefit, how does it help me to participate in this
3 other process, at least when it comes to the private
4 lands aspect.

5 So, again, that is my theme. Whether you think
6 of local government as a business or not, I'm not sure
7 of that. You may, maybe you do.

8 But, you know, my message is we're the ones that
9 are charged, especially on the private lands to
10 implement land use. That's what we know how to do. And
11 if you think of as a business, think of us as needing a
12 little bit of flexibility. Needing the ability to
13 modify the box to meet the needs of each county, each
14 city, each jurisdiction, I think that might help in your
15 overall process in terms of trying to get by in these
16 regional land use plans.

17 So, that concludes my comments.

18 MS. WATT: Thank you, Craig.

19 So, Paul, are you out there? We've lost Paul.

20 MR. HORNE: He went to lunch.

21 MS. WATT: He went to lunch.

22 Well, let's wrap it here then and --

23 MR. MC CARTHY: We're here, we're here.

24 MS. WATT: Oh, you're there. All right, Paul,
25 we're going to put up a couple of slides for you

1 courtesy of Sun Power.

2 And Paul, if you could take a minute and then we
3 could have maybe a couple of questions, that would be
4 great.

5 So, Paul, we need your recommendations.

6 MR. MC CARTHY: All right, basically, one of our
7 big issues here has been the dust issue with regard to
8 the Antelope Valley.

9 We take care of, we have jurisdiction over
10 private property in the Antelope Valley, in basically
11 the southern half, and Craig's Kern County is anywhere
12 from Avenue A north.

13 And the area has a lot of wind, there's no
14 question about it.

15 We have required in all of our projects that the
16 gen ties be undergrounded between the new project and
17 the Tehachapi line. And most of our projects are
18 situated very closely to the Tehachapi line so we do
19 have them clustered, and we like that.

20 That was something we wanted to encourage and
21 we've been successful in that.

22 I just want to let you know that with the DRECP
23 grant we are working on the energy ordinance and the EIR
24 to accommodate that energy ordinance, renewable energy
25 ordinance.

1 We anticipate that the EIR is going to be done
2 by the end of August. And the matter will go on to the
3 Board in March of 2015. So, we're moving ahead with
4 that on schedule.

5 The main thing that we have had difficulty is
6 working with the industry. And I think it's important
7 that all of the agencies share information with regard
8 to best management practices.

9 And that would be very helpful so that no one
10 agency, whether it be a city or a county, is dealing
11 with something new, brand-new for the first time that
12 there's some body of knowledge that's being shared with
13 all of us.

14 Also, I'm looking forward to utilizing in the
15 years ahead, down here on our environmental impact
16 reports I want to utilize the DRECP IER to help deal
17 with these issues relating to cumulative impacts.

18 And so, that gets back to what was being
19 discussed earlier in the morning when you were talking
20 about a database, maintenance of information there. It
21 has to be maintained and the EIR is a picture of a
22 moment in time.

23 So, but every year we need to have an update
24 telling us, well, how many acres of the Mojave now are
25 under solar development or wind development, et cetera,

1 or geothermal?

2 And we can keep a running tab on that so that we
3 can continually utilizing that, tier off of that
4 information in our cumulative analysis.

5 There was some mention here of some conflicts
6 with State agencies. State Fish and Game, sometimes we
7 get conflicting information there. We want one acre of
8 mitigation for each acre impacted. Sometimes they say
9 two. So, having some consistency there would be helpful
10 for us.

11 With regard to the numbers of projects we have,
12 we've approved ten projects. We have two in the
13 pipeline, but the total megawatts here for L.A. County,
14 unincorporated, is 714, only.

15 We have additional in the City of Lancaster and
16 Palmdale and some other agencies, such as State and
17 Water Resources, that don't have to come to us for
18 permitting.

19 In terms of cooperation with federal and state
20 agencies, one unlikely agency you might not think about
21 is USDA, the Department of Agriculture. They're very
22 helpful in coming up with some dust mitigation measures.
23 In fact, that was one of their -- the main reasons they
24 were created back in the Great Depression was to deal
25 with the dust storms back during that era.

1 So, they have a lot of expertise there and they
2 need to be brought into the picture, as well.

3 One success story we've had, and there's a
4 picture up here of it, and actually the project is
5 called Sun Power, about three-quarters of it is in Kern
6 County, about the other third is in the L.A. County.

7 They do relatively little graded, as post
8 construction, pile driving and the solar panels are
9 placed on top of the individual posts. And that is a
10 tremendous reduction in grading.

11 And you can see the men standing there and,
12 basically, there's a mixture of seeds in some areas, and
13 the alfalfa, pure alfalfa in others that's doing very
14 well.

15 And so, some of our biologists were telling us
16 nothing could grow under these solar panels. Our two
17 staff biologists were adamant about that.

18 But you can see here that even in the areas
19 where the panels are fully installed there's lots of
20 greenery there. And it really looks good when you drive
21 out there. The visual mitigation very effective and
22 dust mitigation is very effective.

23 We heard one complaint from someone about
24 vibrations from the pile driving and that's it.

25 But there's tremendous reduction in dust

1 complaints because of this kind of a strategy, in terms
2 of construction.

3 So, they went into a former alfalfa field and
4 built upon it, and they had that alfalfa already growing
5 there and they've been able to renew it.

6 So, that's really been very helpful and that's
7 what we need to think about. And that's where the USDA
8 people were involved with them in giving them advice,
9 and it was a very good successful conclusion.

10 So, that's what we want to see more of is better
11 coordination between all the agencies.

12 And again, we need to keep up to date on the
13 latest statistics. The statistics that relate to how
14 successful the State's been in reducing energy
15 consumption through conservation measures that have been
16 mandated, how successful you've been in terms of moving
17 ahead with the rooftop solar up and down the State.

18 You've been enormously successful and we know
19 that in a broad sense, but we don't have the specific
20 statistics at our hands to mention when we get out to
21 some of these community meetings.

22 People in the desert say, wait a minute we want
23 everybody to be a part of this solar project. And I
24 think that's been alluded to by some of the other
25 presenters from Riverside, and San Bernardino County and

1 Imperial County. They want to know that other people,
2 in the other parts of the State are participating. And
3 if we could get that data on a regular basis, a
4 newsletter or something that's sent out on the web to
5 the affected counties, that would be very helpful to
6 get.

7 I mentioned a few facts and figures at a meeting
8 just the other day in California City and the audience
9 was very, very positive in their response to that. They
10 like to feel that they're not alone in dealing with the
11 issue of how do we generate enough renewable energy.

12 And I'll leave it at that.

13 MS. WATT: Thank you, Paul.

14 I'm going to give this back to you, Janea, and
15 see your pleasure, since we've run over.

16 COMMISSIONER SCOTT: Do I have any questions
17 from the dais here?

18 COMMISSIONER PETERMAN: Thank you, I found this
19 panel really interesting. It was great to hear about
20 some of the on-the-ground opportunities, as well as
21 challenges with renewable energy siting and procurement.

22 Coming from the PUC, I did want to make a broad
23 comment about procurement because a couple of folks have
24 raised it, and particularly in response to something Mr.
25 Murphy raised.

1 What's interesting, being the PUC, is that we
2 don't work as directly with the developers or with the
3 local governments because we are working with the
4 utilities who are bringing forward these contracts.

5 And I do want to note on a broad level that
6 there is some flexibility with amendments in contracts.
7 My anecdotal experience is that sometimes the developer
8 or the utility may scapegoat, use the Agency as a
9 scapegoat for why something can't be done.

10 But the reality is they do have, sometimes, that
11 bandwidth or we have that flexibility in terms of within
12 our rules to initiate a process.

13 So, I would encourage you to establish a contact
14 with the Public Utilities Commission. We have Ed
15 Randolph, in the back who is our head of our Energy
16 Division, or you can reach out to me.

17 Because I think this gets to one of the social
18 problems of silos that sometimes, you know, just a phone
19 call can help address whether something is truly a
20 barrier or just being presented as such.

21 And then there were also lots of good
22 suggestions about things that we need to take under
23 consideration.

24 As Paul Douglas noted earlier, we are looking
25 about how we think about environmental factors within

1 our RPS Calculator and in our broader RPS portfolio.

2 We're going to be initiating a new phase in our
3 RPS proceeding, as this one wraps up, and so I'll take
4 all these comments back with me as we start to configure
5 that.

6 COMMISSIONER DOUGLAS: I just have a comment, as
7 well. I just want to say I appreciate our partners in
8 the local governments being here today and on the WebEx.
9 And it's great to hear your comments and it's been
10 really valuable to me to go to the counties and
11 participate in some of the public meetings and outreach,
12 and just kind of learn more to understand the
13 partnership we have and the different ways that we can
14 work together in this. So, appreciate that.

15 I don't really have any questions right now, but
16 I think others might and this was really helpful.

17 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: No
18 questions in particular, but I did want to offer up a
19 thought that occurred to me in listening. And, boy, if
20 there's been a series of presentations that drives home
21 the point about how important the integration of local,
22 state and federal is, and how powerful it could be if
23 all of it was aligned, because we then have access to a
24 lot of that direct knowledge that occurs at the local
25 level.

1 So, a powerful message there, thank you.

2 COMMISSIONER SCOTT: Great. I think I will
3 basically end up reiterating what my fellow dais mates
4 said.

5 But I also want to thank the counties for being
6 here -- oh, I'm sorry.

7 MR. JOHNSON: Janea, this is Roger Johnson. I'd
8 just like to follow up on one thing Paul McCarthy said.

9 He indicated a need for best management
10 practices to be available to all agencies. And I just
11 wanted to remind people that the REAT agencies did put
12 out a best management practices manual, which was
13 exactly for that purpose to inform all agencies, state
14 and local, on what the agencies believe are the best
15 management practices.

16 That's located in the DRECP.org website. And it
17 was intended to be a living document, so if there are
18 new measures for dust control that should be updated in
19 the manual, it would be good to hear about that so that
20 we can revise the manual and issue it again. Thank you.

21 COMMISSIONER SCOTT: Great, thanks Roger.

22 So, I just wanted to thank the counties for
23 being here and taking the time to call in. You are
24 important partners and we look forward to continuing to
25 work with you.

1 I also agree that it was incredibly useful, very
2 useful to hear about the various policies, the
3 challenges and the successes that were highlighted
4 throughout your informative presentations on the status
5 of the planning efforts.

6 I think that was a really good set of
7 information that we got in pretty quick -- in pretty
8 short order.

9 I think we heard a theme throughout your
10 presentations and also throughout the morning of
11 coordination and collaboration. Talked about the
12 importance of flexibility and aligning policies, so I
13 would echo what Jim Kenna said.

14 And I want to say thank you again to Terry for
15 her moderation and to the panel for your informative
16 presentations.

17 I want to remind folks if you'd like to make
18 comments that you need to get a blue card from our
19 Public Adviser. And the lunch break might be a great
20 time to go and do that.

21 We're going to reconvene here at 1:45, so we'll
22 see you back at 1:45. Thank you, again, to our terrific
23 panel.

24 (Off the record at 12:57 p.m.)

25 (On the record at 1:58 p.m.)

1 COMMISSIONER SCOTT: Okay, so we're on our
2 afternoon panel.

3 Let me turn to Heather to see, are there any
4 afternoon announcements you'd like to make before we
5 jump in?

6 MS. RAITT: No, we're good.

7 COMMISSIONER SCOTT: Okay. So, panelists hello.
8 Everybody welcome back to the Energy Commission. Good
9 afternoon.

10 We are going to start now with our Panel Number
11 Four, moderated by Commissioner Karen Douglas.

12 And we're going to have a roundtable discussion
13 about Government, Utility, Developer and Environmental
14 Perspectives.

15 So, let me turn it over to Commissioner Douglas.

16 COMMISSIONER DOUGLAS: Thank you, Commissioner
17 Scott. Welcome everybody. It's great to get started
18 more or less on time.

19 We've got a lot of conversation and I know some
20 folks have been looking forward to this conversation for
21 some time.

22 So, I think I want to thank all of our
23 moderators in the morning. They did a fantastic job and
24 helped us get through material, get through it timely
25 and put a lot of information out.

1 I didn't feel as though I could stick anyone
2 with moderating this panel because there are a lot of
3 views here and a lot of people here. And I think we're
4 going to have some really interesting discussion here,
5 so I volunteered to try my hand at moderating.

6 I'd just like to start by going around the room
7 and asking everybody, if you were not on a morning
8 panel, or if you were on a morning panel and you can't
9 resist --

10 (Laughter)

11 COMMISSIONER DOUGLAS: -- but primarily if you
12 were not on a morning panel to please introduce
13 yourselves and provide just a little bit of background
14 about what brings you here, your interest in these
15 issues, and if there's anything out of the morning
16 presentation or anything just kind of burning foremost
17 in your mind quickly just go ahead and help set the
18 table with some of your thoughts.

19 Let's start with Steve Chung.

20 Well, okay, we already introduced the dais so to
21 speak. But maybe, Jim, you had intro. Do you want to
22 go to Steve?

23 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: No,
24 go to Steve. This is Jim Kenna.

25 COMMISSIONER DOUGLAS: Okay, Steve.

1 MR. CHUNG: Steve Chung, Department of Defense,
2 working with the Department of the Navy.

3 My main role here is representing, essentially,
4 the military equities and the processes. And I've been
5 participating with the DRECP for, gosh, a long time,
6 many years.

7 A very good collaborative process and we want it
8 to continue.

9 MS. SCHUBERT: Hi, Sandra Schubert. I'm
10 Undersecretary with the Department of Food and Ag. I'll
11 be tag-teaming with Jim Houston, hopefully, if he can
12 make it later today.

13 We do a lot of work on a variety of renewable
14 energy and bioenergy issues and we're here to listen,
15 and learn and, hopefully, represent Ag's point of view
16 from the State's aspect. Thank you.

17 MR. DETMERS: Keep going here. My name is Jim
18 Detmers. I'm the former Chief Operating Officer at the
19 California Independent System Operator. I'm currently
20 representing the Westland Solar Ranch or the solar
21 project located in the Central Valley, in Kings and Kern
22 County -- Kings and Fresno County.

23 I'm here to watch this process evolve. I've
24 been around through this process from the start and I
25 want to see it continue so that we can make it more

1 effective, do the right things, and really start
2 focusing in not just on economically building
3 renewables, but let's do it right, and do it the first
4 time, and for the long haul.

5 Too many of the decisions today are short-term
6 type decisions and those reactions don't necessarily
7 lend themselves to the best long-term grid or long-term
8 fuel supply and power supply for California. So, I want
9 to make sure we stay on and don't repeat some of the
10 things from the past that I had to deal with, things
11 like the energy crisis and things like that.

12 MR. WILCOX: Hi, I'm Bruce Wilcox. I'm filling
13 in for Kevin today.

14 My role at IID is primarily to manage the
15 environmental programs, which includes the Salton Sea
16 Restoration Program.

17 And there's a lot of the people around the table
18 today that we've worked with in the last couple of years
19 on that.

20 So, we're very interested in how the DRECP might
21 help support that process.

22 MS. FRAZIER-HAMPTON: Janice Frazier-Hampton,
23 Pacific Gas & Electric Company. I'm the Director of
24 Integrated Resource Planning.

25 We're very interested in all the planning

1 processes, how we can leverage them, how we can ensure
2 that there's not duplication of efforts, and how we can
3 ensure that going forward we can continue the
4 coordination and consider the alignment that needs to
5 exist across all of the agencies.

6 So, we look forward to being part of the
7 discourse and part of this conversation.

8 MR. STRACK: Jan Strack from San Diego Gas &
9 Electric, and I'm in transition planning.

10 We've contracted for a lot of renewables down in
11 the Imperial Valley, we're active down there.

12 I've been working on the RPS Calculator model,
13 trying to get enhancements made there and you've heard a
14 little bit about that today.

15 I've been active in the Environmental Data Task
16 Force, I think we heard about that today, at WCC, and in
17 the broader WCC coordinated planning activities, and
18 then go backwards, back to RETI and even RETI's
19 predecessor.

20 So, I've been involved in all of these issues
21 for a long time.

22 MR. RICHARDSON: Good afternoon, my name is
23 Kevin Richardson. I'm a Transmission Planner for
24 Southern California Edison. I've worked on the RETI and
25 also the DRECP.

1 My interest today in this panel is incorporating
2 environmental information earlier on in the transmission
3 planning process.

4 In my roles at Southern California Edison I have
5 some opportunities, before we even get to CEQA and NEPA,
6 to incorporate some of the information we've talked
7 about today in scoping meetings with generation
8 developers just to make sure they're kind of in the
9 right place, that they're not going to initially trigger
10 upgrades that are just on a dead on arrival area, and
11 also when I'm doing the studies and coming up with
12 upgrades.

13 So, I'm not suggesting an upgrade that would
14 just be dead on arrival in the CEQA and NEPA process.

15 So, I could incorporate some of these tools that
16 we're talking about today earlier on in the transmission
17 planning process.

18 MS. SLOAN: Good afternoon, I'm Katie Sloan,
19 also with Southern California Edison. I represent the
20 procurement side. I work on a lot of renewable and
21 alternative procurement policies.

22 And here, today, we'd really like to talk about
23 some of the good work that's been happening with the
24 environmental agencies and the other collaborative work
25 to see how we can use that to help inform our

1 procurement process.

2 MR. HORNE: I'm Andy Horne with the County of
3 Imperial. I've been informed by scientific pollsters
4 that nobody wants to hear anything more that I have to
5 say.

6 (Laughter)

7 MR. HORNE: So, it's a pleasure to be here.

8 MR. STUCKY: My name is Matt Stucky and I'm with
9 Abengoa Solar. We are developers and operators of
10 utility-scale solar projects, particularly concentrated
11 solar power.

12 And so, our interest here is, I guess as various
13 State entities work through renewable planning processes
14 that this particular technology is considered because
15 it's pretty unique both from the types of benefits it
16 can bring as a renewable energy, but also in the siting
17 challenges associated with it.

18 And as we move towards zones, which we clearly
19 are, we're very interested in making sure those zones
20 can accommodate CSP technologies.

21 MR. KELLY: Good afternoon, I'm Ray Kelly. I'm
22 Director of Environmental for NRG Renew.

23 We are a developer, owner/operator of solar
24 projects throughout the country and in California. We
25 are a member of the California Desert Renewable Energy

1 Working Group and so we're very much interested in the
2 topics that are being discussed today, and want to
3 participate and provide information, and contribute to
4 this discussion.

5 MR. GRONNER: Hi everyone, Jesse Gronner. I'm
6 with Iberdrola Renewables. Like my colleagues here,
7 we're also a developer, owner/operator of significant
8 utility-scale renewable energy.

9 We've got about 6 gigawatts in operation in the
10 U.S.

11 I'm responsible for the Western U.S., and
12 California is, of course, our key market.

13 We have a significant interest in kind of the
14 topic of today, too. From our stand point, we think
15 it's really important to differentiate kind of how the
16 development process goes, make sure things are done
17 right.

18 We're not just developers that at the end of the
19 day don't stay involved with our projects, we stay
20 through. So, it's really important for us to make sure
21 that when projects are done, they're done right for the
22 long term.

23 So, we're interested in the discussion today.
24 And we think, maybe different than others in the
25 industry. We think raising the bar a bit on

1 environmental stewardship is appropriate, but it has to
2 be done in the context of all of the other constraints
3 and pressures that come with the development process.

4 So, we can hopefully get more into that.

5 MS. RADER: Good afternoon, Nancy Rader with the
6 California Wind Energy Association.

7 And in addition for taking on Bob for the 78
8 eagle comment that you made, which I'd like to do
9 later --

10 (Laughter)

11 MS. RADER: -- I'm hoping to remind everyone
12 that we have already integrated environmental
13 information into our Renewable Energy and Transmission
14 planning processes, namely the RETI process and also in
15 the DRECP process. Granted, that's still going through
16 their process.

17 But I want to argue that we actually have -- we
18 already know what upgrades need to be made and the State
19 ought to adopt that as a conceptual transmission plan.

20 And that if we do that, we will not need for the
21 PUC or the Energy Commission to screen projects on an
22 environmental basis for purposes of transmission
23 planning because the transmission will already be
24 planned for.

25 So, that's what I hope to discuss today.

1 MS. GOLD: Rachel Gold with the Large-Scale
2 Solar Association. I've been working on issues related
3 to the RPS Calculator and long-term planning, and in
4 particular related to some of these environmental
5 screens questions for the last several years.

6 And I'm really interested in seeing how we can
7 improve upon in the next iteration of that tool.

8 And our interest is really to have a fair and
9 transparent approach to environmental screening in the
10 calculator and in long-term plans in general, and I
11 think that we have some work we can do on that. So, I'm
12 looking forward to the conversation.

13 MS. BRAND: Hi, my name is Erica Brand and I'm
14 Project Director of the California Renewable Energy
15 Initiative for The Nature Conservancy. Thank you for
16 having me today.

17 I'm really interested in talking about how the
18 agencies, local, state and federal, how we can continue
19 to improve the connections between landscape-scale
20 planning for energy and conservation, long-term planning
21 for generation and transmission.

22 I've spent a lot of time trying to understand
23 these processes myself, how they connect, where there
24 may be gaps so that we can create a comprehensive
25 framework for planning that -- where we can develop

1 meaningful incentives through planning to enable
2 accelerated energy development in ways that protect
3 wildlife habitat and ecosystem function.

4 MS. FRIEDMAN: My name is Sarah Friedman and I
5 work for the Sierra Club on issues related to large-
6 scale renewable energy generation and transmission.

7 And I'm here today to talk about ways to better
8 kind of incorporate environmental values with
9 procurement and planning.

10 And I was really heartened by this morning and
11 kind of the interest from a number of stakeholders in
12 kind of --

13 COMMISSIONER DOUGLAS: Sarah, can I --
14 microphone. Thanks.

15 MS. FRIEDMAN: -- how to use the great data
16 we've gotten so far to improve planning and procurement.

17 MS. O'SHEA: Hi, I'm Helen O'Shea with the
18 Natural Resources Defense Council. I direct our Western
19 Renewable Energy Project and I've been working on issues
20 related to siting of large-scale facilities in the
21 desert, and the DRECP, specifically, for longer probably
22 than I care to recall. I'm going to say it's six plus
23 years, I think, at this point that we've been doing
24 this.

25 And one issue that came up this morning that I

1 hope we can talk about today, and that I'm personally
2 interested in, is the theme of alignment of policies.

3 And I apologize, I can't remember which of the
4 county planners brought it up, but someone surfaced this
5 issue and it's incredibly important. And I think now is
6 a great time to have this workshop and to really focus
7 in on this from procurement to siting, both on private
8 and public lands.

9 How do we bring everything together to
10 incentivize solar development in the right places?

11 Thank you.

12 MS. KELLY: Good afternoon, Kate Kelly with
13 Defenders of Wildlife.

14 My focus with Defenders has been on renewable
15 energy siting on private lands, with a particular
16 interest in the Southern San Joaquin Valley and moving
17 forward up through the valley.

18 In the interface between procurement, local
19 government environmental planning, and long-term policy
20 approaches to "smart from the start" siting.

21 And thank you for having me today.

22 MR. THOLKE: Mark Tholke from EDF Renewable
23 Energy. The company is formerly a NEXCO start off as a
24 wind company, and now we're also doing solar, and also
25 looking at storage technologies.

1 I'm our Vice-President for our Western Region,
2 which means that I'm responsible and accountable for our
3 wind and solar project development and getting these
4 projects' steel into the ground.

5 The reason why I'm interested in participating
6 here today, and also in some of the processes leading
7 into it, you know, my view is that there is a business
8 case for avoiding areas with environmental conflict.

9 I also hold the opinion, that we can talk about
10 later, is that there's not a lot of consequence from a
11 developer, there's not a lot of disincentive for going
12 into those areas that are less environmentally benign
13 than others.

14 So, I think we can do a better job.

15 MS. MILLS: Karen Mills, I'm with the California
16 Farm Bureau Federation.

17 The Farm Bureau is a nonprofit trade association
18 that represents members throughout the State of
19 California. And our members inform us and we work with
20 them in issues such as renewable projects and
21 transmission siting.

22 So, I love jigsaw puzzles, but if this were a
23 jigsaw puzzle there would probably be a lot more pieces
24 in it than I usually like to work on.

25 (Laughter)

1 MS. MILLS: But for the last few years Farm
2 Bureau has taken heart on what's going on in the State
3 and has tried to provide ideas, and concepts, and has
4 worked with legislation to provide better pieces that
5 will help fit the puzzle together.

6 And so, we'd like to continue to talk about that
7 and how those pieces of the puzzle will work for the
8 future.

9 And for us, of course, it's about land use and
10 how that works with our counties.

11 And the local jurisdiction, that's also about
12 cost to our ratepayers. Our members are always
13 concerned about the implications from a lot of these
14 policies to their bottom line.

15 And as I listened to the conversation this
16 morning, I think one of the things that we would like to
17 continue to engage about is the information and the
18 transparency with respect to some of the issues that
19 arose, and to focus on providing effective information
20 that allows a better ability to act on the information
21 in a productive way. Thank you.

22 MS. ROZZELL: Hi, I'm Lara Rozzell, Renewable
23 Energy Coordinator for the Pacific West Region of the
24 National Park Service.

25 And sometimes it feels a little odd to say I'm

1 from the Park Service in a room like this because people
2 are thinking about Yosemite, and Alcatraz, and places
3 like that, and they don't think too much about the Park
4 Service being in large-scale planning processes.

5 But we're here and we have some millions of
6 acres and some millions of visitors down in the desert.

7 And I have co-workers down there who find
8 themselves in the same situation that Kern County
9 described this morning of going through a process, and
10 working -- wanting to work with the developer to make
11 some changes. You know, let's move some things for
12 Desert Tortoise, or move some things, think about
13 groundwater in a different way, approach this
14 differently.

15 And we often hear, but we already have our power
16 purchase agreement, we already have these deadlines to
17 deal with and so that becomes a problem.

18 And I also have co-workers who make a job in
19 D.C. of reading, and editing, and being involved with
20 the many Department of Interior initiatives and the
21 Administration's initiatives about streamlining
22 processing, streamlining these permits.

23 And I'm so glad they do that. And we have a job
24 in front of us.

25 And I think that there is a way to bring all of

1 this together such that we do create a more sensible
2 process for developers, so that they are getting the
3 same message in their procurement and environmental
4 permitting sides, and also we create a good atmosphere
5 for the folks of Kern County or Mojave National Preserve
6 to have their voice heard in the development process.

7 COMMISSIONER DOUGLAS: All right, thank you.
8 We'll go around the members of the dais, let me ask
9 Commissioner Peterman, Chair Weisenmiller is there
10 anything you want to add at this point or --

11 COMMISSIONER PETERMAN: Still Carla Peterman
12 with the California Public Utilities Commission.

13 (Laughter)

14 COMMISSIONER PETERMAN: I'm impressed by the
15 array of technical and --

16 COMMISSIONER DOUGLAS: Great.

17 CHAIRPERSON WEISENMILLER: Again, certainly want
18 to thank everyone for their participation today and it
19 should be an interesting session.

20 COMMISSIONER SCOTT: I agree. I just wanted to
21 do a reminder to all of our panelists, and also the
22 folks around the room who are probably feverishly trying
23 to take notes, that there will be a transcript of this
24 so you'll be able to see it.

25 Also, as a reminder for that, for folks who are

1 on the phone and also for our court reporter, if you'll
2 remember, please, to say your name as you're speaking, I
3 think that will help a lot.

4 And then because I always have to make this
5 announcement, we are very looking forward to the public
6 comment when we get to the end.

7 So, if you haven't had a chance to get a blue
8 card from our Public Adviser and you want to make a
9 public comment, please be sure to do so. He's standing
10 there and he'll get those up to us so that when we're
11 done with our discussion we'll have a chance to hear
12 from the public, as well.

13 And I'm also very much looking forward to the
14 discussion, so over to Commissioner Douglas to kick us
15 off.

16 COMMISSIONER DOUGLAS: All right, great. So,
17 I'm going to kick us off with the easy question.

18 I'm kidding about the easy question part.

19 (Laughter)

20 COMMISSIONER DOUGLAS: So, you know, we had a
21 lot of discussion earlier today about landscape planning
22 and we've looked at some examples of what landscape
23 planning is, the DRECP, the reporter from Department of
24 Interior.

25 And, Liz Klein, I know you're here. You're very

1 welcome to come up to the table, we've got space.

2 She's shaking her head. This has been enough
3 IEPR for her today.

4 (Laughter)

5 COMMISSIONER DOUGLAS: Excellent. So, let me
6 just throw the first question out here. I just want to
7 ask for reactions, ask for thoughts; what do you think
8 about landscape planning?

9 What are the possible benefits that we might get
10 out of it?

11 What are the concerns that you might have about
12 it as we think about this particular approach to
13 thinking about incorporating environmental information?

14 Kate, I see you reaching for the mic, go ahead.

15 MS. KELLY: This is a topic that's near and dear
16 to my heart. You know, in Defenders Smart From the
17 Start Report that we did in 2012 one of our key
18 recommendations was the necessity for looking at this at
19 a landscape level and doing landscape planning.

20 And that recommendation, I believe, was included
21 in the 2012 IEPR Report.

22 You know, the renewable energy, and particularly
23 the scale we've been talking about is a major land use.
24 And the development that's occurred and the development
25 that's considered in the future is going to result in

1 significant conversion of types of land use, whether
2 it's in the desert or moving up into areas such as the
3 Central Valley, where we have the land already involved
4 in some other types of land use.

5 Every other major land use in California and in
6 the Western States, I would say, is planned for in
7 significant, systematic public processes.

8 Renewable energy is at the state where it can
9 also really benefit from these same planning processes,
10 whether it's a DRECP style plan, or looking more at the
11 local level.

12 And Craig Murphy's comments this morning were
13 really on target of the need to really focus on the
14 relationship with the local land use planning and those
15 local land use planning processes, such as general
16 plans, specific plans, the blueprint plans that some of
17 the COGs have been doing.

18 This will allow that vertical integration
19 between federal, state and local plans that we've heard
20 about and the disconnects that, you know, are troubling
21 us at this point. Incorporating that type of planning
22 will really benefit this process and streamline and
23 provide a platform for a more efficient -- and
24 facilitate a higher outcome, I think, than what we've
25 seen sometimes with some of the projects we currently

1 do.

2 And, particularly, in trying to get towards some
3 of that disconnect issue that comes with PPAs and the
4 relationship with local plans.

5 COMMISSIONER DOUGLAS: Thank you. Other
6 comments, other thoughts, go ahead, Jim.

7 MR. DETMERS: Yeah, so listening to all of the
8 discussion this morning around bringing back up RETI
9 again, I just get the feeling that we're talking about
10 something that really isn't being used enough or it's
11 not being used in the right process.

12 And so, I think planning is a great thing and I
13 think just having the new tools that we have today to be
14 able to do that planning is the right thing to do.

15 I would suggest that we don't just do it just
16 for planning's sake, or just for information's sake. We
17 need to use that information so that we can have a
18 decision making process that works.

19 So, if I had something to add to your discussion
20 about just getting on with the landscape planning, or
21 transmission planning, or any of the rest of the
22 planning that's out there, I think talking about
23 planning is the vetting process that needs to happen
24 with everything in all these projects.

25 But let's also talk about how we can close the

1 gap between the planning and the decision making to make
2 sure that we use that information. That whoever the
3 agency is that has the responsibility, whether it's the
4 PUC, the CEC, the ISO, or whoever it is has a process to
5 use that information.

6 That would be the best outcome that I could see
7 coming from that.

8 COMMISSIONER DOUGLAS: Go ahead, Jesse.

9 And if you'd like to speak, and Janea has
10 offered to help me, which is great, one thing you could
11 do is just turn up your nametag. I hope they won't all
12 fall.

13 (Laughter)

14 COMMISSIONER DOUGLAS: Oh, wow, this is great.
15 Okay, go ahead, Jesse.

16 MR. GRONNER: Nice. I think to answer your
17 question on the pros and cons, I think at the landscape
18 level there's a lot of good things that can be gained.
19 I think transmission is definitely one of them.

20 I mean, if we look at TRTP as an example of a
21 big transmission effort that took a long time, but by
22 the time it got done you've got all this renewable
23 energy in the Antelope Valley, and both wind and solar
24 and, you know, already we're filling it out.

25 So, clearly, you know, ideally it won't take a

1 decade but, you know, there's been a lot of work
2 already. It's kind of dusting that off and getting back
3 to that for transmission.

4 For things like mitigation and where you do it
5 more kind of looking at the landscape and figuring out a
6 more cohesive way to address, not on a project-specific
7 basis, but you get more bang for your buck. I think
8 it's good for business. It's good for conservation and
9 the environmental side, so I think all that makes sense.

10 The one thing I would caution or that needs to
11 be paid attention to is when you do things at a
12 landscape level, and we're seeing this with DRECP and
13 some of the zones that are being created, you lose some
14 level of boots-on-the-ground detail that are actually
15 very relevant.

16 And so, you end up kind of at both ends of the
17 spectrum with what's really, you know, easy, what's
18 going to be really hard, but then there's a lot that's
19 left in the middle.

20 And so, the one caution being there's got to be
21 an opportunity, when you're looking at the landscape
22 level, to also acknowledge there's information that can
23 come from the ground level up that would actually inform
24 and you may draw a different conclusion form.

25 And when you're at the landscape level, you're

1 looking in the large scale, many projects, you know,
2 gigawatts worth of potential, whereas a given project or
3 specific area starting from the ground level may be a
4 few hundred megawatts of total viability, but it falls
5 within that gray area that can be more challenging. So,
6 those are some thoughts.

7 COMMISSIONER DOUGLAS: All right, thanks. And
8 I'm making a note where people do raise cautions or
9 issues because I want to make sure we circle around and
10 have some discussion on that.

11 I'm just going at this point from my left to
12 right, so go ahead, Nancy.

13 MS. RADER: Okay, so I definitely am going to
14 echo some of Jesse's thoughts. But some of the things
15 that jotted down while I was listening to the morning
16 panel were that the landscape planning is definitely
17 good enough for transmission planning.

18 And I want to now say that we went back and we
19 looked at the RETI conceptual plan and then we looked at
20 the five conceptual plans that were done for each of the
21 DRECP draft alternatives.

22 What was very interesting is that there were
23 five key foundational upgrades in common to all of those
24 scenarios; the RETI being a statewide analysis.
25 Granted, the environmental analysis was limited.

1 But then it corresponded to the upgrades that
2 are identified in the DRECP effort.

3 And so, we think that's very significant. And
4 according to our transmission guy, Derich Mohammany
5 (phonetic), who many of you know, he says a lot of these
6 upgrades are kind of no-brainers to folks who understand
7 the transmission system. That we really know what we
8 need to do to go to 50 percent and beyond, we've already
9 identified them.

10 And so I think that we need to, as Jim Detmers
11 said, you know, act on this information that we have,
12 that the State has invested significant resources in
13 RETI and DRECP.

14 We, as stakeholders, I know have invested a lot
15 of time and effort in these processes.

16 They have given us a result and we should take
17 that ball and we should run with it.

18 Now, as far as going beyond that, down to the
19 project-specific level, as Jesse said, that's where it
20 really gets tricky to start using these things to judge
21 projects, which is why it's fortunate we have a
22 transmission plan.

23 We don't need to try to judge proposed projects
24 at the PUC or at the ISO to try to figure out what
25 transmission to build because we've already done that.

1 So, the benefit of a transmission plan is that
2 it then allows the projects to be judged on things other
3 than their transmission status, which really boxes us
4 in.

5 For example, the PUC's long-term planning
6 process, in their scenario they only take renewables in
7 areas that have deliverability capacity available, so
8 we're constrained to that.

9 Now, if we had a transmission plan -- so that's
10 one scenario. That's one scenario. We're building for
11 one scenario.

12 The RETI and the DRECP plan for multiple
13 scenarios so we're not constrained to that one scenario.

14 So, that's why I think it's actually good for
15 the environmentalists, as well, is to disconnect the
16 transmission from the projects frees you up to look
17 harder at the environmental and economic, after you've
18 reached the projects and not just be stuck with those
19 projects that happen to have deliverability status.

20 And by the way, there aren't going to be very
21 many of those very long because we've built out
22 Tehachapi, Sunrise is reserved. There are only a few
23 little spots left that have deliverability capability.

24 And so, you know, we're going to have to build
25 something and so we should do it in a -- well, in a

1 policy-driven way. By the tariff authority that the ISO
2 got in 2010, the ISO has the authority to build policy-
3 drive upgrades that are the result of this kind of
4 planning that we have done.

5 So, I'll lead it there, thank you.

6 COMMISSIONER DOUGLAS: Thank you, Nancy.

7 Rachel?

8 MS. GOLD: Rachel Gold with LSA. So, one of the
9 things that I have been reflecting on is that I think if
10 we have landscape level planning that is effective it
11 will provide some real streamlining benefits and real
12 benefits to projects in terms of greater certainty, and
13 no more cost to build in those areas.

14 And those kinds of incentives will necessarily
15 drive those projects to those areas.

16 So, I feel like if we're at that level then the
17 question we've been thinking about is what do you then
18 do with that information?

19 Because we have a lot more information in the
20 DRECP area and all of that is -- you know, we're
21 building upon a lot of different pieces that formerly
22 folks didn't have access to.

23 So, that's a great resource but when we look at
24 doing long-term planning for the State we don't have
25 that same level of information across the State.

1 And I think it's really important to be able to
2 look at projects across the State using the same kind of
3 baseline data and treating them the same so that they
4 don't -- the system we have now gives preference to
5 projects within a DFA.

6 Well, for projects that are in other counties,
7 or other parts of the State, or outside of the State
8 they necessarily get a lower score.

9 That has been a challenge with the current
10 process and I think that I am concerned about then
11 taking greater DRECP level information that might only
12 exist for that area into the long-term planning process,
13 where we don't have that same information for other
14 areas.

15 So that if we're going to have a transparent and
16 fair process, we have to think about how to deal with
17 that issue.

18 And so, I know Paul raised a number of different
19 planning tools that could be used as we start thinking
20 about doing that and I'm very interested in continuing
21 that conversation.

22 COMMISSIONER DOUGLAS: Great, thanks Rachel. Of
23 course, today we get to ask you how we deal with
24 different levels of information. But that's on my list
25 and we're going to turn back to there.

1 So, go ahead, Erica.

2 MS. BRAND: Yeah, I wanted to -- this is Erica
3 Brand with the Nature Conservancy.

4 I wanted to pull in something that Liz raised
5 earlier today. So, landscape scale planning really
6 allows us to implement the mitigation hierarchy. So,
7 avoid, minimize, restore where technically feasible, and
8 mitigate.

9 And I'm really interested, within landscape
10 scale planning, in focusing in on the areas of least
11 conflict and figuring out how we do create meaningful
12 incentives that give those areas value in different
13 processes, and also bringing in the transmission
14 planning that's been mentioned multiple times.

15 I know last year's IEPR identified the
16 desynchronization between land use and transmission
17 planning, and in the long run needing to identify
18 preferred areas for transmission development. And I
19 think landscape scale planning has a role in that.

20 COMMISSIONER DOUGLAS: Thank you.

21 Helen?

22 MS. O'SHEA: Helen O'Shea, NRDC. I had two
23 quick comments. One is very similar to Kate's opening
24 comment, which is that in a lot of disciplines you start
25 planning at the landscape level. There's no question

1 about whether or not it's the right thing to do. It's
2 sort of a given. It's the baseline.

3 It's interesting to me that we're talking about
4 it, you know, as sort of is it a good thing to do in the
5 context of renewables.

6 And we've been having this dialogue for a while.
7 I think it's interesting that we're still having it this
8 far down the road. We've all been working together, a
9 lot of us around this table, for a long time.

10 And I hope we get to the point where we can all
11 appreciate the benefits that it does bring.

12 And I'll get off my planner soapbox. I'm a land
13 use planner by training. I apologize I get caught up in
14 these things.

15 And the other point I wanted to make, that I
16 don't think I heard, yet, was about the utility of
17 landscape-level planning for helping us adapt for
18 climate change.

19 We have some idea about how things are going to
20 change, where certain species are going to shift, where
21 certain plant communities may go, but we don't have
22 anywhere near enough specificity to plan within sort of
23 strict confines for that.

24 If we're looking at the landscape level, it's
25 going to give us the flexibility we need for

1 connectivity, for wildlife corridors, for shifts in
2 habitat.

3 So, especially now I think it's critical to be
4 doing that. Thank you.

5 COMMISSIONER DOUGLAS: Thank you, Helen.

6 So, let's go to this side. We've got -- Kevin,
7 you've got your card up. And I'm going to ask the other
8 utilities here so, you know, IID, PG&E, SDG&E to, you
9 know, speak to this question as well, but what do you
10 see as pros, cons, benefits, potential issues in the
11 area of landscape planning.

12 How are they most useful to you, as utilities?

13 MR. RICHARDSON: Actually, I was going to talk
14 about how landscape planning would affect the
15 transmission in the DRECP.

16 COMMISSIONER DOUGLAS: Yeah, go ahead.

17 MR. RICHARDSON: Okay. Specifically, I think
18 we're going to definitely need to look beyond the
19 boundaries of the DRECP area for transmission.

20 If you go back and look at the December 2012
21 DRECP report, the executive summary table ES-4 and also
22 table ES-5, the technical transmission group was tasked
23 with incorporating, you know, 20,000 megawatts into the
24 DRECP and figuring out how much disturbed acres it would
25 be for transmission necessary to accommodate all of

1 that.

2 What we came up with was that within the DRECP
3 area you'd have about 32,000 disturbed acres.

4 It's also the same amount outside the DRECP
5 area. So, I mean you're going to turn the DRECP area
6 into a big net export area and you're going to have to
7 take the power out of that area into other areas of
8 California.

9 So, just a reminder that, you know, landscape
10 planning is good, but we need to look beyond the
11 boundaries of the DRECP.

12 COMMISSIONER DOUGLAS: Also a very good point
13 and it's very related to the issue Rachel raised, as
14 well, about you've got different levels of information.

15 And, you know, landscape planning is a way for
16 us to broaden our focus from the project-specific to the
17 larger, but there's always something larger.

18 Now, I had somehow not seen the card for Karen
19 Mills. Let me go to her and then back to the other
20 utilities, since I actually called on you and you didn't
21 have your cards up.

22 MS. MILLS: Karen Mills with the California Farm
23 Bureau.

24 As you move to the model that was developed for
25 DRECP and into the other areas of the State, I think the

1 focus needs to change because the land use has changed.

2 And you need to ask what type of area we're
3 talking about just geographically.

4 It was pretty -- it was fairly, I think -- I
5 wouldn't say obvious, but I think there were a lot of
6 indicators about what kind of geographic area you wanted
7 to use when you were looking at the DRECP.

8 It will be a different question as you move
9 through the State and then the impacts will be
10 different. How you view the impacts will be different.

11 One thing I would like to point out is that the
12 use of the word "disturbed land", it seems to provide a
13 different meaning to a lot of different people.

14 And one of the incentives that's been raised
15 about encouraging people about where projects should go,
16 and one of the things that Farm Bureau worked with
17 others in doing was targeting through SB 618, trying to
18 define marginally productive or physically impaired
19 land, and physically impaired ag land, in particular,
20 and that's tied to the Williamson Act.

21 And that's certainly something that we'd like to
22 see continue to be mapped and working with the
23 Department of Conservation to do that.

24 And so, those are the types of pieces of
25 information I think will be valuable as you move

1 forward.

2 And finally, I think it's important as we move
3 beyond the DRECP part of the State is to take a look at
4 different types of renewable energy. And we focus so
5 much on solar and wind.

6 But, certainly, as Sandy mentioned, biogas and
7 biomass are important pieces to this discussion and as
8 you move up, and they provide a lot of attributes that
9 are important to how we view the renewable picture.

10 And there are a lot of opportunities throughout
11 the rest of the State for that, as well.

12 COMMISSIONER DOUGLAS: Great, thank you.

13 All right, Jan.

14 MR. STRACK: Jan Strack from San Diego Gas and
15 Electric.

16 I actually wanted to kind of highjack your
17 question a little bit. In some comments that Nancy had
18 made earlier and Andy had touched on some things
19 earlier, too.

20 This actually -- I mean I'm a big landscape
21 planner guy. I love this stuff. It's really
22 interesting.

23 I think as Carl Zichella said, there's actually
24 models of this stuff, now, that goes out throughout the
25 entire WECC. Which I think is a good thing because

1 we're getting at a point, and Nancy kind of mentioned
2 this, where capacity, as we've kind of come to know that
3 term, is declining in value.

4 As capacity declines in value, I think that
5 places a lot more emphasis on energy.

6 And especially when you're in a greenhouse gas
7 reduction world it really is all about the energy. It's
8 not really about the capacity any more.

9 And where am I going with all of this? Well, I
10 think what we're heading towards is a world where low
11 capital cost, high capacity factor type renewable
12 resources are going to be what the next wave is, as Andy
13 called it.

14 We kind of went through the first wave and I
15 think now we're looking at the next wave. And I don't
16 know that the next wave is really all about RPS goals,
17 per se, but it is about reducing, obviously, greenhouse
18 gas emissions.

19 And I think what that starts leading you towards
20 is things like high capacity WECC factor wind resources
21 that are out of state.

22 So, I think we need to start looking very
23 broadly. Out-of-state regions, Wyoming, Montana, New
24 Mexico where you've got a lot of energy, not too high on
25 the capital costs, good for reducing greenhouse gas

1 emissions because, ultimately, that's our public policy
2 goal.

3 So, I just kind of wanted to kind of lay that
4 out there. And the nice thing about all that is, as
5 Carl said, we're starting to get the databases built
6 that allows us to connect those remote resources back to
7 the load centers and recognizing, you know, and
8 accounting for all of the environmental impacts.

9 COMMISSIONER DOUGLAS: Great, thank you.

10 Go ahead, Bruce.

11 MR. WILCOX: Thank you. A couple of comments,
12 one I think that the DRECP process and the way that it's
13 worked -- the way that I understand it's working forward
14 is a good step. And the landscape planning is a great
15 idea.

16 I think we believe that in Imperial Valley, at
17 least, there should be a spot for local planning and the
18 County is working on that overlay plan right now.

19 And as long as the DRECP sets up a system, and a
20 permitting system, and maybe even a mitigation system
21 that we can use locally in some sort of plan makes a lot
22 of sense to us. And I think that's a better way to
23 approach it.

24 And I think to a large extent that's the way the
25 DRECP is looked at up to this point.

1 A brief comment on the exporting of power, I
2 think you're right. I think Imperial Valley and
3 probably even Coachella Valley are going to be exporters
4 of power. And so, somewhere that transmission line
5 corridor analysis has to plug in.

6 But in order for any plan to move forward, but
7 particularly some of the things we're looking at, we
8 need to have the flexibility to establish that local
9 plan in cooperation with the local agencies.

10 COMMISSIONER DOUGLAS: Thank you.

11 Janice?

12 MS. FRAZIER-HAMPTON: Janice Frazier-Hampton,
13 PG&E.

14 COMMISSIONER DOUGLAS: I didn't -- is your mic
15 on?

16 MS. FRAZIER-HAMPTON: Janice Frazier-Hampton,
17 PG&E. PG&E has been very involved in the DRECP process.
18 We've been very involved with RETI. We've been very
19 involved in the transmission planning process.

20 I would say that the DRECP is important. We
21 certainly support the broad landscape view of planning
22 and how we can learn from it, how we can make sure that
23 we're doing things appropriately.

24 But I'd also say that it's complex. Nothing is
25 simple. And we always start off thinking that there's a

1 level of simplicity to it and we soon find out that it
2 isn't.

3 And so, I would say that we should be very
4 thoughtful in how we think about how do we incorporate
5 these things, how do we take the information into
6 consideration.

7 One of the things that Jan mentioned was that
8 capacity may have little value or no value.

9 I would say that capacity is becoming different
10 because of the growth and renewables and so forth.

11 So, it's not that it has no value. Capacity may
12 have different values depending upon how it's used.

13 So, I think all of these things need to be
14 considered and that we can't just assume that we can
15 plug-and-play certain things, but we have to be very
16 thoughtful into how we take them into consideration.

17 PG&E supports alignment, coordination,
18 appreciates all the effort that the CEC, the CPUC and
19 the CALISO have gone through in trying to align the
20 long-term procurement planning process, the transmission
21 planning process and how all of that information is
22 utilized throughout the planning processes.

23 And again, it just further evidences that it's
24 complex and it's difficult.

25 So, this dialogue is useful, but I do think we

1 have to be mindful of some of the details that can be
2 very difficult as we try and execute on some of this
3 effort.

4 COMMISSIONER DOUGLAS: Great, thank you.

5 Now, early on Jim Detmers challenged us to think
6 about how we might act on this information. But I'm
7 going to table that for now because I don't think we've
8 finished unpacking.

9 We'll go through. We have to go there because
10 throughout the day we've gotten into what is planning
11 and what's how much information and data, and so on.
12 And someone always brings us back to what are you going
13 to do with the information? And so, we've got to go
14 there.

15 I think we've got a bit more unpacking to do
16 before we do.

17 So, let me just ask another question.

18 Throughout the day people have raised RETI. A lot of us
19 have personal, you know, had personal involvement in the
20 RETI process in different ways.

21 And Nancy, I think you raised it very recently
22 in this go-around, and the conceptual transmission plan
23 coming out of RETI.

24 Let me just ask for thoughts or reactions on,
25 you know, we've had experience with that. We've had

1 experience with DRECP.

2 What do folks think about that model? I mean
3 that model, if you remember, and I know a lot of people
4 remember better than me, looking for competitive
5 renewable energy zones, looking for conceptual
6 transmission going with that. That's one use of
7 landscape planning, I guess.

8 In terms of that use of landscape planning any
9 reactions, any thoughts or input?

10 John?

11 MR. WHITE: Thank you, Commissioner. I'm John
12 White from CEERT and we had a role in managing the
13 sometimes rocky consensus process of RETI.

14 And as I've heard, you know, this is one of
15 those things where the farther you are from what
16 happened, things maybe look better than we think at the
17 time.

18 (Laughter)

19 MR. WHITE: But I think if you look about where
20 we ended up, where we ended up was we didn't have enough
21 environmental sensitivity in the assumptions and in the
22 knowledge.

23 And there was criticism of that from some of the
24 environmental groups. Now, correctly so because it was
25 designed to try to match up what we thought would be the

1 generation profiles with the transmission needs, and in
2 that sense, it did good.

3 But I think we kind of got overwhelmed by the
4 fast track process that kind of followed on the heels of
5 that phase of RETI, and then we lost the funding and,
6 you know, we stopped.

7 And when I think about where we were at the
8 time, the issue that was going to need to be developed
9 and worked on, that never was, was the underlying
10 assumptions.

11 And what I see in this morning's discussion is
12 that's still the problem.

13 The agencies don't want to concede, particularly
14 the PUC, the making and using of assumptions, other than
15 themselves.

16 And this was a core problem is that -- and so
17 now we have a situation where we have a set of
18 assumptions that are used to drive planning, except that
19 they stop at 2020.

20 Okay, we have nothing to guide us, as we did in
21 RETI, where at least in RETI we were going for 33
22 percent.

23 Now, we have some vague ideas about what might
24 happen.

25 So, I would suggest the first thing to make this

1 process relevant and real is to have a goal beyond 2020
2 that we're seeking to meet.

3 And in my mind, I agree with the gentleman from
4 San Diego that it's going to be GHG reductions.

5 And I think, while there's been some reticence
6 in some quarters to pursue de-carbonizing the grid as an
7 explicit policy, I've been working with a group of
8 developers and environmentalists that have put a letter
9 together, to the Governor, recommending a vision of 80
10 percent GHG reduction by 2050, with a 60 percent
11 reduction by 2030.

12 Those kinds of goals will bring this process to
13 life in a way that the current process doesn't have
14 life.

15 Because, from the developer's stand point, one
16 of the weaknesses of the current process is the
17 developers are very focused on their project pipeline.

18 Okay, and that's been a problem because the
19 planning is looking long term, habitat long term. The
20 enviro perspective is more long term for the developers.

21 Thinking about what's long term, beyond 2017 or
22 2018, doesn't really exist. So, I think that's the
23 first thing that we need to do is to have a GHG
24 reduction target for the electric grid that drives the
25 planning and gives us an idea of what mix of assets

1 we're going to need.

2 One of the things at the ISO transmission
3 planning process is that we've had disconnects with the
4 PUC. For example, south of Kramer is a line that's
5 needed for the West Mojave development, which was
6 identified in the Solar PEIS.

7 We hope it will be part of the DRECP. But there
8 is still a second-guessing process that goes on by the
9 PUC saying, well, we may not need this transmission,
10 even though the landscape planning says we're going to
11 want it.

12 And if you're going to want developers to
13 respond to the landscape planning, you better get them
14 transmission, otherwise this is no point.

15 So, I think the other thing is we need to get
16 these other different databases and planning assumptions
17 that the agencies have out on the table, in public, and
18 sort of sort through the conflicts, instead of waiting
19 in our respective jurisdictional cubbyholes to assert
20 our database on your particular project.

21 And I think that can only come from the kind of
22 leadership that the Commission -- Commissioners have
23 shown in working more closely together.

24 The sustaining of that cooperation across the
25 agencies and across these various planning assumptions

1 is going to take leadership from the agency heads, as
2 well as sustained effort.

3 And I think public debate and discussion, I
4 think that the debate -- one little, micro illustration.

5 Nancy mentioned about deliverability. Okay,
6 well, having spent some time recently at the ISO on the
7 deliverability for Imperial issue, right. Which is a
8 crucial issue, we all agree we want resources out of
9 Imperial. We all agree it's a low conflict area. We
10 all agree that this is important.

11 And, yet, we have a deliverability planning
12 process that basically is extrapolation based on
13 historic flows.

14 So, we're going to give deliverability to people
15 based on the coal that we used to import, that we're
16 no longer going to import, and we're going to
17 effectively award that -- I think this is inadvertent,
18 rather than intention, but the effect is you basically
19 are rewarding out-of-state fossil fuel with
20 deliverability status at the expense of the renewable
21 resources in-State.

22 And the reason that can happen is because
23 nobody's thinking past 2020.

24 Nobody's imagining that we need to reduce GHG
25 emissions dramatically between now and 2030 and 2050.

1 And that these resources that we, at the moment,
2 can't find a way to deliver or can't -- actually, our
3 assumptions are not letting us deliver. I think there's
4 a big difference between the assumptions and the power
5 flows, okay.

6 This is not destiny, this is policy.

7 And so, these are things that if we're going to
8 have an integrated planning process that includes
9 procurement, transmission, resource, and habitat
10 protection we've got to take a lesson from the habitat
11 world and have a significant increase in connectivity
12 between the agencies, between the planning processes,
13 and including our friends in local government who are,
14 in the end, on the ground.

15 I apologize for so long but --

16 COMMISSIONER DOUGLAS: Well, long in a lot of
17 ideas, which is really good, and so you've prompted at
18 least a couple of cards to go up.

19 Go ahead, Andy.

20 MR. HORNE: Well, I got back, also, to the RETI
21 process. I was on the Stakeholder Steering Committee.
22 And, you know, I think the goals of that whole process
23 were worthwhile and I think they're mirrored in what
24 we're doing now.

25 I think, you know, the tragedy almost of RETI

1 was at -- you know, with slapping a few Band-Aids on our
2 transmission system we were able to scrape through. We
3 didn't really get into a crisis of where we couldn't
4 meet that 33-percent goal.

5 But I think John's right. I think if we do go
6 forward with more ambitious goals, we are going to
7 confront that issue of upgrading, significant upgrades
8 in our transmission system.

9 So, I think the goals of RETI are still valid
10 and I think we've just got to figure out a way to carry
11 it through to some sort of a realization of the
12 connectivity term because, you know, that's what
13 transmission lines do.

14 In this particular case I would just throw out
15 one idea for which I'll probably be shot when I get back
16 home is that, you know, in this particular case of
17 transmission I don't know whether or not local
18 government permitting authority is the best place to
19 house that.

20 You almost have to have some sort of a regional
21 or statewide planning authority or permitting agency,
22 which is done now through the PUC, to allow those lines
23 to be built, to be sited and built.

24 Because if you don't have some authority like
25 that, some county that's in the middle of transmission

1 path is going to say what's in it for us and, you know,
2 we're not going to -- and I think that's there.

3 But I think, to differentiate in terms of the
4 permitting process I think it's best done at the
5 statewide level.

6 And perhaps at the federal level, too, because I
7 know that there are transmission -- BLM has transmission
8 corridors that they've identified that cross state
9 lines.

10 COMMISSIONER DOUGLAS: All right, thanks.

11 What happened to -- Nancy?

12 MS. RADER: I'm going to go back to my theme of
13 this conceptual plan that we've already identified.

14 I just want to make the point that these five
15 upgrades, which I'm happy to name if anybody's
16 interested, they're mostly outside of the DRECP, even
17 though they facilitate the DRECP.

18 They are agnostic, really, to any pattern of
19 renewable energy development, whether it's out of state,
20 whether it's Imperial County it's agnostic.

21 And it's interesting because CalWEA was
22 extremely unhappy with how we were analyzing
23 environmentally in the RETI process. Were also very
24 unhappy with the way wind was treated under the draft
25 DRECP alternatives.

1 And, yet, we love this set of upgrades that
2 tells you that it works. It's for virtually any
3 development because it addresses the core roadblocks in
4 the State. Those are north/south constraints,
5 constraints into the load centers.

6 Those are the constraints that any renewable,
7 who's trying to get deliverability status faces.

8 And so, if the State adopts this transmission
9 plan, it could do it again and it can find different
10 ways of doing it, but this plan works.

11 We don't need to solve all of the other pieces
12 of the puzzle at the same time. We don't need to decide
13 are we doing out-of-state wind, are we doing geothermal,
14 are we doing -- you know, are we doing a mix.

15 Because this plan works regardless and it allows
16 us then to separate the transmission discussion from
17 those other questions of do we want cheap greenhouse gas
18 reduction from cheap wind from Wyoming?

19 Do we want to have the economic benefits in
20 Imperial County? What do we want?

21 But, you know, we saved those last decisions
22 about whether to do the collector lines into those areas
23 for when those decisions are made.

24 But unless we get started now on these bigger
25 transmission roadblocks, we won't have addressed those

1 roadblocks when it's time to meet those greenhouse gas
2 goals ten years from now.

3 COMMISSIONER DOUGLAS: Thanks, Nancy.

4 Helen?

5 MS. O'SHEA: Thank you. Helen O'Shea, NRDC.

6 I'm going to reflect upon RETI, too, although briefly.

7 I think one of the functions of the RETI process
8 and potentially other processes is sort of serving as a
9 reality check, for lack of a better way to put it.

10 When the RETI process first started and people
11 started to brainstorm about maps that were going to be
12 needed to deliver the right level of renewables to meet
13 our goals, maps were produced that were a spaghetti sort
14 of network of transmission lines. And people thought we
15 were going to need major, many more major lines than it
16 turned out to be needed.

17 You know, many more gen ties and that there
18 would be a huge infrastructure footprint. And this
19 generated a significant amount of concern, especially
20 within the conservation community and land and wildlife
21 advocates.

22 I think one of the things that was great about
23 at the RETI process was that it peeled away some of the
24 misperceptions. It peeled away some of the inaccuracies
25 about what actually was going to be needed in terms of

1 infrastructure and that you could get to this higher
2 level of renewables without having to build an entirely
3 new infrastructure system; that there were ways to
4 manage things sort of efficiently and effectively
5 without building out to the level that caused a lot of
6 people to immediately go into panic mode.

7 You know, and when you get rid of the
8 misperceptions and that fear you can start to have a
9 real conversation about what actually is needed and
10 where it should go.

11 And you can engage all stakeholders, even the
12 folks who at the front end may have thought, oh, my
13 gosh, this is just going to be too much.

14 And so, I think it was extremely helpful from
15 that perspective.

16 COMMISSIONER DOUGLAS: That's helpful. And I'll
17 ask this question just for fun, since we might have
18 time.

19 You know, one of the concerns that I have heard
20 raised to me about landscape planning is that, you know,
21 we have this capability of layering, you know, layer
22 after layer after layer of potential conflict or issue
23 and you can build up all sorts of stacks on a map.

24 But then kind of back to Jim and his decision-
25 making question, at some point, you know, I've been

1 asked is there an acre in California that shows up
2 clearly not something that anyone would have any
3 concerns about being developed ever?

4 And, you know, I think the answer to that fairly
5 put is probably not very many.

6 And given that -- although some people would
7 argue that some of the Westlands areas are very high on
8 everybody's list of low conflict.

9 But given that let me just ask the question
10 again, and especially with the environmental community
11 representatives here, how do you see using the results?

12 You know, you talked, Helen, about engaging
13 people about different visions of how things can look.
14 Does landscape planning help you do that and how?

15 MS. O'SHEA: Well, you're looking right at me
16 so --

17 COMMISSIONER DOUGLAS: Well, there's a reason
18 for that.

19 MS. O'SHEA: Thank you. This is Helen O'Shea,
20 NRDC.

21 I think it does help you engage people. And I
22 think, you know, to the question is there an acre of
23 land in California that, you know, doesn't have a
24 constituency? There are some.

25 And I think some of the areas, you know, in the

1 Westlands water district obviously rise to the top. I
2 think that's accurate.

3 I think one thing we have to be mindful of when
4 we are having these conversations is we're looking at
5 degrees of conflict.

6 And I think someone else had flagged this
7 earlier today. It's pretty easy to spot the areas that
8 are truly low conflict, like Westlands.

9 It's pretty easy to spot very high conflict
10 areas. We now have enough data to help us get to those
11 extremes pretty easily.

12 But it's the middle ground, and we were just
13 talking about this at lunch, that's harder to talk about
14 and it's harder to figure out what those increments of
15 conflict are.

16 But I think the more information you have, the
17 better you can engage people. And you can have a
18 conflict about relative -- a conversation about relative
19 levels of conflict.

20 It's not that we are, you know, deceiving
21 ourselves that there are hundreds of thousands of acres
22 of absolutely low conflict land we have especially, you
23 know, in southern parts of the State.

24 MR. STRACK: I thought I heard Andy volunteer
25 his backyard.

1 (Laughter)

2 MS. O'SHEA: But I think it does help you engage
3 people. And, you know, the more information you get out
4 on the table the more you can get to the truth.

5 And again, it's sort of the -- there can be a
6 lot of fear and emotion in some of these conversations
7 because you're talking about places that are near and
8 dear to people's hearts. You're talking about places
9 that are important to local communities.

10 The more real information I think we can get out
11 on the table, the better.

12 It doesn't mean it's easy. These conversations
13 are not easy and you guys know that more than anyone.
14 You've been doing, you know, the roadshow in the desert.
15 It's really tough.

16 But bringing some sort of reality and some fact-
17 base and dialogue I think to the process is key.

18 And I'm sure other folks have things they want
19 to add.

20 COMMISSIONER DOUGLAS: Thanks Helen.

21 John.

22 MR. WHITE: Your question reminded me of the
23 comment that Karen made earlier, which is when we
24 started the DRECP dialogue and the fast-track process
25 the recommendation, uniformly from the environmental

1 community, was disturbed ag land.

2 Okay, but the problem is we hadn't done the
3 planning for those lands, right. It was like they were
4 in the valley mostly. The valley doesn't have quite the
5 same habitat restrictions, but it has habitat
6 restrictions. It hasn't done planning.

7 The other lesson here, part of the reason this
8 was so hard is that we did no planning for the previous
9 20 years.

10 As my friend Mr. Kenna and I have talked about
11 in the past, the BLM did the West Mojave plan with not a
12 word of a thought to the importance of solar.

13 Everybody was at the table, the miners, the off-
14 road vehicle guys who, by the way, have three-quarters
15 of a million acres in the DRECP area, okay. They don't
16 need to be here because they've got what they got.

17 Okay, but what we were saying about disturbed
18 land, the traditional environmental definition of
19 disturbed land, and so some of our developer friends
20 start going to disturbed land and they meet up with some
21 different folks, you know, where there hadn't been
22 planning, and there hadn't been thought.

23 And as Andy has found, you know, there's people,
24 even where you've got the Sierra Club strongly
25 supporting a solar project, you've got a landowner

1 availing themselves of their litigation opportunities to
2 say, notwithstanding all of this policy stuff, this is a
3 loss of ag land and I'm opposed.

4 So, I think, you know, the other thing is we
5 have to periodically recalibrate these plans and adjust
6 to what we've learned. And not just go on forever and
7 never do an update.

8 You know, and one of the reasons the DRECP is so
9 contentious is because there is a feeling that if there
10 is a significant development land identified that,
11 effectively, what this is going to be is more ways to
12 say no, and not ever getting around to the ways to say
13 yes.

14 So, I think the dialogue you're engaging in is
15 really important and synching up the planning process as
16 best we can to align, so that we do those landscape-
17 level planning in the valley, too.

18 And not just say, well, we can just send all of
19 this to the disturbed ag land.

20 I thought the gentleman earlier, from Kern
21 County, made some very good points. You know, Lorelei
22 and the folks at Kern County had been remarkably
23 successful in creating a business environment and a
24 reasonably coherent environmental constituent. Now,
25 there's maybe not as many enviros in Kern than there are

1 in other places in the desert.

2 But I do think this sort of looking at things
3 from different vantage points and different points of
4 view, and trying to get our planning to synch up as best
5 we can that will help us make a difference.

6 But we do still have to have a goal that unites
7 us and gives form to the process. And I think, you
8 know, the environmental community and the developers,
9 despite some rough spots that pop up periodically,
10 there's agreement at least with these diverse
11 constituencies on the ability and the necessity to move
12 forward towards achieving these very important deep GHG
13 reductions, and to do so using all of these planning
14 tools.

15 COMMISSIONER DOUGLAS: You know, I appreciate
16 that, and I also want to say that the letter you've
17 referenced, the vision and values statement that was
18 signed on by a number of -- a significant number --
19 well, I think it would be valuable -- let's see the
20 Public Adviser's here, let's -- if the Public Adviser
21 could grab some and, you know, people can indicate if
22 they want one or come pick one up from him.

23 It's a very good letter. It's a very strong
24 statement and, you know, I'd just recommend that people
25 read it. It's very relevant to a lot of what we're

1 talking about today.

2 Let me ask, because ag land has come up a couple
3 of different ways and, Karen, you started us out by
4 saying, you know, you listened to the approach in the
5 desert and in thinking about its applicability in, say,
6 the valley.

7 And, obviously, you run into different sorts of
8 issues immediately because you've got the farmland
9 issue. There are still, also, some habitat issues.

10 I wonder if you have some thoughts about
11 approach in the valley.

12 And I also wanted to offer Andy, not that you
13 had your card up or anything, but an opportunity.

14 Because I have had the opportunity to
15 participate with the County in a meeting with the local
16 Farm Bureau and a number of agricultural constituents in
17 Imperial Valley.

18 And these are really important conversations and
19 it's an important voice to hear. So, Karen go ahead and
20 then we'll go to Erica.

21 MS. MILLS: Well, maybe I'm not -- and I
22 apologize, I'm not as familiar with the DRECP as I
23 probably should be and to be able to answer the question
24 that you posed.

25 But certainly, you know, one of the things that

1 we've identified in these discussions is the definitions
2 of ag land and the important work that the Department of
3 Conservation does in terms of mapping the farmland and
4 the different types of it.

5 And, you know, our conversation about what you
6 focus on is on important farmland, which is the prime,
7 statewide and local importance, and unique farmland.

8 And so it's, I think, imperative that you
9 isolate that.

10 And then also, in the Energy Commission, it was
11 one of the IEPRs had identified trying to work with the
12 Department of Conservation and continuing the mapping
13 process and supporting the mapping process that the
14 Department of Conservation does in trying to leverage
15 the work they do about marginally productive and the
16 physically impaired ag land. And as I mentioned, that's
17 a key part.

18 And it is out there. And, obviously, the
19 Westlands is part of that conversation.

20 And then also, in terms of the previous
21 conversation, and I wonder as you move beyond because
22 our discussion has been integrating both places for
23 renewable energy and then also the transmission line
24 discussion.

25 I wonder if the planning and the approaches for

1 those two development concepts, you know, they need to
2 be a little bit different. You know, they may not be
3 able to be exactly the same.

4 And it was mentioned when we were doing the RETI
5 process identifying the resource potential for renewable
6 energy and to figure out where the transmission went,
7 too, was a much less granular discussion than you're
8 trying to gauge everybody here in terms of what needs to
9 be done.

10 So, you know, I don't know the answer to that in
11 terms of what you end up with at the end that Jim says
12 we need, but they may not look the same.

13 COMMISSIONER DOUGLAS: When you talk about how
14 the processes may look different, can you elaborate on
15 different; how and why?

16 MS. MILLS: I don't know.

17 COMMISSIONER DOUGLAS: Okay.

18 MS. MILLS: You know, I don't know off the top
19 of my head about how to answer that.

20 But certainly, because so much of the land that
21 you guys are talking about is private land and the
22 process for establishing transmission lines and figuring
23 out whether -- is a highly regulated process.

24 I mean just what the approval process has to be
25 done is very different for the two so it may -- you

1 know, it may drive the process somewhat.

2 COMMISSIONER DOUGLAS: Thank you.

3 So, we've got Andy and Erica's got her card up.

4 But I also -- you know, Jim, you're here from Westlands,

5 you may want to speak on the ag issue. You may not.

6 It's up to you.

7 Sandy Schubert is tag-teaming with somebody.

8 She's not at the table at the moment, but we can get

9 back to her if she doesn't step back in soon.

10 Andy, anything to add here?

11 MR. HORNE: Well, you know, John talked about
12 the planning in regards to this issue of using disturbed
13 farmland.

14 And I remember going with Karen, back in the
15 RETI days, there was that argument then, where is this
16 stuff going to happen?

17 And kind of the thought was, well, there's going
18 to be a balance. And, finally, we struck some sort of a
19 back room deal that, well, some of it's going to be on
20 desert land, you know, it will be on public land, and
21 maybe half of it will be on marginal farmland.

22 And in at least our experience, it's basically
23 all gone to ag land in Imperial County.

24 I mean we do have one rather good-sized wind
25 project in Imperial County that's on BLM land, but

1 there's been no solar development on BLM land.

2 And I think, you know, we go back to this
3 discussion we were having this morning of the adequacy
4 of data and this planning concept that John talked
5 about.

6 I mean what is the impact of building solar on
7 farmland to things like the Burrowing Owl? And I don't
8 think we know.

9 We had that workshop down there in Imperial
10 County and there was a local expert on Burrowing Owl,
11 Marie Barrett got into a kind of a discussion with
12 another fellow, I can't remember his name, who was a
13 professor of something about he'd done a lot of research
14 on Burrowing Owls. And they didn't agree on what the
15 potential impact might be.

16 And so, you know, it would be a shame to go
17 forward with developing a lot of solar projects or other
18 energy projects on ag land with the assumption that it
19 isn't going to impact habitat, and you mentioned that.

20 I mean I don't think we can just say that
21 because -- I know we can't say that because it's on
22 disturbed farmland there's no environmental impact or
23 even less because you have things like the IID drain
24 system that doesn't have as much water going through it
25 when you take farmland out of production, which ends up

1 reducing inflows into the Salton Sea. I don't want to
2 beat that drum again.

3 But, you know, there are issues that have to be
4 addressed even with ag land conversion, not the least of
5 which is, you know, things like food security, and food
6 supply at a time when we have ongoing drought and other
7 upheavals in parts of the world, and natural disasters.
8 I mean, we have to have enough food here to support our
9 population and some even for people overseas.

10 And I don't know that we're headed down the
11 right path when we just take for granted that we can
12 give up a lot of farm ground and not worry about the
13 consequences.

14 COMMISSIONER DOUGLAS: Thank you, Andy.

15 So, let's see, so we'll go Erica, Jim and then
16 Kate.

17 MS. BRAND: And, Karen, my point was going to
18 jump back to the dialogue question that you posed
19 earlier. Do you want me to just go ahead with that
20 or --

21 COMMISSIONER DOUGLAS: Yeah, go ahead.

22 MS. BRAND: Okay great. So, I think land use
23 planning, and I'll take a step up so I'm not just saying
24 environmental, but land use planning is really important
25 to generating dialogue.

1 Incorporating land use planning, both at the
2 landscape scale but also the electricity sector
3 portfolio scale, it's a proactive approach that reveals
4 tradeoffs early in the process versus discovering them
5 later down the line when our options to avoid, minimize,
6 optimize and prioritize are limited.

7 So, including this information at these levels
8 of planning really catalyzes discussions like these,
9 where we as a society can discuss the energy system that
10 we want to have and the goals that we want it to
11 achieve, like value, reliability and our interest,
12 protection of nature.

13 So, I'm not only thinking about this in the
14 context of land use plans that are in the process of
15 development and being finalized, but also looking
16 forward to the low carbon energy goals of this State,
17 and what those are going to be, and how we plan for
18 those portfolios. And we think about the land use
19 implications of those, and how that environmental and
20 land use dimension factors into the decision making so
21 that we can achieve targets.

22 COMMISSIONER DOUGLAS: Thank you.

23 All right, so Jim, go ahead.

24 MR. DETMERS: Interesting discussion we're
25 having all the way around the table, so it's good that

1 we're talking about it.

2 But when it still comes down to it, I still have
3 to ask the question, there are places in this State that
4 it makes more sense to locate solar projects today, and
5 the decisions need to be done today at the procurement
6 part of the process, and it's not being done, so that we
7 have all of this information and yet we're choosing as a
8 State to not make that decision.

9 And so we've got agencies, and I'm not going to
10 name one or the other, everybody knows who makes the
11 procurement decisions for the utilities --

12 (Laughter)

13 MR. DETMERS: I think there's four letters
14 there, right.

15 So, what should be done to make sure that we're
16 really being honest with ourselves that we're doing the
17 right thing?

18 Right now I don't see that happening. And so, I
19 don't see it with Westlands and I don't see it with a
20 couple of others, too.

21 So, you know, if we start this down the road of
22 trying to figure out some complicated process to go and
23 map all of this out and, I mean, the first time you said
24 "landscape" I said, well, I don't need sprinklers, my
25 yard already has that.

1 But then, again, I think back and I can't even
2 turn them on anyway because of the drought.

3 So, we need not only rules or does this just
4 rest with the Governor setting the direction for the
5 agencies to do the right thing? Or do we need
6 legislation to make this be done?

7 Are we not the right level that needs to take
8 action to set this on the right course to make the right
9 decision?

10 I'd hate to be coming back in here again, and
11 saying the same thing, and repeating myself and I find
12 that very hard.

13 One of the reasons why I'm working on the
14 renewables right now is because I do not want to see
15 this State go through another energy crisis.

16 I was there. I did it. And I don't want to see
17 that happen again and I don't want to move out of the
18 State.

19 And so, it's really important that we really
20 figure out how to -- really, how to get the right
21 results that we need from the agencies and the right
22 decisions to get us to the right answer. Because I've
23 heard the right answer around the table but I don't see
24 us doing it. So, that's what I would leave you with.

25 COMMISSIONER DOUGLAS: All right, thank you.

1 Oh, Kate and then Rachel.

2 MS. KELLY: Karen, I was going to circle back to
3 your question about the purchase for private lands in
4 the valley. Would you like to follow on that or would
5 you like to move on to the other points of conversation?

6 COMMISSIONER DOUGLAS: How about a brief follow
7 up. So, go ahead but --

8 MS. KELLY: Jim makes an excellent point, we
9 need to go to places where we have got a lot of
10 concurrence of what's appropriate now and streamline
11 what we can with those.

12 But looking at these private landscapes, like
13 the valley, and how different it is to the DRECP
14 planning area, it does require quite a bit of a
15 different approach.

16 And Craig's points this morning about having a
17 much tighter relationship with local planning as the
18 very first step, and then also the points about getting
19 the data and making sure you have the appropriate data.

20 I'll put a plug in for adequate funding for the
21 Farmland Mapping and Monitoring Program. That's our
22 storehouse of data for places like that.

23 But the ability to come and do a grass tops to
24 grass roots planning approach, rather than top down is
25 going to be much more successful in places like the

1 valley with the strong private lands component and a
2 local government system that we have in those areas.

3 COMMISSIONER DOUGLAS: All right, thank you.

4 So, Rachel, then Nancy, and then Katie.

5 MS. GOLD: I just wanted to circle back to this
6 issue of all the gray areas, of which I think we are
7 going to have many of them.

8 And when I think about what a challenge that is
9 to place values on those gray areas, and I was
10 reflecting on what Jim Kenna said this morning in the
11 conversation about, you know, ultimately some sites
12 ending up being turkeys.

13 And not wanting to prejudge those gray areas so
14 that we don't allow them to go through their proper CEQA
15 and NEPA processes, and make sure that in looking at the
16 gray areas I think it's easier for us to kind of say yes
17 and no, and have a very binary approach for trying to
18 plan for some of these areas.

19 And, ultimately, I think that takes most of the
20 land off of the table.

21 And we're going to have to dig into some of
22 these more complex issues and it's hard. And that, to
23 me, is best done when you're looking at the case-by-case
24 basis when they're going through their rigorous
25 environmental reviews.

1 So, I think that landscape level planning has a
2 very important role to play in driving development to
3 certain areas, and providing real incentives there, and
4 helping developers identify areas with lesser conflicts
5 and all of that information that's out there now and is
6 being built upon is important for that.

7 COMMISSIONER DOUGLAS: All right thanks, Rachel.

8 I think I have to note that I don't remember Jim
9 saying what you thought he said.

10 MS. GOLD: Sorry, it wasn't Jim.

11 COMMISSIONER DOUGLAS: But it's been a long day.

12 MS. GOLD: Yes, it was Bob saying -- yes, sorry
13 about that.

14 COMMISSIONER DOUGLAS: And it was Bob on the
15 turkey comment. However --

16 MS. GOLD: Important correction.

17 (Laughter)

18 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA:

19 You've just seen state/federal collaboration at work.

20 (Laughter)

21 COMMISSIONER DOUGLAS: But I think the issue, I
22 think what I wrote down from what you said is the issue
23 of gray areas and the issue of where do we, or should we
24 treat things as binary and what are the risks of that.
25 And so that's what I wrote down and we'll try to follow

1 around on that.

2 All right, so we're going to go to Nancy and
3 then Katie. I see Sarah's card up. And then I'm going
4 to ask another question.

5 Go ahead, Nancy.

6 MS. RADER: Okay, so I'm definitely going to
7 echo some things Rachel said and maybe in a different
8 way.

9 But just, you know, my last answer was landscape
10 level planning is great for transmission planning and I
11 think we did that.

12 I don't think it's great for project level
13 analysis. And I was thrilled to hear Bob's comment
14 about the turkeys, about how we could end up with turkey
15 DFAs because I think that's entirely possible.

16 But I think, you know, what we have to
17 understand and this tool's amazing that Jim Strittholt
18 showed us. I mean it's just an utterly amazing tool.

19 But we have to keep in mind that it's only as
20 good as the data that it's build upon, which Jim said.

21 Some of it's old. Some of it's incomplete.
22 Some of it's skewed.

23 For example, we've made the point that a lot of
24 the data that we have on eagle nests, we have it because
25 the developers have gone out and studied it.

1 So, what that does is light up the map for eagle
2 nests around wind project areas. So, it looks like
3 there's more eagles around wind project areas when, in
4 fact, it's just because that's where the studies have
5 taken place. So, that's just an example of how the data
6 can be really skewed.

7 We know there can be old. We have a project in
8 Imperial County now that the landscape level JS tool
9 says there's military conflicts, there's eagle
10 conflicts, there's tortoise conflicts, there's other
11 conflicts.

12 They've worked it out with the military, got a
13 green light. They did the eagle studies. You know, it
14 looks pretty good, about the best you can do for a wind
15 project.

16 We had to then petition the BLM to let them do
17 tortoise studies because the local office was saying no-
18 go, DRECP says it's a no-go. So, we had to petition
19 them to be allowed to do tortoise studies.

20 They've now done the tortoise studies; looking
21 good.

22 So that's just it's our poster child for why we
23 should not use a landscape level tool for project level
24 decisions because it just isn't that fine-grained.

25 I'm not saying it doesn't have a lot of value

1 for finding good conservations or I'm sure there's a lot
2 of value. But we have to stop short of judging projects
3 specifically.

4 COMMISSIONER DOUGLAS: All right, Katie.

5 MS. SLOAN: Good afternoon, Katie, Southern
6 California Edison. I think that these comments will
7 dovetail well on what Nancy was talking about.

8 I'm going to be talking a little bit from the
9 procurement perspective, if that's okay. I don't know
10 if you have a question later, but it's starting to come
11 up.

12 COMMISSIONER DOUGLAS: Go ahead.

13 MS. SLOAN: One of the things that we've been
14 doing recently at Southern California Edison, just
15 really in the last year, is working with some of the
16 environmental parties to use and understand their
17 science-based maps that they have in order to look at
18 all of the projects that we're getting into
19 solicitations, and actually use those tools and maps to
20 help inform our process.

21 And what I mean by that is that we aren't using
22 it as a screening tool to screen projects out, we're
23 using it as a point where we can start conversations.

24 So, in this last round we found less than a
25 handful of projects that were in areas of concern that

1 opened up a conversation that we had with developers to
2 understand where they were in their process.

3 I think going forward one of the things that we
4 can do is also talk to other people, the agencies that
5 are involved in those processes, mainly so that we can
6 go into a procurement decision with our eyes wide open
7 and to understand what some of the concerns are.

8 On the other hand we don't want to presuppose
9 the CEQA and NEPA process that's going on.

10 So it's interesting, as I'm thinking about this,
11 procurement really is coming too late in the process but
12 also too early in the process.

13 Because I mean it's too late because by the time
14 that we're having projects come into our solicitations
15 we currently have a requirement that projects have the
16 phase two interconnection study.

17 So, they're fairly well developed. They've put
18 a lot of time, effort into getting the projects
19 developed.

20 However, it's too early in that we don't have
21 the full CEQA and NEPA review. So, we're in kind of a
22 tight spot but we are starting to use some of the
23 environmental tools to help inform the decision.

24 One other thing that I wanted to mention that's
25 tagging off of something that Commissioner Peterman said

1 earlier, was the idea that if you have a PPA that's a
2 done deal.

3 For us, we do amendments to our contracts. I
4 think maybe there's an education that needs to happen
5 with various agencies to talk about what we take into
6 consideration when we're looking at amendments.

7 But if we can have that conversation, and if
8 there are different changes that can be made to site
9 locations then that's something that we can talk to
10 developers about.

11 Finally, I also want to mention that procurement
12 isn't all created equal from an environmental
13 perspective. We have multiple different programs at the
14 Public Utilities Commission that we're implementing.
15 And some of them have a lot of flexibility to take
16 environmental issues into consideration. Others really
17 don't allow for it and that's for legislative reasons,
18 and others.

19 But I think one of the things that we can look
20 at are what are the tools that we have available to us
21 and should we make it so that the programs that we have
22 the ability to do so to take environmental issues into
23 consideration.

24 COMMISSIONER DOUGLAS: So, Katie thanks. And
25 you're actually going into the area of my next question,

1 so I'm going to ask it. And we'll get around to you
2 soon, Sarah.

3 My next question really was, you know, for the
4 utilities how do you use some of this environmental
5 information that's now available that, you know, even
6 five years ago was much less available, and the new
7 tools that are being developed.

8 And, you know, broadly, for everybody I started
9 this off on landscape level planning. I could have
10 started it off on what do you think of environmental
11 scoring and screening, such as you heard about this
12 morning? I really want to go there, you know.

13 The same thing, pros, cons, why might we do it?
14 What are the downsides of doing it? How does it relate
15 to landscape plans? Should it relate to landscape
16 plans?

17 So, let me start with maybe going to the
18 utilities, first. How do you currently use this kind of
19 environmental information in your processes?

20 MS. FRAZIER-HAMPTON: What we rely upon is a
21 project viability calculator, so there are
22 considerations for environmental information within that
23 tool that we use.

24 But as Katie said, there are certain amendments
25 we can make to the PPAs as they're going through the

1 process. I'm not as close to that part of the work, but
2 I do know that that's a possibility. And there are
3 variations depending upon what kind of resource it is or
4 what kind of PPA it is we're working on.

5 As far as how that process ultimately works, I
6 do believe there would be a concern if you're at that
7 PPA and all of the sudden there's something new that
8 comes up and the PUC or someone says, oh, you have to
9 reconsider something else because we do have sort of a
10 timeline that we work through, through the RFO process
11 and so forth.

12 So, I think it's very critical to know at what
13 point some of these considerations have to come up.

14 And to the extent we have flexibility, we
15 exercise that flexibility. We work with the developers
16 and others as we're going through the process to try and
17 make sure we're responsive to what's going on.

18 COMMISSIONER DOUGLAS: All right.

19 MR. STRACK: Like Janice, I am not that close to
20 the procurement side. I guess the one observation I
21 would make is and, you know, I think other people have
22 already raised this point that as you drill down towards
23 specific projects, including specific transmission
24 projects, there's no substitute for boots on the ground.
25 So, I think we completely agree with that.

1 You know, I see the value of this process at the
2 higher level.

3 We do use this kind of information when we
4 review local general plans because we do participate in
5 the development of those general plans, which are
6 longer-range documents.

7 So, it's kind of like I look at it as kind of a
8 funnel. We're up here at this level and this is where
9 the State is really most valuable.

10 But as you get down to the very project-
11 specific, I think then you have to get on the ground.

12 COMMISSIONER DOUGLAS: Thank you.

13 Bruce, anything?

14 MR. WILCOX: Well, I'm just a dumb ecologist;
15 radically handsome, but dumb.

16 (Laughter)

17 MR. WILCOX: So, take what I have to say with a
18 grain of salt. I think, from our perspective, we have
19 in the last year or so decided that we have some of our
20 own fate in our own hands.

21 And one of the things we looked at from a PPA or
22 a procurement process is development around the Salton
23 Sea, and those areas, and to try to fund the Salton Sea
24 restoration plan.

25 Beyond that, I don't really know too much about

1 how our procurement process works in the larger scale.
2 But certainly, at that level we would give, you know, a
3 lot of consideration to that kind of development.

4 COMMISSIONER DOUGLAS: Thank you, Bruce.

5 All right, so I asked a question about
6 environmental scoring. It's been the subject, I know,
7 over the years of a lot of impassioned discussion.

8 But whether it should happen, how it should
9 happen? Is it a reflection of landscape planning? For
10 example, as you heard from Roger, in some cases for
11 projects in the DRECP area the question is as simple as,
12 is it in a DFA, or isn't it?

13 How might it be done if you don't have landscape
14 planning?

15 But, you know, really, fundamentally what's the
16 role of environmental scoring, if any?

17 So, Mark I see your card up and, Sarah, I
18 haven't forgotten that you had one.

19 So, go ahead, Mark.

20 MR. NECHODOM: Okay, so from my perspective as a
21 developer, in terms of the procurement process there's
22 not a lot of penalty for picking the wrong site. I mean
23 I know that may be a little surprising to hear.

24 But if we're interested in improving the process
25 a bit -- you know, the approach that we take, and I'll

1 just speak for our company, only, is we start off with a
2 larger number of sites and then whittle them down and
3 then try to narrow down to those sites with the best
4 transmission and the -- the best transmission story and
5 the least environmental conflicts.

6 So, for example, when we were developing some
7 solar projects we started out with eight BLM
8 applications and we wound up with one. And that one was
9 in the SEZ (phonetic), or is in the SEZ, et cetera.

10 The problem with, in my view, the procurement
11 process, one of the problems with the procurement
12 process as we have it right now is developers are not
13 being held to the milestones that are in the PPA.

14 So, while I completely agree that the PPAs allow
15 for some of that flexibility and I think that's
16 important for some of the city or, rather, local
17 jurisdictions to understand there's some flexibilities
18 within those PPAs, it's when we -- when the process
19 allows people to switch things completely around.

20 I mean that's the purpose of signing a PPA. The
21 developer has an obligation to deliver on that and if
22 they don't, they pay the penalty, rather than being able
23 to reopen things.

24 And it penalizes those who have, in my view,
25 have a more methodical approach to selecting those

1 sites.

2 So, Karen, that didn't quite answer your
3 question on environmental scoring, but it is something I
4 did want to -- I wanted to raise.

5 COMMISSIONER DOUGLAS: Thank you for that
6 comment.

7 Now, Nancy, you've got your card up and I think
8 you have said that --

9 MS. RADER: I know, but I'm --

10 COMMISSIONER DOUGLAS: -- you don't see any role
11 for scoring if we have landscape level planning;
12 correct?

13 MS. RADER: Yeah, okay, but I won't say that.

14 COMMISSIONER DOUGLAS: Oh, you won't say that?

15 MS. RADER: I've already said that.

16 (Laughter)

17 COMMISSIONER DOUGLAS: All right, go ahead.

18 MS. RADER: What I want to say is we don't need
19 that, nor should we have it because we can expect
20 processes like the DRECP to promote projects that are
21 good, that are environmentally good.

22 They will have lower mitigation costs, they'll
23 have fewer study requirements, they'll be less risky.
24 Risk drives up project costs.

25 There will be fewer or no legal challenges, and

1 they'll be able to meet their PPA milestones.

2 And so, for all those reasons a good project is
3 going to do better in procurement than a bad project, if
4 we allow the siting agencies to do their job.

5 If the siting agencies say no to a bad project,
6 we can count on the siting process to do a job and not
7 expect the PUC to second guess, really. It's really
8 impossible.

9 I mean when you think about it and you read all
10 the comments that were filed on May 7, at the PUC, you
11 really see how it's impossible for the PUC to attempt to
12 judge the environmental merits of a project.

13 It's just impossible for an agency that doesn't
14 even have jurisdiction, or expertise, and is already
15 stressed. There's no way it can do it right.

16 And so, let's not try. Let's count on the
17 siting agencies to do their job of -- you know, let's
18 count on the DRECP to identify the areas that work for
19 renewables and to then streamline that permitting.

20 If we do that, those projects will rise to the
21 top.

22 COMMISSIONER DOUGLAS: Thank you.

23 Okay, so we've got a lot of cards up and there
24 are also people I've got in the back of my mind to call
25 on. Sorry about that.

1 But let me start with Karen, you've had your
2 card up for a while.

3 MS. MILLS: Yeah, thanks, Karen Mills with the
4 California Farm Bureau.

5 So, one of my -- I just want to share an
6 observation. And, you know, starting a few years ago
7 John Gamper (phonetic) and I fielded a lot of questions
8 from county farm bureaus about how to deal with the
9 rampant requests that there were for projects and
10 permits throughout the State, particularly for solar.

11 I think that the local jurisdictions, that there
12 has been better education and refinement about where the
13 right places are to bring those requests to. And some
14 of it I would like to think is because of the input that
15 our local members have had on that process, so that's
16 helpful.

17 But I'm curious about the screening process,
18 too, Commissioner, because as I look at it and try to
19 understand how it informs it at the Commission, and I
20 read through, periodically, the advice letters and
21 requesting approvals for projects.

22 And I see things, like in terms of describing
23 the project, things like the project is on previously
24 low-productivity private farmland and, thus, poses
25 relatively low environmental impact for use as a solar

1 farm. I don't know what that means.

2 And, of course, these projects are all
3 confidential and you can't really get an idea about how
4 they're using that and how the information has been put
5 into that.

6 So, in terms of the scoring process, whether it
7 really is low productivity I don't know.

8 I mean, you know, we can find out because we can
9 go talk to the county farm bureau and the planner.

10 But in terms of the process at the Commission, I
11 don't know that that's the screen that ends up with
12 what's being requested for approval really matches with
13 what the boots on the ground would tell you.

14 COMMISSIONER DOUGLAS: Right, it might be more
15 complicated than it sounds.

16 MS. MILLS: I suspect so.

17 COMMISSIONER DOUGLAS: Very good.

18 All right, let me go to Sarah.

19 MS. FRIEDMAN: So, I think there's absolutely a
20 need to have both transmission incentives and
21 procurement incentives to facilitate development in
22 lower impact areas. And I don't think that the
23 streamlined permitting necessarily gets there.

24 And I also agree with Jan that, you know, in not
25 all areas are landscape planning going to be enough,

1 particularly areas that might not be subject to those
2 plans where you might need boots on the ground and
3 should have boots on the ground.

4 And that there is a tension between information
5 that's publicly available through the DRECP in these
6 other areas, but there is also information for these
7 other areas already. There's existing administrative
8 designations that indicate high conservation value, like
9 critical habitat.

10 You know, there's the farmland mapping data.
11 There's the EPA repower program.

12 I don't think it's an insurmountable issue that
13 we have certain types of data in planned areas, and
14 otherwise outside, and there are some good areas of kind
15 of we all sort of understand, like Westlands, that
16 probably are going to have low farmland impact and low
17 habitat impact.

18 I also thought it was really interesting to have
19 the conversation about the flexibility in contracts
20 because I think sometimes, you know, from an NGO
21 perspective we sort of share Craig's concern of the
22 morning where we don't really know what flexibility
23 there is. And, you know, the contracts are all
24 confidential so we don't know how they're structured or
25 what flexibility there is there.

1 And I think if there's something that comes out
2 of today that would be a great thing.

3 And then I think the second great thing is, you
4 know, I don't think in terms of procurement, I mean at
5 least from my perspective, the ask is to have the PUC be
6 doing this. The ask is to have the utilities to have
7 the best tools at their disposal to, you know, sort of
8 be doing this analysis themselves and, you know, kind of
9 the value system to kind of judge these competing
10 interests.

11 COMMISSIONER DOUGLAS: Thanks Sarah.

12 I mean I think in terms of flexibility, and I
13 want to see if the developers will maybe speak to this,
14 but I think part of the issue may be that while there's
15 the technical ability at times to amend contracts, for a
16 developer it's probably uncomfortable to have millions
17 of dollars and maybe the fate of a project on the line
18 for a discretionary contract amendment.

19 It's a guess. I'd need to hear that from you.

20 Go ahead, Jesse.

21 MR. GRONNER: Oh, right now?

22 (Laughter)

23 COMMISSIONER DOUGLAS: Yeah.

24 MR. GRONNER: I thought I'd have at least a few
25 minutes. No, I think in the developer community there's

1 a lot of different colors and flavors to who's in the
2 developer community.

3 I think some of us represent companies that view
4 environmental review differently than others.

5 I think a lot of us feel the procurement
6 behavior -- or the behavior going into the procurement
7 process there are some flaws there because there's a
8 view, and you look back at the last few years really at
9 what's driving the decision-making process, it's purely
10 price.

11 And there's a question of the process and at
12 what point in the process the PPA's locked in relative
13 to the life of the project, and the development process,
14 itself.

15 Because if you lead with a PPA, you get led with
16 that argument of I have this contract. I can't change
17 this contract. So, you need to go outside the box of
18 your thinking so I can meet the obligations of this
19 contract.

20 Whereas, if enough vetting is done at the front
21 end kind of some of those questions are discussed and
22 answered.

23 So, I say that on the one hand. On the other
24 hand there are real constraints in the development
25 process relative to how far you can take it absent some

1 certainty of a PPA. And it's gotten harder over the
2 last few years.

3 The ISO has done a good job of clearing the
4 queue by raising the bar. And it does get very
5 expensive to really get to the phase two milestone that
6 was referenced earlier, to really even be able to bit
7 anymore.

8 So, it's a balancing act. But all that being
9 said, I think there's a danger or a real risk in
10 reopening the environmental review process in some form
11 of quasi-NEPA/CEQA with respect to procurement and
12 whether a project PPA should be approved or not.

13 So, a lot of concern over kind of another bite
14 at the apple, ambiguity, overlap, all those things.

15 So, I think in concept there should be a
16 relatively difficult bar to prove that a project is
17 viable. I don't think anybody would disagree.

18 There should be more thought as to when in the
19 development process a PPA is appropriate and then, going
20 from there, how that PPA will be used, you know, in
21 terms of finalizing the development issues, whether they
22 be the interconnection or the permitting, itself.

23 So, I think all of that could be revisited. But
24 I think there's a real danger in taking it environmental
25 review and making it a key criteria for approval or

1 disapproval of the PPA.

2 COMMISSIONER DOUGLAS: And from your
3 perspective, Jesse, and sorry to hit you with the
4 immediate follow up, but in terms of the danger that
5 you're referring to, or the problem that it could create
6 in your view, can you articulate what that is?

7 MR. GRONNER: Well, there's already -- there's
8 already robust processes in place for the environmental
9 review between, you know, CEQA and NEPA and, you know,
10 whatever local requirements there are.

11 The risk is that if there's differing criteria
12 applied, we could end up with legal risks that otherwise
13 shouldn't be there. There's always going to be
14 challenges to projects.

15 There's always going to be somebody that that's
16 the most important acre to them. I firmly believe that.

17 And I think the more you open up the ability for
18 those that oppose, you know, to find a mechanism by
19 which they can hold up a process, the other things with
20 renewables is we're always operating under stringent
21 deadlines. You know, especially around tax credits, but
22 other things as well, milestones and PPAs.

23 So, the biggest risk I would see would be the
24 ability for holding projects up that otherwise pass the
25 environmental tests, but create a new process by which

1 it could be argued.

2 And, you know, the ambiguity of if it's not
3 NEPA, it's not CEQA, it's something else, kind of what
4 are the rules and if it's -- and how can those rules be
5 questioned and change over time as more is learned. The
6 ambiguity is a real risk there.

7 COMMISSIONER DOUGLAS: John, you had your card
8 up and then --

9 MR. WHITE: I did but I was going to --

10 COMMISSIONER DOUGLAS: Good because --
11 excellent, so let me go to Erica and then Rachel.

12 MS. BRAND: Hi, Erica Brand, Nature Conservancy.

13 So, I think that land use planning should inform
14 procurement and procurement should inform land use
15 planning. I think there's an iterative process.

16 What Nancy was saying earlier about value in
17 zones in least conflict areas, I would hope that those
18 rise to the top of appealing projects in a solicitation.

19 But given how least-cost-best-fit has played
20 out, I wonder if they will.

21 And so I think that in procurement we need to
22 establish a framework that values the other values of
23 projects. And it's maybe not just the environmental
24 dimension of least conflict. I know there's other
25 values of projects that come forth that folks are

1 interested in figuring out how you create a framework
2 that gives attributes to those.

3 So, for example, right now if you have two
4 projects that are equal in size and all else, and one's
5 in a zone and one's not, there's not an incentive to
6 pick the project in a zone. It's not in the tools, to
7 the extent that I know them.

8 And I'm talking about the tools and
9 methodologies that the PUC establishes that the
10 utilities apply. There's nothing in there that
11 differentiates those two projects.

12 And maybe going forward there should to support
13 land use planning.

14 I think the other thing that hasn't been
15 discussed here is bringing in the RPS calculator.

16 A PPA has a lot of significance in the weight of
17 the methodology right now. So, the commercial
18 methodology, PPA, permits, the filed application deemed
19 complete.

20 We saw in Paul's presentation, earlier, that the
21 environmental-only preferred methodology has not been
22 used by CALISO, if I remember that slide correctly.

23 And so, one of the things that I'm thinking
24 about, looking forward, is we think about transmission
25 investments to geographic areas of least conflict and

1 not -- how do we do that with the current methodology?

2 And so, I'm really interested in the RPS
3 calculator revision and thinking about, you know,
4 project-by-project scoring, or looking at aggregated
5 geographic areas and how that fits together.

6 So, long-winded answer to I think they need to
7 inform each other, and I think there's a role, and I
8 think the tools we have now can and should be improved.

9 COMMISSIONER DOUGLAS: Thank you.

10 All right, we'll go with Rachel, and then Helen.
11 And then, you know, Mark, I saw you touch your card and
12 then put it down, but if you --

13 (Laughter)

14 COMMISSIONER DOUGLAS: But if you have
15 something, maybe after Helen.

16 Go ahead, Rachel.

17 MS. GOLD: So, just briefly, I just wanted to
18 echo what Nancy, and Mark, and Jesse said in that we
19 have very serious concerns about incorporating
20 environmental scoring in the procurement process.

21 And that, essentially, either being pre-
22 decisional, in a first bite of the apple or a second
23 bite of the apple.

24 And I think that is -- it's really unclear how
25 that could be done in a way that does not create a mini-

1 NEPA or CEQA. And we have not seen a proposal that
2 would not lead us down that kind of path.

3 So, we just simply don't think that that's a
4 workable approach.

5 That being said, I think there are tools that
6 can be improved in the procurement process. And to the
7 extent that we're going to revisit least cost/best fit
8 to improve upon the best fit piece of that, I think that
9 is important.

10 I think to Mark's point about making sure that
11 the PPAs are held to, and if developer's can't meet
12 those deadlines, and their commitments there, those that
13 have made better siting decisions will be able to step
14 forth and take their place.

15 And I think that is a more appropriate way to go
16 about thinking about this issue.

17 That being said, I just want to reflect that
18 we've come a long way in the last few years and the
19 industry generally has matured, and we're all better at
20 doing this, both developers and the siting and land use
21 agencies, and all the stakeholders. I think we've
22 learned a lot.

23 So, some of the things we've seen in the past
24 few years, I feel confident that we're moving forward
25 and we're not going to make the same kinds of mistakes.

1 COMMISSIONER DOUGLAS: So, a quick question for
2 you, Rachel. And part of this is unpacking, because
3 sometimes we use the same words to mean a couple of
4 different things.

5 You know, when you talk about the concern with
6 environmental scoring or environmental data used in --
7 you know, you're, I think, referring to the use of that
8 data in the procurement process to screen --

9 MS. GOLD: Correct, yes.

10 COMMISSIONER DOUGLAS: -- or rank projects. Is
11 that correct?

12 MS. GOLD: I think that's a separate -- they're
13 both important conversations to have, but I see that as
14 a separate conversation than the conversation about
15 thinking about long-term planning where I think that the
16 use of environmental information could be designed in a
17 way to help think about our very long-term goals.

18 COMMISSIONER DOUGLAS: Okay and that's helpful
19 to draw that distinction because --

20 MS. GOLD: It is a difference, uh-hum.

21 COMMISSIONER DOUGLAS: Right, because you were
22 not necessarily saying that you don't see a role for
23 that kind of environmental information to inform
24 transmission planning or other kinds of planning.

25 MS. GOLD: No, I think it's a challenge to do

1 so, but it's in the procurement process where I think
2 it's a huge problem to bring that in to where the
3 Commission is making a decision on contracts, and that
4 should -- that's their role.

5 And I think that to give them another role is
6 inappropriate in that context.

7 COMMISSIONER DOUGLAS: What about where a
8 landscape level plan has already been completed and so
9 let's fast forward, and talk about DRECP post-release of
10 the draft, and public process, and finalization, and
11 we've got a complete process that has undergone NEPA and
12 CEQA, and does identify development focus areas.

13 Can you articulate, I'll let you or others think
14 about this, you know, if you want to take a couple of
15 minutes. But how might that be used? Should it be used
16 on the procurement side?

17 MS. GOLD: Here's my thinking on this and it
18 echoes what Nancy said earlier, is that expect that the
19 DRECP, if it's going to work, which we very much hope it
20 will, will drive development to those areas.

21 And that those will ultimately be the projects
22 that, as Nancy said, rise to the top.

23 I understand Erica's concern that those might
24 not rise to the top. And I think that there is work to
25 be done in refining the overall procurement process.

1 But I am concerned about simply by identifying a
2 project in a DFA that they may then rise above another
3 project that just simply is outside of the DRECP, but
4 could have equal impacts, ultimately.

5 COMMISSIONER DOUGLAS: Right. And you're
6 pointing to an issue that we actually framed out for
7 specific discussion here because it does seem like an
8 area where input would be helpful as to how do we deal
9 with what you brought up. And, you know, this disparate
10 level of information or more planning in different
11 areas.

12 And so, that question's still out there and
13 there's time for discussion. There's also time for
14 written comments.

15 So, let me go to Helen, and then see if Mark has
16 anything, then we'll go to Sarah, and then Kate.

17 (Laughter)

18 COMMISSIONER DOUGLAS: And John. Oh, good,
19 John.

20 MS. O'SHEA: Helen O'Shea at NRDC. I just
21 wanted to make two quick comments. And one was just to
22 echo one of Erica's points. Well, all of her points I
23 would echo.

24 But one in particular and that's to try to think
25 about the land use planning and the procurement as

1 informing each other. Instead of it's not a one-way
2 street, it's a two-way street. Maybe it's a circle.
3 It's a roundabout. I'm not sure what it is, but they're
4 informing each other. It's not just that one is in the
5 role of providing information.

6 So, I think if we can think about it that way
7 that might be helpful in terms of getting to some of the
8 issues that people have flagged, especially concerns
9 about the conversations we're having around procurement
10 and how we might incorporate environmental data.

11 And then the second comment I wanted to make was
12 actually going back to something that Karen said, which
13 goes to the issue of having consistency of definitions.
14 Which may sound like maybe not such a big deal, but it
15 actually can become a really big problem if you're
16 trying to have a real constructive dialogue.

17 And if someone reads an environmental document
18 and a term, and I think Karen flagged, it was sort of
19 disturbed low-productivity farmland comes up, you know,
20 and she's very close to these issues and she doesn't
21 know what that means.

22 And the same thing can happen in conversations
23 about biological resources.

24 So, I would just ask that as we're thinking
25 about all of these processes, and how we align them, and

1 we're thinking about data gaps and how do we address
2 them that we also think about definitions, and how we
3 can get to objective, agreed upon definitions for
4 certain values.

5 You know, whether it's something really thorny
6 like disturbed land or whether it's just needing to make
7 sure everyone has updated information about the latest
8 farmland inventory.

9 These can become real sticky points when you're
10 trying to have a productive conversation about how to
11 have the right projects in the right places, or how to
12 maybe tweak a project that's not quite there.

13 And I think it's something that kind of -- it
14 kind of falls by the wayside, I think.

15 COMMISSIONER DOUGLAS: All right, thanks.

16 So we'll go, let's see here, Mark, Kate, Sarah
17 and then I'm going to tee up another question and go to
18 John. But John, you should feel free to stay on this
19 question and go on to the next one, which I think you'll
20 want to speak to, anyway.

21 MR. NECHODOM: Yeah, it's brief. I just wanted
22 to clarify my position on this. I don't think that the
23 CPUC should be running a new process for environmental
24 screening.

25 However, environmental factors being included in

1 the viability process of the utility procurement
2 process, I don't have any objection to that.

3 I mean the utility people I mean, look, they're
4 pros, they're looking at this. But they -- I don't have
5 an objection to them paying more attention to it.
6 Higher viability thresholds are better as far as I'm
7 concerned.

8 COMMISSIONER DOUGLAS: Thanks Mark.
9 Kate?

10 MS. KELLY: Thank you. Going back to this idea
11 of sequencing, we've talked a lot about, you know,
12 whether or not we should have some sort of screen, and
13 whether the CEQA process and the permitting process
14 provides a sufficient level of information, already, and
15 this would create some sort of either duplicative
16 process or a new and better, different kind of CEQA
17 process for the CPUC to undertake.

18 The challenge is that we don't always have the
19 same sequence of events when we are pursuing a project.
20 And so, the process that Nancy outlined works
21 beautifully when the procurement occurs after a project
22 has gone through its local land use approval and the
23 CEQA process has already been undertaken. And then all
24 of that documentation is there.

25 But we have many instances where we have

1 projects going through, either they're doing concurrent
2 processing and they get ahead of the cycle with their
3 procurement track, and have their land use piece where
4 all of that CEQA and NEPA process has not been fleshed
5 out. And decisions are being made without all of that
6 material in place.

7 It's not that we're necessarily saying that the
8 PUC should be undertaking a CEQA and NEPA process
9 because, you know, all agencies have enough work as it
10 is without asking them to take on something new.

11 But that the -- you know, as part of the package
12 of things that an IOU is considering in their
13 procurement decisions is to have a sufficient level of
14 information at hand to make a good decision.

15 So that that really well-sited project can rise
16 to the top and so that there are mechanisms for that
17 project to score in a way that reflects that the
18 developer or the project proponent has done a really
19 good job in site selection, and has been very thoughtful
20 in their work.

21 COMMISSIONER DOUGLAS: Thank you, Kate.

22 Sarah?

23 MS. FRAZIER-HAMPTON: Well, I think Kate pretty
24 much captured what I was going to say which is, you
25 know, sort of we're not asking the PUC to do CEQA and

1 NEPA.

2 You know, we do want the utilities to have both
3 the information to make decisions and then a mechanism
4 to value it, you know, only because they're not on here
5 and I think they were invited.

6 But, you know, I'm not advocating this
7 necessarily or at all.

8 But, you know, DWP waits for CEQA to be complete
9 before they do their procurement so there is this
10 alternative out there, and it's being used, and it's
11 working.

12 You know, I think they had seemed to be having
13 a -- you know, using it.

14 So, there's other ways to get to this and, you
15 know, just putting it out there as the realm.

16 COMMISSIONER DOUGLAS: All right, thank you.

17 So, I'm going to go to John and I'm just going
18 to ask my next question which is, again, going back to
19 what Jim asked. So, we've had a long discussion and
20 we've talked about, you know, some things that people
21 around the table think could be helpful, with some
22 caveats, and we've talked about those. We've talked
23 about environmental screening.

24 I'd like to hear what you want to say about
25 that.

1 But sort of beyond that, you've talked about
2 connectivity between the agencies. You know, you've
3 talked about how do we take this to the next level and
4 make the process work better.

5 And so it kind of goes to, okay, let's say we
6 have all this information, how do we use it? What are
7 the key elements to being able to use it in a way that's
8 reasonable, fair, transparent, and all the rest?

9 Go ahead.

10 MR. WHITE: Just that, huh?

11 (Laughter)

12 COMMISSIONER DOUGLAS: Just that.

13 MR. WHITE: Let me say, first of all, thank you,
14 Commissioners for this conversation. I think it's
15 helpful and I think it's important.

16 But I think it's also the case where we need to
17 sync up our different venues and our different vantage
18 points.

19 My own personal, private view is that the
20 enviros discovered that there was an opportunity to
21 knock off a project that they really didn't like in an
22 area that they thought shouldn't be developed, and
23 that's how this got started.

24 And that's going to go on if people figure out
25 they have an opportunity to mess up a project that they

1 want to kill late in the process.

2 Not everybody thinks that's a good process, but
3 that's sort of how we got here. There were some areas
4 that were controversial that hadn't been -- the
5 developer was moving forward.

6 And so, when the PPA was getting approved an
7 attack was organized and then after the fact we ended up
8 with a screen that says this is the way we should look
9 at this.

10 And I think in the end that's all fine and
11 understandable.

12 The problem is the developers have all told you
13 this really drives the process for them to the point of
14 there is no end in the process, there is no certainty
15 that can be provided.

16 And so, I think that's something to consider.

17 On the other hand, I've yet to see an example
18 where -- and, of course, the PUC staff is eager to have
19 more data that are needed, and more boxes to check, and
20 more ways of ranking and stuff.

21 I'd like to see, first, to get back to Jim's
22 point, we've got a couple of areas in the State that are
23 high value/low conflict.

24 We've yet to see recognition of those attributes
25 in procurement, either by the utilities or as an

1 expression of something that will even be considered by
2 the PUC.

3 When you get down into the details, the PUC
4 staff doesn't believe that anything other than ratepayer
5 impacts should be on the table in their process.

6 Those are sort of a nod to them, everything but
7 price is non-economic for purposes of designing, you
8 know, PPA.

9 And this is also, to some extent, true on
10 transmission where we have a couple of specific
11 transmission lines that have been called out in the
12 planning process as being needed to support low-conflict
13 development and, yet, these are not considered variables
14 worthy of being added to the process.

15 This is my -- I'm trying to be clear and maybe
16 too blunt, but I want to say that --

17 COMMISSIONER DOUGLAS: John, you should say what
18 you really think.

19 (Laughter)

20 MR. WHITE: But until we see the positive
21 consideration of a low environmental conflict, opening
22 up another channel to mess with people going through I
23 think makes no sense.

24 The second thing is I think we have to have a
25 planning process that is informed by looking longer than

1 seven years. And I think we need to think about working
2 back from what 2050 -- this is how we started with RETI,
3 right, we looked back at what it would take to do 33
4 percent.

5 Well, if we look back at what it will take to
6 get an 80 percent GHG reduction, recognizing that we're
7 going to be looking at everything from Wyoming wind to
8 pumped hydro storage, okay, then we'll see where some of
9 these things fit.

10 But I definitely think there has to be a policy
11 direction that environmental attributes area appropriate
12 to be considered in the context of the ratepayer
13 benefits.

14 Because I believe that societal benefits,
15 whether it's reducing methane from bioenergy or whether
16 it's taking advantage of valuable resources near the
17 Salton Sea, or the opportunity in Westlands where we
18 could take out of production a lot of farmland that's
19 sucking a lot of water out of the State's drought
20 restriction.

21 You know, the reason that the people in the
22 Westlands got this idea was because that land consumes a
23 lot of water and, yet, you can't get those farmers to
24 not be in any business at all.

25 And yet, up to now these things have gone on

1 extensively, they've been talked about at the PUC, at
2 the CEC, but the ISO doesn't see its role as doing
3 anything other than reacting to portfolios, you know.
4 And they take what they're given. At least that's what
5 they say.

6 Okay, and so somehow, if you want to affirm the
7 value of environmental performance it's got to be able
8 to be reflected in price, and it's got to be able to
9 reflect it in a different ranking above projects that
10 don't have those attributes.

11 And until you can demonstrate the capacity to do
12 that at the PUC, don't open this other door.

13 COMMISSIONER DOUGLAS: Thank you, John.

14 Okay, so Nancy, Katie, Jesse, thank you.

15 MS. RADER: Okay, so I want to react a little
16 bit to what I heard just now, and also to Erica.

17 It seems to me that when you say environmental
18 attributes should be not only considered, but actually
19 should trump the least cost/best fit process which
20 was -- okay, I'm sorry, maybe not. Okay, I shouldn't
21 have put words in your mouth. I shouldn't put words in
22 your mouth.

23 But when you said -- okay, I interpreted when
24 you said that -- when you said that good environmental
25 projects will not necessarily rise to the top of the

1 least cost/best fit process that's how I interpreted
2 your -- that you think environmental attributes should
3 rise over all of the other factors. That's what I
4 heard.

5 And I think, actually, that's what would have to
6 happen in operation, actually, to do what John is
7 suggesting.

8 And I think, then, when you get into that kind
9 of territory and you're -- as Jesse said, you know, if
10 you've met the CEQA and NEPA requirements what then is
11 the standard?

12 I mean, essentially, you know, the developer has
13 met State law. Has, let's say, gone through the DRECP
14 streamlined permitting process and for them to be second
15 guessed is troublesome.

16 But also, I have to say that cost matters. I
17 mean cost matters I think to the environment because if
18 our renewable energy becomes so expensive that it
19 turns -- I mean, if you look at the recent polls that
20 came out it's pretty scary.

21 The public support for renewables goes down or
22 the public support for the low -- you know, the
23 transportation fuels going into AB 32, man, it drops
24 like a rock as soon as you tell them it's going to cost
25 them something.

1 I think cost matters. I think we have to
2 balance cost and environment.

3 And when a project has met all of the incredibly
4 stringent requirements we have in California, and then
5 to say, you know, that's not enough there's a problem
6 there.

7 We have to rely on the environmental agencies to
8 say no to bad projects. And, frankly, I think they
9 haven't said no in a couple of cases and that's why
10 we're here, really.

11 I think if an agency said no to a bad project,
12 even in mid-stream, that's what it takes.

13 I also think that the agencies have to let us
14 study areas that we really don't know enough about. You
15 know, we can't just close the door on areas that we
16 really haven't studied, so I think we need to do that,
17 too.

18 But I think that has to happen over in the
19 environmental permitting context and not in the
20 procurement context. Because then you're really mixing
21 up apples and oranges, and it gets really problematic.

22 COMMISSIONER DOUGLAS: Thank you, Nancy.

23 All right Katie and then Jesse.

24 MS. SLOAN: I think this has been working out
25 for me to be going after Nancy.

1 (Laughter)

2 MS. SLOAN: Because I wanted to say that, you
3 know, there is this balance between cost and
4 environmental and that is something that we need to look
5 at.

6 Right now, we actually do have quite a bit of
7 flexibility within the least cost/best fit paradigm.
8 But I can understand why people maybe think that we
9 haven't been using the best fit piece.

10 So, that's where we're starting to focus. In
11 this latest round of procurement we looked at procuring
12 a project for technology diversity, which is something
13 that we hadn't really done before.

14 And then, also, as I talked about earlier
15 starting to use some of the environmental information to
16 start a conversation. Not necessarily to screen
17 projects out, but to have that conversation and to know
18 what we're going into.

19 I think the one thing that I wanted to address
20 was the idea of projects having CEQA and NEPA review
21 prior to the procurement process and, really, the cost
22 and environmental.

23 The more screens that we put on to our pool of
24 projects, the more expensive it's going to be.

25 So, as far as we're trying to meet the 33

1 percent goals, GHG goals in the future we really need to
2 be cognizant of the market that we're creating and that
3 we're looking at.

4 COMMISSIONER DOUGLAS: Right. And LADWP, as the
5 example has brought, tends to develop their own projects
6 and so it's a different paradigm in that way, too, but
7 helpful.

8 Okay, Jesse.

9 MR. GRONNER: So, that's good to hear. I mean I
10 think on the least cost/best fit question the sense has
11 been it's more been focused on least cost, which is
12 understandable because at the end of the day there's a
13 duty to ratepayers.

14 I think the key words, you know, that are
15 similar to what the last few people have said, are
16 quality and diversity. I think those are key elements
17 that we'd like to see more of a factor in procurement
18 decisions, as well as transmission planning.

19 As well as kind of rules around things like
20 interconnections and the sorts of flexibility that
21 developers are granted for new technologies, and not
22 starting the process over.

23 I think all of that will help the effort.
24 Because whether the next wave of development comes
25 because RPS goes from 33 percent to 40 percent, or 50

1 percent, or if it's driven by greenhouse gas reduction,
2 or if it's driven by, you know, the need for capacity or
3 energy itself.

4 Whatever the driver is, I think we're into kind
5 of a new paradigm here and we should use the opportunity
6 to diversify and look at the quality of the product
7 being offered beyond just what's the cheapest I can get.

8 And I think the more the move is toward that
9 quality, both in terms of the product, but quality from
10 an environmental stand point, I think the more the focus
11 is there and, you know, balancing the need to protect
12 ratepayers with the understanding that it needs to make
13 economic sense, but it's all what you're comparing it
14 to.

15 And I think the concern is continuing on the
16 trend of focusing on least cost, lowest price, but the
17 same old thing is going to exacerbate problems and put
18 our efforts and focus in the wrong places.

19 COMMISSIONER DOUGLAS: Thanks, Jesse.

20 Okay, Erica and then Helen.

21 MS. BRAND: I'll be very --

22 COMMISSIONER DOUGLAS: Great.

23 MS. BRAND: This is Erica, I'll be really brief.

24 I appreciate Nancy raising that clarifying
25 question about my statement earlier. I think

1 environmental attributes should be a factor that's
2 considered. There are a number of other factors that
3 are considered in procurement, appropriately, cost. I
4 was not recommending a prioritization.

5 I think when we focus in on a single factor in
6 this type of decision making space that's where there
7 needs to be multiple considerations.

8 COMMISSIONER DOUGLAS: Thank you.

9 Okay, go ahead Helen, and then Karen, and then
10 back to Katie. Oh, you forgot to put it down. Okay, no
11 problem.

12 MS. O'SHEA: I know it's late in the afternoon
13 and I desperately need coffee, but I am pretty sure that
14 I understood everything John was saying. And I noticed
15 the four of us sitting over here were nodding to a lot
16 of it.

17 I think there is actually more shared space on
18 the table that might be apparent at first. And we might
19 still be doing a little bit of the talking past each
20 other when we're talking about how to value
21 environmental benefits and procurement, and also in
22 other processes and, again, how we get back to that
23 issue of aligning everything.

24 So, in the spirit of trying to have a glass-
25 half-full moment, I actually do think that there -- it's

1 a conceptual agreement. And, you know, it may be that
2 it's going to take a while and some more dialogue to dig
3 through that, and there still will be points of tension.

4 But I do think there's some agreement there that
5 we really need to focus on instead of getting caught up
6 in where we might not agree. And that's my Kumbaya
7 moment for the day.

8 COMMISSIONER DOUGLAS: All right. Now, I don't
9 know if I -- oh, Karen, you reached for your card and
10 Lara's got her card up so, go ahead.

11 MS. MILLS: Yeah, just real quick in the spirit
12 of pointing out agreements, I wanted to agree with a lot
13 of what Jesse had to say as we move forward in balancing
14 the various things.

15 But what I thought of and I've thought of this
16 as you look at the procurement plans and the changes I
17 think one of the things that needs to happen as we move
18 forward is to identify what our goals are for the
19 future.

20 It was very -- it's been very identifiable in
21 the past few years that the goal was 33 percent
22 renewable, but now there's a lot of discussion about
23 whether it's a greenhouse gas goal, emission goal that
24 you're looking at for procurement, or some other goal.

25 And so, I think that's going to inform the

1 process and how you analyze these things a great deal
2 about what that goal actually is.

3 COMMISSIONER DOUGLAS: Thank you.

4 Lara.

5 MS. ROZZELL: Yeah, I think in the same spirit,
6 this is Lara from the National Park Service. And we are
7 an agency that is not permitting these, but we do get
8 caught in the problem of conflicting messages from
9 agencies.

10 And so, I feel like a lot of the objections I
11 heard in the room today were to a particular mechanism
12 where environmental scoring or, you know, a particular
13 mechanism that might occur.

14 And so, we don't necessarily have a mechanism
15 identified, but I just want to again support the idea
16 that we could somehow get the different agencies in
17 alignment for developers and for cooperating agencies,
18 like us.

19 And I wasn't here, not that many years ago, when
20 you talked about 20 percent RPS seemed like such an
21 impossible goal and here, you know, thanks in part to
22 things that have happened in this room you've sailed
23 past it.

24 And so, I feel like this same room that produced
25 that ought to be able to, over time, produce the

1 mechanism that will work to get us in alignment.

2 Thanks.

3 COMMISSIONER DOUGLAS: Thank you, Lara, and nice
4 job bringing us full circle, again because we need to
5 because, you're right, and we started with this. You
6 know, a lot of us in this room over many, many, many
7 years have worked through proposing, permitting,
8 reviewing, commenting on, taking part in the review
9 process on projects. A lot of us worked on RETI. A lot
10 of us are working on or are part of the stakeholder
11 group, or are partner agencies on DRECP.

12 You know, we've been through a lot of this work
13 together, you know, as a State and with the many
14 stakeholders who are represented in the room today.

15 And so, you know, it's 4:15, now. I don't want
16 to keep people super late.

17 But I do want to hear, maybe, a last round of
18 thoughts, comments, and reflections on what you see as
19 next steps.

20 You know, what I don't hear coming out of this
21 workshop, at this particular moment, is the answer to
22 Jim's question.

23 But I have heard a lot of things of value that
24 have us, you know, yet again focused on the fact that
25 this is a long-term initiative. These are long-term

1 relationships. This is a long-term and sustained
2 commitment on the part of the State to renewable energy,
3 and climate, and environmental goals.

4 So, there's a lot we need to figure out going
5 forward together.

6 And this question of what is the use of
7 environmental information and how do we interact between
8 our three agencies to -- you know, Energy Commission.
9 Well, I focus in this moment on Energy Commission, the
10 PUC and ISO in this procurement, permitting,
11 transmission effort.

12 But I'm sitting next to Jim Kenna, the State
13 Director of Bureau of Land Management, the partnerships
14 with REAT agencies, California Department of Fish and
15 Wildlife was here earlier, the U.S. Fish and Wildlife
16 Service. We've developed these collaborations and
17 partnerships because they were needed.

18 The Department of Interior which is here today,
19 both Liz Klein and Steve Black, who was a fellow
20 traveler with us for a long time through the ARRA days,
21 so I am optimistic about our ability to, at key moments
22 like this, pause, take stock, work together, figure
23 things out.

24 I'd love to hear some closing thoughts from the
25 panelists on what you see as next steps, or key priority

1 areas for us, either as a group or focusing more
2 specifically on issues of importance to you.

3 And, you know, I'll start with you, Steve. The
4 Department of Defense has been a really important
5 partner for us over a long time.

6 MR. CHUNG: And, actually, quite frankly,
7 listening to the dialogue, I think deliberation,
8 questions, answers it's been, frankly, quite intriguing,
9 similar to what Lara was mentioning.

10 We are not a permitting agency. We are not a
11 regulatory agency. However, over the past, probably,
12 definitely four years with the DRECP and probably about
13 ten years in engagement and dialogue, and discussions
14 from the field to the State, and other Federal agencies,
15 the evolution, I guess that's the way I would put it,
16 clearly it's moving in the right direction in our
17 perspective.

18 Having, the term I've heard multiple times here
19 today, boots on the ground, I couldn't agree with that
20 comment any more.

21 There is a different perspective when you are
22 actually engaged. I know -- where did Andy go? Did he
23 leave already?

24 Okay, well, Andy, and Josh from Inyo, and
25 several other counties on how the local level agencies

1 that have land use authority, how they view and how they
2 process, whether it's renewables or projects in general,
3 and then looking at the process unfold, and we've been
4 fortunate enough to see the DRECP process unfold.

5 So, when the question was asked by Karen, well,
6 you know, what do you think about a landscape plan?

7 Well, I think the first thing that went through
8 my head was, well, that's a loaded question, and
9 rightfully so asked.

10 And we've discussed it internally within the
11 military, both in the field with our regional
12 representatives, our installations, and folks in D.C. I
13 will share with you the feedback is from a concept with
14 regards to a landscape plan, I think there is a great
15 deal of support from the military.

16 Why? It adds predictability. It adds a key
17 element of what we strongly believe in, which is being
18 proactive.

19 And the third tier is we want -- collectively,
20 we want to minimize any surprises.

21 You know, that we -- we, and I will speak across
22 military spectrum. There were things that we could have
23 done better. I won't go into details but, you know, a
24 lot of it came from communicating early, looking a
25 little broader when we are assessing and reviewing

1 projects or policies.

2 So, when the DRECP opportunity came along
3 several years ago, it was one that we wanted to make
4 sure not only did we engage, but we engaged actively, so
5 with sincere and transparent communication.

6 At times there were certain stakeholders that
7 didn't like our input, but that's okay. That's a
8 collaborative process.

9 The one commitment that we did make internally
10 was to be consistent. You know, a message said in 2011,
11 outside of things changing on how we do things and where
12 we do things, that message was going to remain the same.
13 Just staying true to the point of be consistent.

14 And I think, John, the point that you made
15 earlier, I couldn't agree with you more.

16 Talking is great, but when you know where the
17 issue lies to get over that hump, you know, our
18 leadership and I don't care if it's at a local, state,
19 or federal level, we've got to be willing to say, hey,
20 let's get over that hurdle.

21 And, really, that's the first question. When
22 you're talking about landscape plans and say, hey, let's
23 collaborate, let's talk, if we know this one item is an
24 issue and we're not bold enough to say let's get over
25 that hurdle, then do we really want to go through this

1 whole other process?

2 And that's a question that needs to be asked and
3 discussed. And that's okay, it's not a bad thing, it's
4 not a good thing.

5 But I think transparent discussion, I think up
6 front, early dialogue all those elements go into a
7 landscape plan.

8 Goals, couldn't agree with you more, you've got
9 to have a goal. Otherwise, you've got a lost blueprint.

10 So, from the military's perspective this has
11 been an intriguing discussion. We appreciate the invite
12 and look forward to maintaining and engaged.

13 COMMISSIONER DOUGLAS: Thank you.

14 Jim, we're going around the table, just to warn
15 everyone.

16 MR. DETMERS: Gotcha, I'm next. First, Jim
17 Detmers here with the Westlands Solar park.

18 The first thing I would have to say is thank you
19 for arranging this and putting this all together, and
20 everybody's involvement in this.

21 I think there are some things that we need to
22 improve on in the processes that we already have. And I
23 think that's what we were really hearing here today.
24 And they just need to be brought out.

25 And then some decisions could be made of who

1 needs to do what kind of change to the process.

2 And I think that's what I would recommend on a
3 next-step basis that PUC, the CEC, and the ISO, half of
4 which are gone now, but I think internally I think each
5 one of them could be looking at how could some changes
6 be made within their own processes, first, and then come
7 back and see if there's an interaction amongst the other
8 agencies.

9 But first, take a look at yourself and then
10 decide whether or not there's something else over and
11 above that that we need to do.

12 So, again, thank you and look forward to working
13 on this some more.

14 COMMISSIONER DOUGLAS: Well, thank you.

15 And I'll just note, for the record, that the PUC
16 has vacated the table, but not the room. So, they're
17 still here.

18 And I saw the ISO not that long ago, but I think
19 they took the opportunity to sit in the audience. Oh,
20 there's Dennis. Good, thank you, Dennis.

21 Janice, go ahead.

22 MS. FRAZIER-HAMPTON: Janice Frazier-Hampton,
23 PG&E. First, I would like to say, again, I appreciate
24 the opportunity to be here today and to be able to
25 participate in this discussion.

1 With respect to next steps, I think the ongoing
2 communication is probably important. But I do think
3 it's worthwhile to make sure that as far as what each of
4 the agencies have done and continue to do is also as
5 important.

6 A lot of the discussion, I felt, raised
7 questions, also pointed out some areas in where there's
8 been a lot of where I've seen progress made over the
9 last several years. And we can clearly see that given
10 that we're approaching 33 percent by 2020.

11 I do think that it's very important that we not
12 lose sight of the cost issue.

13 I heard some discussion about where
14 environmental fits and why I think it's probably -- not
15 probably, it is important. But it should not override,
16 necessarily, the cost issue because costs do make a big
17 difference for us, what our customers are willing to pay
18 and what it means for the State.

19 So again, appreciate the opportunity and look
20 forward to continued dialogue. Thank you.

21 MR. STRACK: I'm Jan Strack and I'd echo what
22 Janice just said, actually. Economics matter.

23 The reality is when people have more money in
24 their pocket they spend that money. It creates more
25 jobs.

1 When you keep the economy vigorous, it makes it
2 a lot easier to pursue other public policy objectives.
3 So, I think we always have to keep that point in mind.

4 I do think it would be helpful if we could get
5 some clear policy direction of where we're going with
6 greenhouse gas reduction and how we're going to get
7 there. I think that would definitely help the
8 conversation.

9 In terms of near-term next steps, I'm encouraged
10 by Paul Douglas's comments about the RPS calculator
11 model and the improvements there.

12 Because as I indicated earlier, I think one of
13 the things we're seeing is a shift away from
14 conventional capacity and probably towards more energy-
15 oriented resources.

16 MR. RICHARDSON: This is Keven Richardson from
17 Southern California Edison. I just have two comments.

18 The first one being we've talked about CEQA and
19 NEPA, landscape planning. We've talked about PPAs, the
20 procurement process.

21 And about PPAs and like the licensing process,
22 they're really based on the upgrades the transmission
23 planner is coming up with needed to strengthen the
24 system to add that generation on.

25 So, the generator's trying to get their PPAs

1 signed. What is coming out of those studies, it's the
2 transmission planner coming up with certain upgrades
3 that will affect the ability of certain generators to
4 get PPAs.

5 So, I'm wondering if transmission planners, from
6 utilities, were better informed of some of these
7 environmental issues up front could we be, you know, in
8 a better position to suggest upgrades?

9 Let's say we do a study, we see a problem and
10 there are four ways to fix the problem.

11 And if you've ever looked at the tools that the
12 transmission planners are using I mean some of them are
13 very archaic.

14 And we're trying to get more modern but the
15 whole WECC is kind of using the same software. And if
16 you look at that software, it's a black background with
17 white lines.

18 So, I mean you need to use other software, like
19 Google Earth, or other things in order to know, you
20 know, if proposing this third line in the same right-of-
21 way, you know, makes sense as opposed to doing the line
22 somewhere else.

23 And so, that's happening before it goes to
24 procurement, before a generation or interconnection
25 agreement, all of that. It's coming out of the phase

1 one or phase two studies that generators need to post
2 money on.

3 So, the transmission planner, himself or
4 herself, can have a significant impact on what
5 ultimately you're talking about in the licensing
6 process, the siting process, the PPAs and the
7 procurement process.

8 So, I'm wondering if transmission planners were
9 better informed, you know, would they be that much more
10 apt to be able to pick upgrades that would have an
11 easier time going through NEPA and CEQA, and helping the
12 whole generation community to help us all meet these RPS
13 goals.

14 The second point I'm wondering about is just to
15 get to 33 percent, because we're all saying that we kind
16 of have the transmission needed to get there. And the
17 CALISO's has given the mini-presentations with that
18 green slide, showing a lot of those, you know,
19 transmission upgrades that have either just been
20 constructed, in construction, or are still going through
21 licensing saying that, you know, with these upgrades we
22 don't need any more big upgrades to get to 33 percent.

23 But a lot of those upgrades the utilities up-
24 front financed.

25 So, if you want to go to 40 percent, or even

1 more than that, who's going to pay for that? I mean is
2 it the utilities are going to be expected to up-front
3 finance again? I don't even know if the utilities can.

4 And if they're not, then that's affecting the
5 PPAs, you know, for the generators making it to -- you
6 know, cost issues for them.

7 So, I mean that's a whole other thing, maybe not
8 totally environmental but, I mean that's going to have
9 to be some huge costs that we're going to have to think
10 about.

11 You know, looking at what it took us to get to
12 33, if we need to go to 40, you're going to have big,
13 huge generation projects combined with, you know,
14 probably big, huge transmission upgrades that go along
15 with them and they affect each other.

16 MS. SLOAN: Katie Sloan, Southern California
17 Edison. I agree with what my colleague said.

18 (Laughter)

19 MS. SLOAN: Of course. But really, you know, I
20 think one of the key things to take away is that more
21 information earlier on in the process, even before
22 procurement is what's going to help do this.

23 By the time we get to procurement there's a lot
24 of things that are already baked, half-baked, at least.

25 But we would continue to like to work with the

1 environmental groups and others to see how we can use
2 tools to inform the process. Not necessarily screen,
3 but understand where the projects are located and really
4 use the best fit portion of the least cost/best fit
5 framework that we have.

6 MR. WHITE: First of all I want to thank
7 Commissioners for another fine meeting. The last
8 workshop of this kind that you had, earlier, I think
9 last year, was as good a meeting as this.

10 And I think, first of all, these are good
11 discussions to have and they're cross-sector and they
12 are, you know, helping connectivity.

13 And having sort of instead of a lot of
14 PowerPoints from the staff, what we have is a lot of
15 interaction and questions back and forth. I think
16 that's a good format.

17 And I think the fact that you have the utility
18 folks here to both listen and reflect on their
19 experience -- I think something my colleagues have said
20 today is we're all getting better at this.

21 And I think this laboratory has been a very
22 important -- the question is what's next? And, you
23 know, we're all ready for something to happen next and
24 to put our best foot forward, but there's got to be some
25 policy direction and leadership from the Governor on

1 down.

2 I know the energy principals are meeting and
3 there's all these reports coming out. I'd like to see
4 the energy principals engage in a discussion like this
5 with other stakeholders, and other people to be able to
6 reflect and share their perspective.

7 Because I think while it's great to have the
8 agencies cooperating, it would be nice to have them also
9 listening together.

10 In ways that we've done periodically, this
11 workshop and the previous one were the two best examples
12 of that, but we need more dialogue of the kind.

13 The other thing is I really think the Energy
14 Commissioners should delve, and all of us should delve
15 more carefully into what this RPS calculator is because
16 it's been called the spread sheet that ate the State.

17 And I think Mr. Douglas was far too modest in
18 describing the influence that the RPS calculator had,
19 and at least the way it's thought of as a boundary, a
20 set of boundary conditions. And it's not just advisory.
21 This determines the fate of projects and technologies.

22 And if you don't consider all the values and all
23 the attributes that are important, and I agree that cost
24 is very important. Nobody's saying cost isn't a crucial
25 variable, but it's not the only thing, particularly when

1 it's not informed by other costs, whether it's an
2 unbounded gas price risk, where we have automatic pass-
3 through clauses so gas looks cheaper than it actually
4 ends up turning out to be, renewables end up saving
5 money.

6 Those are very important things and, yet, I
7 think there's been not enough transparency in that whole
8 process and there needs to be more input from outside.

9 So, I'd also just like to throw out a new turn
10 of phrase that maybe in the future we need to start
11 thinking about "best fit/least cost".

12 Because I think in the future fitting the pieces
13 together with the long-term GHG reductions in mind is
14 what this planning process is going to lead us to. And
15 that's where cost and value begin to have some different
16 contexts than when we're only looking at meeting a
17 mandatory regulatory purchase requirement.

18 Because what we're really getting ready to do is
19 have low-carbon resources not just be added on to the
20 dirty fossil fuel system, but become the workhorses of
21 that system. Where, increasingly, instead of renewable
22 integration costs we're going to have to be thinking of
23 fossil integration costs.

24 Right, because it's the fossil parts of the
25 system that are the least flexible and the least able to

1 adapt. And that's part of this discussion and it's part
2 of what is the cost.

3 So, I hope that we have another meeting like
4 this, with lots of other people, and maybe some more of
5 your colleagues joining in.

6 Because I'm grateful that you all stayed all
7 day, and put this time and effort, and all the other
8 parties. I think it's been very helpful, thank you.

9 COMMISSIONER DOUGLAS: Thank you.

10 Matt?

11 MR. STUCKY: Well, thanks for the invitation. I
12 don't know, should I take the name tag with me? Maybe
13 I'll leave it here so I always have a place at the
14 table.

15 I was encouraged to hear Southern California
16 Edison talk about the shift of focus more on the best
17 fit side, of the least cost/best fit methodology.
18 That's important to us to the extent that means valuing
19 environmental attributes of projects or, like John was
20 talking about, the actual attributes of the electricity
21 generated by specific projects. We fully support that
22 and think it's a great idea.

23 Very interested in seeing the DRECP; not
24 interested in reading 8,000 pages, but I'll find the
25 important pieces.

1 You know, hoping that the DFAs work. We're very
2 concerned about that. And at a minimum, hopefully,
3 there's some flexibility in the process that's outlined
4 so that if there are missteps in how we think it's
5 initially rolled out that it can be corrected over time.

6 And then I guess, finally, when it comes to
7 landscape-scale planning, I am very interested, and you
8 could almost say excited about the opportunities that it
9 raises for mitigation and how developers can work with
10 the environmental community in finding the best and most
11 cost-effective use of limited mitigation funds.

12 I'm very interested in finding ways to quantify
13 benefits, to come up with metrics.

14 I've just recently learned about conservation
15 business plans, which I'm really excited and, hopefully,
16 we can talk about those kinds of things in another
17 venue.

18 But look forward to continuing this kind of
19 dialogue, thanks.

20 And not to be rude to my colleagues, but I have
21 to get up and get out of here, so I might not listen to
22 all of your comments.

23 COMMISSIONER DOUGLAS: Thank you, Matt.

24 Ray?

25 MR. KELLY: Ray Kelly, NRG. And sure, Matt, you

1 can go and we won't feel bad about that.

2 (Laughter)

3 MR. KELLY: Thank you for the opportunity to
4 participate today. As Matt said, we're excited about
5 the landscape planning process, looking forward to a
6 well-prepared DRECP and we think that would help us
7 minimize surprises, as Steve Chung said, for our
8 development opportunities and really focus on places
9 where we can see a lower risk, possibly, hopefully,
10 lower costs, quicker schedules.

11 You know, the thing that developers, you know,
12 just loathe is unknown schedule, unknown cost, unknowns,
13 lots of risk.

14 So, we're excited about that. We like that in
15 the confines of landscape planning and using it to help
16 facilitate, you know, development in the right areas.

17 Also, looking forward to future actions that
18 could come out of that and I think, as Chris Beale
19 mentioned in his presentation, identifying high-value
20 habitat for future generations of animals and plants.

21 And that we're, you know, interested in looking
22 forward to, hopefully, the state and federal agencies
23 getting together and creating programs to acquire
24 mitigation property, aggregate properties that are
25 identified as high value, and that developers can then

1 get behind and provide funding for as part of their
2 mitigation package for their projects.

3 And we think that would be a great opportunity
4 for collaboration between the agencies and also for
5 industry to come behind and support. Thank you.

6 COMMISSIONER DOUGLAS: Thank you.

7 Jesse?

8 MR. GRONNER: Jesse Gronner with Iberdrola
9 Renewables. I kind of said a bunch already, but in
10 terms of the quality, diversity stuff, I do feel like
11 that's really important and is in line with what a lot
12 of other folks seem to be saying.

13 I mean I think in terms of where do we go from
14 here? What are some things that could happen?

15 You know, we talk back at my shop a lot about
16 the silos that are in California right now with respect
17 to different goals, different objectives, different
18 programs. Even within the PUC there's multiple,
19 arguably, overlapping initiatives, FRAC-MOO, RA, you
20 know, procurement, RAM, Small Solar.

21 I mean at the end of the day there can be a lot
22 of consolidation here because at the end of the day it's
23 driving toward, really, the same big picture goal here.

24 And I think then you, when you pick your eyes up
25 and you don't think about all of these different

1 programs that have been established for different
2 reasons over time, and really think about what are they
3 driving toward, and then you factor in the environmental
4 piece it actually all fits together pretty well.

5 So, if we can break down the silos a little bit
6 and really think about that because I think they're
7 all -- they're all connected.

8 And we end up in these chunky cycles where,
9 okay, RAM is RAM and then Small Gen is Small Gen. And
10 then, you know, you've got FRAC-MOO coming in and how
11 does that fit into the picture?

12 So, putting that all together I think would be
13 helpful.

14 And then, with respect to the greenhouse gas
15 implementation, you know, not to add another agency to
16 the table but Air Resources Board, and making sure that
17 at the end of the day because they're -- we do need a
18 goal to drive toward.

19 It seems like a lot of folks agree on more
20 things than they disagree on and kind of where we want
21 to take it. But it's hard until you kind of have that
22 goal out in the distance that you're aiming for.

23 So, it should be a combination of RPS,
24 greenhouse gas, and the grid reliability issues, and
25 they can all kind of come together a lot better than

1 they have thus far.

2 So, thank you.

3 COMMISSIONER DOUGLAS: Nancy.

4 MS. RADER: Okay, I'll try to be quick. Three
5 points, projects won't get built that can't make it
6 through the CEQA and NEPA process and get a permit.

7 That is the first line of defense, I think, and
8 I don't think we can make up for that in the procurement
9 process.

10 Once we do set longer-term goals, and I agree
11 with John and Jesse it's critical that we get those
12 goals set.

13 And once that market is there, if folks can't
14 get a contract through the least cost/best fit process,
15 which is evolving, and I think we're improving it.
16 We're starting to look at the best fit things.

17 If you still can't get a contract there, we
18 really have to change the framework we have. We have to
19 change the law, have a specific mandate for a specific
20 resource area because it's just -- it just can't be
21 accommodated in our current framework which I think,
22 frankly, works pretty well.

23 So, if there's a favorite area, we need to
24 just -- the advocates for that just need to promote that
25 separately.

1 And, finally, I really do think the agencies
2 should look at adopting a long-term transmission plan.
3 Look at the results of RETI, DRECP conceptual
4 transmission plans. Let's not let that just collect
5 dust on the shelf. Those can be really, really valuable
6 and they really deserve a lot more attention.

7 And it can really get us out of the business of
8 screening projects on environmental grounds for the
9 purpose of transmission planning.

10 Thank you.

11 COMMISSIONER DOUGLAS: Thank you.

12 Rachel?

13 MS. GOLD: Just a couple of final thoughts. I
14 really appreciated the conversation today. And I think
15 that as we move forward in talking about these issues
16 I'm really looking forward to seeing the draft DRECP, as
17 several folks mentioned.

18 And I think we'll have a better sense once we
19 see that of how to incorporate some of these elements,
20 and whether or not that's appropriate and how it's going
21 to work.

22 I think some of that is unclear, not having
23 those 8,000 pages in front of us at this time.

24 So, I'm hoping that will be a big piece to help
25 further this conversation.

1 And I agree with a number of my colleagues who
2 have mentioned that we really need another goal to plan
3 around and that it's hard at this point to try to figure
4 out what these pieces should look like, and how they
5 should fit together without that larger goal.

6 So, I'm looking forward, as that develops, to
7 returning to this conversation and thank you.

8 COMMISSIONER DOUGLAS: Thank you, Rachel.
9 Erica?

10 MS. BRAND: Well, I want to thank the
11 Commissioners for convening the conversation, like a
12 number of my colleagues have. I appreciate the
13 opportunity.

14 The agencies have made considerable progress in
15 integrating land use, transmission, generation and I
16 think we should continue to build upon that momentum,
17 especially as we're finalizing different land use plans,
18 but as we're looking towards what may be the next goal
19 for the State.

20 So, thank you.

21 MS. FRIEDMAN: I, likewise, want to thank the
22 Commissioners. I thought it was a great conversation.
23 I think there is a lot of recognition of a shared hope
24 for a clean energy future that's sustainable, and has
25 increasingly high penetrations of renewables. So, I

1 think that's great.

2 I loved John White's connectivity. I'm going to
3 use that over, and over, and over again. I think that's
4 great. So, that was a takeaway.

5 And, yeah, I look forward to the RPS calculator
6 revisions and ways that can get us to the energy future
7 we all want.

8 COMMISSIONER DOUGLAS: Thank you, Sarah.

9 Let's go to Helen.

10 MS. O'SHEA: Well, I would echo everyone else's
11 thanks. I think this was a perfect time to have this
12 workshop.

13 We're at a critical juncture in many different
14 forms.

15 In terms of immediate next steps, I think the
16 DRECP obviously is just looming so large for everyone,
17 no more than for your folks sitting at the dais.

18 I guess one thing that I would ask us to be
19 mindful of, as we get immersed in that document, is to
20 remember that it's nested within other planning
21 processes. It's nested within the bigger statewide
22 efforts that include looking at the valley and what role
23 might those lands play in the clean energy future.

24 That it's also nested within bigger region-wide
25 transmission planning efforts, like the WECC efforts

1 that I believe were talked about earlier today.

2 You know, and just to not forget that all of
3 these things have to be integrated and aligned because
4 we're planning not just for individual projects and
5 transmission lines, we're planning for a clean energy
6 system that's going to get us to our climate goals.

7 And that doesn't stop at California's borders.
8 And we might be the leaders, you know, on every
9 forefront in renewables, but we also have to think about
10 how our neighbors are participating and being impacted.

11 And so, I guess I just come back to the
12 alignment theme once again. Thank you.

13 MS. KELLY: And thank you, as well, for both a
14 terrific workshop today, but also for including this
15 topic in this year's IEPR.

16 This has been an important conversation as it
17 relates to renewables, but it is also an important
18 conversation for siting of generation across the board,
19 whether it's for renewables or conventional.

20 The idea that we're doing sound planning
21 practices for substantive land use is important. And
22 encouraged that as we move forward in our sustainable
23 renewable future that we also hold the other side of the
24 game up to the same high standards for the planning of
25 those projects, as well.

1 COMMISSIONER DOUGLAS: Thank you, Kate.

2 Mark?

3 MR. NECHODOM: Appreciate your having us here.

4 In terms of takeaways, when I say takeaways I
5 mean next steps, I'm looking forward to seeing a little
6 higher viability, perhaps, with the procurement process,
7 higher environmental viability screens. I'd like to see
8 that considered.

9 I am interested in seeing -- Nancy had mentioned
10 five transmission lines. I think that would be worth a
11 debate among the energy community. I actually don't
12 know which ones she's talking about, but if there's a
13 consensus there that would be helpful from a developer
14 perspective to understand where those are.

15 And a goal, under the greenhouse gas, AB 32,
16 electricity clarity on what the goal is for -- the new
17 goal is for the electric sector is going to be helpful.

18 MS. MILLS: So, Karen Mills for the California
19 Farm Bureau. And I will add on my thanks. I think
20 there was a really good discussion all day long. I
21 appreciate it.

22 And I seem to be agreeing with people today
23 who's first names start with "J". And so, they
24 highlighted a few things that I just want to reiterate
25 and one is the importance of working together with the

1 agencies that you've invited and also, with the locals
2 because that's where you get the on-the-ground support,
3 because people support what they help create.

4 And what the goal is, is important. And then
5 also, because price is important to our members as well,
6 I appreciate the comments about that you can't lose
7 sight of that, especially as we move to next steps.

8 Thank you, again.

9 COMMISSIONER DOUGLAS: Thank you.

10 Lara?

11 MS. ROZZELL: It feels like a second bite at the
12 apple. I certainly already made closing remarks, but I
13 can't resist.

14 So, thank you all. It's so good to hear from so
15 many perspectives today.

16 And I'm thinking about goals. And, you know, at
17 the National Park Service we already have one crazy goal
18 of protecting our nation's treasures for infinite
19 generations to come, while helping people today enjoy
20 them.

21 And now, we toss on supporting our department
22 and our Nation as we try to replace our energy system so
23 that climate change won't undo the last hundred years of
24 work that we did protecting these places.

25 And so, one more goal of just getting California

1 agencies in alignment to replace our energy system seems
2 like we could do that, too.

3 MR. DETMERS: Do that on the weekend.

4 (Laughter)

5 COMMISSIONER DOUGLAS: Thank you, Lara.

6 Appreciate your optimism, Jim.

7 Go ahead, Jim Kenna.

8 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: All
9 right, I'm going to try and be quick here.

10 Let me sort of come back full circle and think
11 about the whole day a little bit.

12 One, a lot of evidence of the understanding in
13 this room of the two complex systems that we're really
14 talking about, the energy systems, generation,
15 transmission, storage, all of that is very, very
16 complex, and a lot of very complex relationships
17 implied.

18 You know, aging infrastructure issues. There's
19 all kinds of things that came up today that I think
20 reinforced that.

21 But also, the great complexity and the strong
22 desire for outcomes on the conservation goal side. That
23 there is a real need to pay attention to the
24 conservation goals and make sure we're making that work,
25 as well.

1 And for the intrinsic values to wildlife, and
2 natural communities, and cultural values that we attach
3 to those landscapes, but also for climate change reasons
4 that there is -- that's one of the places where those
5 two things touch, renewable energy and its importance to
6 reducing greenhouse gases, and climate change, and the
7 relevance of that to the movement of species and
8 connectivity, to borrow John's point.

9 I heard lots of expectations that I think are
10 appropriate for us to be deliberate about how we
11 integrate and think about the relationships among our
12 different processes at all the levels, at local, state
13 and federal.

14 And for me, it really drove home the importance
15 of thinking that through and the power that we could
16 have in alignment of all of those levels and laterally
17 across among our agencies.

18 And I think we've achieved some pretty good
19 benchmarks on some of that, particularly with the REAT
20 agencies and some of the work that we've done there.

21 A lot of good information on use of information,
22 where does it go, what do you use it for, how do you use
23 it? How do you be careful that you don't create
24 unintended consequences or bad outcomes by -- even if
25 you had good intentions going in.

1 So, it strikes me that this was a very, very
2 useful meeting to me. A lot of information value that I
3 will walk away with and think about.

4 And I'm cognizant that we're a player in all of
5 this and there's an expectation for us to act on some of
6 these alignment kinds of questions and issues.

7 The last thing that I wanted to leave was a lot
8 of discussion around the DRECP and, certainly, we feel
9 some excitement in its imminent release.

10 And I heard the 8,000 pages thing a couple of
11 times.

12 But let me also say that I've looked at the
13 executive summary and it's about 100 pages.

14 (Laughter)

15 BUREAU OF LAND MANAGEMENT DIRECTOR KENNA: Very,
16 very digestible. You can get your arms around it. The
17 summary table of the alternatives, about 20 pages, so
18 100 plus 20, we're up to 120, very doable.

19 But with the 8,000 you're going to see all the
20 work. If you want to look and see what the transmission
21 planners did to contribute to this, you can see that.

22 If you want to see all the details around an
23 individual species and what we looked at, you can see
24 that.

25 So, I think I'm feeling pretty good about the

1 content of the plan and, hopefully, you will, too, when
2 you see it.

3 COMMISSIONER SCOTT: So, I just wanted to take a
4 minute to thank everybody for spending this afternoon
5 with us. I thought this was a rick and thought-
6 provoking dialogue that we had and I very much
7 appreciate your engaged participation.

8 I thought I might highlight just a handful of
9 things and, actually, probably everyone around the table
10 has also highlighted these things.

11 But the themes that I heard throughout the day
12 were that there is a long-term and sustained commitment
13 that we have made to this, and that we need to continue
14 to make to this, and that folks around the table are
15 absolutely willing to make towards it.

16 The importance of partnering and aligning
17 different processes and that there are various fixes in
18 certain processes that might help, and a call for some
19 of the agencies to take a look and see what some of
20 those might be.

21 We heard that cost matters; that there are times
22 to think about this like a business and to keep the
23 economy vigorous.

24 We heard the importance of coming to common
25 definitions and understandings around a lot of the terms

1 that we're talking about, the need to be consistent, to
2 have more information earlier on in the process.

3 We heard that there's been a lot of lessons
4 learned in all of the work that we have done in
5 partnership together over the years and that, yes, those
6 are getting incorporated as we go further. And we're
7 getting smarter about this. We're getting better about
8 how we do all of this.

9 We talked about the large number of layers that
10 we need to sort through and how just incredibly valuable
11 it will be to have good leadership and the importance of
12 having a goal for us to rally around. And that will
13 help us as we try to sort through the just amazing set
14 of data that we have.

15 And so, those were a few themes.

16 I wanted to say thank you to Commissioner
17 Douglas for putting together such a wonderful
18 conversation. This has been, I think, a terrific day.

19 And I'm going to turn it to her to make the
20 closing comments.

21 COMMISSIONER DOUGLAS: All right, well, thank
22 you, Commissioner Scott. And I want to thank everybody
23 for being here.

24 And particularly, let me take this moment to
25 thank Liz Klein for coming all the way from Washington,

1 D.C. You get the award for being the presenter who has
2 come the furthest to come to this workshop.

3 And in all seriousness, her being here is just
4 another manifestation of the continuing partnership
5 between the State of California and the Department of
6 Interior that is -- that includes DRECP, but that is
7 much broader than DRECP.

8 And as we dealt with projects together in the
9 past with federal agencies, most of which, although not
10 all of which were under Department of Interior, as we've
11 worked on DRECP, as we sit together and think about the
12 future and what we need to bring together as agencies in
13 the state/federal partnership to do what's needed in the
14 future, Department of Interior and the federal agencies
15 are really critical partners in this.

16 And so, we're very lucky to have that
17 relationship. So, thanks for being here. Thanks for
18 the ideas you presented.

19 There's a lot there for us to work on together.

20 I have already referenced how we've -- you know,
21 we, collectively in this room, have worked on a lot of
22 these issues for a lot of years. We'll continue to do
23 that.

24 This has been a very helpful dialogue to me.
25 And while we did not walk out with this issue, you know,

1 all wrapped up and tied with a bow and, you know, ready
2 to present for reaction by all of our agencies, I think
3 we have made some progress in clarifying issues and
4 putting forward some next steps.

5 And there's a lot for us to work through, but
6 I'm quite confident of the shared commitment around this
7 table to work through that.

8 So, with that I want to thank everyone for being
9 here. And I think we will now go on to public comment.

10 COMMISSIONER SCOTT: Thanks. So, let me turn it
11 to Heather.

12 MS. RAITT: Okay, we'll get the timer going for
13 the three-minute time, and then you have the cards for
14 the people who are in the room for comments.

15 COMMISSIONER SCOTT: Excellent. So, just a
16 reminder, if you're in the room and you'd like to say
17 something, please be sure to fill out a blue card. Our
18 Public Adviser is there, waving them for you. And he'll
19 get them up to me and I will call on you.

20 Our first person is Michael Wheeler from
21 Recurrent Energy.

22 And I think maybe the best place is potentially
23 go stand by Heather, yeah.

24 MR. WHEELER: Thanks. Michael Wheeler, Vice-
25 President of Policy with Recurrent Energy. I'll make

1 sure you guys all still get out of here before 5:00.

2 It was helpful -- I'll skip all the thanks, but
3 thanks everyone, it's been excellent.

4 So, I just wanted to identify that from my
5 perspective, really, to date successive renewables
6 really hinges on two drivers. It's the policy goals, 20
7 percent and 33 percent, and then low cost. And together
8 that makes it painless and it gives us the ability to
9 plan ahead, together, for this landscape-level planning
10 effort that's -- it is important.

11 So, some comments about landscape level
12 planning. I think that it can work. I think that it's
13 important to identify that, you know, we can use this to
14 incentivize the type of development that we want going
15 forward, to incentivize that we've still got the low-
16 cost renewables that we want to fill out our system to
17 replace the fossil, to hit this 2030 target and 2050
18 targets that we're looking forward to.

19 But, conversely, the screening, the
20 environmental screening in procurement process that is
21 our test. We need to leave that out of procurement
22 because you use procurement to test whether your
23 incentives to site in the right places are working.

24 And if you're getting it right, if we're getting
25 it right, then that's where they'll be.

1 But if at the end of the day projects that are
2 least cost/best fit are showing up in other places, then
3 we need to iterate, we need to go back and interview all
4 of the developers that were successful, and the
5 utilities understand why are you not siting where we're
6 trying to incentivize.

7 The transmission is the number one thing so if
8 we can identify these least conflict areas, bring
9 transmission there, if we can talk about getting, you
10 know, the low opposition and the streamlined permitting,
11 and all of that, that will drive siting decisions
12 absolutely.

13 But again, I just want to reinforce that the
14 procurement process is our test to see if those
15 incentives are working.

16 I look forward to the continuation of the
17 conversation as this IEPR process continues, thanks.

18 COMMISSIONER SCOTT: Thank you.

19 Our next comment is from Pamela Eaton, from the
20 Wilderness Society.

21 MS. EATON: Hi, this is Pam Eaton with the
22 Wilderness Society. And I'm based in Denver, but I've
23 worked with a number of people in this room on renewable
24 energy planning and siting for a long time.

25 And I guess I just wanted to reiterate the need

1 and encourage you all to continue to think about how to
2 integrate environmental information into decision
3 making, and to be creative about it.

4 I think Jim talked about the blind man on the
5 elephant, and we see that a lot.

6 And just as an example, Kevin talked about the
7 transmission planners being able, when they are able to
8 see environmental information early on in the process
9 coming up with new solutions, different answers.

10 And I've heard that, as I've worked on
11 transmission, from transmission planners and engineers a
12 lot.

13 And so, I just wanted to encourage all of you to
14 think about how do we integrate environmental
15 information into these processes so that we can see
16 those solutions earlier on and at various places in the
17 process because it does open our eyes to new
18 opportunities.

19 So, continue the good work, thank you.

20 COMMISSIONER SCOTT: Thank you.

21 Those are the only two blue cards that I had.
22 Are there any other blue cards or comments from the
23 room?

24 Heather, do we have any comments on the WebEx or
25 phone?

1 MS. RAITT: We don't have any on WebEx, but
2 we'll open the phone lines, if you can bear with us.

3 COMMISSIONER SCOTT: Okay.

4 MS. RAITT: It appears nobody has any comments
5 on the phone lines.

6 COMMISSIONER SCOTT: Okay.

7 COMMISSIONER DOUGLAS: Well, I just would be
8 remiss if I left here without saying, as Jim did, that I
9 think everyone here is eager to get their hands on the
10 DRECP document and to get to start reading that concise
11 and clearly written executive summary, and all of the
12 technical information that goes with it.

13 Probably, I don't know if there's any side of
14 the table that's more eager to have it out in your
15 hands, but I think Jim and I are pretty high on the list
16 of people who want you to have it, you know, yesterday.

17 MR. DETMERS: I'm going to miss the next meeting
18 because I'll be reading.

19 (Laughter)

20 COMMISSIONER DOUGLAS: Exactly.

21 So, I think high on our list of next steps is we
22 want to give you the opportunity to dig into that plan
23 and obviously go into, I think, a robust comment period.
24 Because nobody here is particularly shy about expressing
25 their opinions. That's a good thing. We want to hear

1 it.

2 And we want to work with you to make that plan
3 work and we want to work with you on the broader issues.

4 COMMISSIONER SCOTT: Great. Well, thank you so
5 much. I want to say thank you again to all of our
6 participants, especially Liz Klein for coming all the
7 way across the country to join us.

8 We had just, like I said earlier, a thoughtful,
9 engaged, robust dialogue and we couldn't have done it
10 without all of your engaged participation.

11 I want to say thank you to my Advisor Jim
12 Bartridge, and to the IEPR team.

13 And I'd also like to just say again, thank you
14 to, yes, and Eli Harland, so to Commissioner Douglas and
15 her terrific team for putting together just a fantastic
16 day for us.

17 So, thank you very much. Thanks to all of you
18 for joining us, and we'll see you soon.

19 (Thereupon, the Workshop was adjourned at
20 5:01 p.m.)

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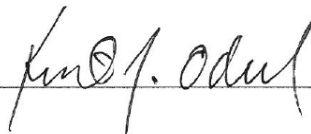
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