

**DOCKETED**

<b>Docket Number:</b>	26-BUSMTG-01
<b>Project Title:</b>	2026 Business Meeting Agendas, Transcripts, and Public Comments
<b>TN #:</b>	268883
<b>Document Title:</b>	Transcript of the February 11, 2026 Business Meeting
<b>Description:</b>	N/A
<b>Filer:</b>	Kim Todd
<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
<b>Submission Date:</b>	3/2/2026 1:04:17 PM
<b>Docketed Date:</b>	3/2/2026

## CALIFORNIA ENERGY COMMISSION

In the matter of:

Business Meeting )  
 ) Docket No. 26-BUSMTG-01  
 )

WEDNESDAY, FEBRUARY 11, 2026

10:00 A.M. - 3:00 P.M.

In-person at:

CALIFORNIA NATURAL RESOURCES BUILDING  
 715 P STREET  
 FIRST FLOOR AUDITORIUM  
 SACRAMENTO, CALIFORNIA 95814  
 (Wheelchair Accessible)

The California Energy Commission (CEC) aims to begin the business meeting promptly at the start time and the end time is an estimate based on the agenda proposed. The meeting may end sooner or later than the time indicated depending on various factors. Commissioners may attend remotely in accordance with Government Code section 11123.2(j).

Pursuant to the California Code of Regulations (CCR), title 20, section 1104(e), any person may make an oral comment on any agenda item. To ensure the orderly conduct of business, such comments will be limited to two minutes or less per person.

Please visit the CEC Business Meeting web page for more information and materials at <https://www.energy.ca.gov/proceedings/business-meetings>.

Reported by:  
 Martha Nelson

APPEARANCESCOMMISSIONERS

David Hochschild, Chair

Siva Gunda, Vice Chair

Noemi Gallardo, Commissioner

STAFF

Drew Bohan, Executive Director

Sanjay Ranchod, Chief Counsel

Justin Cochran, PhD, Senior Emergency Coordinator & Nuclear Advisor, Energy Assessments Division Reliability and Emergency Unit

Douglas G. O'Brien, Energy Commission Specialist II, Reliability, Renewable Energy, and Decarbonization Incentives Division, Reliability Reserve Incentives Branch

Deana Carrillo, Director RREDI Division

Renee Webster-Hawkins, Chief Counsel's Office

Miki Crowell, ZEV Infrastructure Specialist, Fuels and Transportation Division, Commercial and Industrial ZEV Technologies and Infrastructure Branch

PUBLIC ADVISOR'S OFFICE

Ryan Young, Deputy Public Advisor

PRESENTERS

Howard Chang, CEO, Ava Community Energy

APPEARANCES

PUBLIC COMMENT

Logan Strait

Michael Ferry, UC San Diego

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1 period for that item to make your comment.

2 Now for the instructions on how to notify us that  
3 you'd like to make a comment at this time. If you are in  
4 the back -- or excuse me, if you are in the room, please  
5 use the QR code posted in the back or visit the Public  
6 Advisor table in the back of the room. If you are on Zoom,  
7 please click the raised-hand feature on your screen. And  
8 if you're joining us by phone, please press star nine to  
9 raise your hand.

10 To ensure that we can hear from everyone and get  
11 through the agenda, comments will be limited to two minutes  
12 or less per speaker and one speaker per entity. You'll be  
13 called on when it's your time to make your comment.

14 We will start with people in the room. There are  
15 no commenters in the room, so I'm going to check Zoom next.

16 Chair, that concludes this first comment period.  
17 Back to you.

18 CHAIR HOCHSCHILD: Okay. Well, thank you, and  
19 again, good morning, everybody.

20 The reason I was a little bit late getting in, my  
21 father was just being interviewed on KQED Forum on the  
22 radio, and he had not told us. So I called in and  
23 surprised him with a question on the radio interview, which  
24 was funny. He's an investigative journalist. And when my  
25 brother and I were being raised by my parents in San

1 Francisco, we did not think that was particularly cool.  
2 You know, we wanted him to be a firefighter, an airline  
3 pilot, but I just told him investigative journalism is  
4 where it's at. So that was a nice way to start the day.

5 I do want to say happy Black History Month to  
6 everyone. And I really want to especially recognize the  
7 contributions of the African American community to our  
8 state and to our nation, especially in light of the  
9 horrific and abhorrent video that was posted by the  
10 President of the United States last week. I sent an all-  
11 staff email about that. Totally unacceptable. We cannot  
12 normalize this kind of behavior. The United States is a  
13 multiracial democracy. California is a multiracial  
14 democracy. Everyone is welcome here. Our society rests  
15 and operates on a foundation of respect, and that kind of  
16 thing cannot ever be tolerated.

17 So I just want to, again, make clear what I said  
18 in that all-staff. I can't ever let that be normalized.

19 Okay, with that, today we're -- oh, I'm sorry,  
20 are there any other agency announcements?

21 Yeah, go ahead, Commissioner Gallardo. Yeah.

22 COMMISSIONER GALLARDO: Buenos dias. Good  
23 morning, everyone. This is a little bit on the personal  
24 side, too. I actually was driving on my way here and got  
25 to hear the interview. I was like, oh, that's the Chair's

1 dad. So it was really, really well done, and I didn't get  
2 to catch the Chair talk, but really nice.

3           So what I wanted to say is I'm wearing pink  
4 today. It's bold. It might be obnoxious to some, but I  
5 love power pink. It's in honor of Valentine's Day. I  
6 don't usually make such a big deal about Valentine's Day,  
7 but it's coming up, and because of some of what the Chair  
8 just said at the national level, what's going on with the  
9 negativity, even at the international level, too, making  
10 such an impact on people, I just thought Valentine's Day is  
11 a good reminder to express our love toward one another, be  
12 more patient towards one another, just in general, have  
13 more grace with each other and show appreciation for our  
14 humanity.

15           And I didn't realize how much I needed it until I  
16 watched the Bad Bunny show/concert at the Super Bowl, and  
17 it was such an appreciation of the Latino culture, Latino  
18 community, and I just felt it as an appreciation of me.  
19 And in my household, my parents, too, they don't follow  
20 football, they don't listen to Bad Bunny usually, but they  
21 watch the show, and now they can't stop talking about Bad  
22 Bunny. They're 80 years old, so it's just it's fun to see  
23 them have this ray of sunshine and have even more hope  
24 because of that, you know, just one moment that made such a  
25 big difference.

1           So for those of you who do celebrate Valentine's  
2 Day, hopefully you have really nice plans for this weekend.  
3 For those of you who don't necessarily celebrate, just a  
4 reminder to appreciate yourself, appreciate others, and,  
5 you know, I love that we can do that at the Energy  
6 Commission.

7           And on that note, too, I wanted to say I've been  
8 out for about a month, and I'm just really grateful for all  
9 of the support I've had because I was on like a medical  
10 leave, and my fellow Commissioners, Executive Office,  
11 staff, everyone was just so great, and especially my team,  
12 Team Gallardo, Derek, Jimmy, Colleen, Rosemary, and our  
13 fellows, Uno, Stephanie, Julia, Matthew, just made a big  
14 difference that they were holding everything down. They  
15 did really well without me, which is a little scary, but  
16 they handled everything really smoothly, so I'm just really  
17 grateful I can lean on my team at any time, and especially  
18 when I had to be out for so long.

19           So I'll leave it at that, but I just want to  
20 express my love and gratitude again to all of you for  
21 joining us and just for being who you are. Thank you.

22           CHAIR HOCHSCHILD: Well, Commissioner, I just  
23 want to say we're so glad you're back, and we love you and  
24 so grateful for you. You're making me think we should have  
25 a halftime show for Energy Commission meetings, so I'm

1 going to talk about it.

2 Vice Chair? Okay, nothing. Okay.

3 I did want to highlight today we're going to be  
4 considering approval of just over \$11 million of grants and  
5 investments contributing to California's economy.

6 With that, let's turn to the consent calendar.  
7 Is there any public comment on consent?

8 MR. YOUNG: Thank you, Chair. Again, this is  
9 Ryan Young, Deputy Public Advisor.

10 The Commission now welcomes public comment on  
11 Item 3. To notify us that you want to make a comment on  
12 this item and if you're in the room, please use the QR code  
13 posted in the back. If you're on Zoom, please click the  
14 raised-hand feature on your screen, and if you're joining  
15 us by phone, please press star nine to raise your hand.  
16 Seeing no commenters in the room, I will check Zoom next.

17 Logan Strait, I'm going to unmute your line.  
18 Please unmute on your end, state and spell your name for  
19 the record, and we welcome your public comment.

20 MR. STRAIT: Logan Strait, L-O-G-A-N S-T-R-A-I-T.  
21 The Zoom audio has a really bad and distracting echo that  
22 makes it really hard to hear anything. If that can be  
23 fixed on the technical end, that would be great.

24 CHAIR HOCHSCHILD: Thank you. Can IT look into  
25 that? You got it? Okay, thank you.

1 Thank you, Logan. Appreciate the flag.

2 MR. YOUNG: Chair, that concludes public comment  
3 on Item 3.

4 CHAIR HOCHSCHILD: Okay. Unless there's any  
5 comments on it, is there a motion from the Vice Chair on  
6 Item 3?

7 VICE CHAIR GUNDA: Yeah, move Item 3.

8 CHAIR HOCHSCHILD: Is there a second from  
9 Commissioner Gallardo?

10 VICE CHAIR GUNDA: I second.

11 CHAIR HOCHSCHILD: All in favor, say aye.

12 Vice Chair Gunda?

13 VICE CHAIR GUNDA: Aye.

14 CHAIR HOCHSCHILD: Commissioner Gallardo?

15 COMMISSIONER GALLARDO: Aye.

16 CHAIR HOCHSCHILD: And I vote aye as well. Item  
17 3 passes three to zero.

18 We'll turn now to Item 4, Information Item, the  
19 2025 California Energy Security Plan update, and I welcome  
20 Justin Cochran.

21 DR. COCHRAN: Thank you, Commissioner, Chair,  
22 Vice Chair. Justin Cochran, California -- Justin Cochran,  
23 Energy Assessments Division, Senior Advisor on Nuclear and  
24 Emergency. I'm here to provide an informational update on  
25 the California Energy Security Plan.

1           Next slide, please.

2           So since the founding of the Energy Commission,  
3 our agency has had a role in supporting energy emergency,  
4 and this plan is our most recent iteration on it ever. The  
5 2021 Infrastructure Investment and Jobs Act required states  
6 to develop an energy security plan that addressed six  
7 mandated congressional items. These requirements were in  
8 effect through October of 2025. Energy Commission staff  
9 submitted a final approved version to DOE, the Department  
10 of Energy, in September of 2025. A public version is  
11 posted to our website.

12           Next slide, please.

13           So our energy security planning efforts ensured  
14 funding under the Infrastructure Investment and Jobs Act.  
15 Energy security planning supports economic and public  
16 safety, long-term resiliency, risk reduction for  
17 Californians, and enhances coordination during an  
18 emergency. This effort supports the California State  
19 Emergency Plan by providing greater details on the roles  
20 and responsibilities energy sector stakeholders have in  
21 emergency planning, preparedness, and response.

22           Next slide, please.

23           The plan consists of two documents, a public-  
24 facing document and a version for official use only. The  
25 public-facing element discusses the plan structure, energy

1 sector profiles, relevant authorities, coordination  
2 efforts, planning, preparedness, response, mitigation, and  
3 resiliency activities. The official use only element  
4 focuses on detailed information about our emergency  
5 programs, risk profiles, operational structures,  
6 coordination activities, and resiliency programs.

7 Next slide, please.

8 Going forward, our focus is on tracking DOE and  
9 congressional legislative efforts that touch on energy  
10 security efforts, improving agency-specific operational  
11 plans and informational resources, a refresh and broadening  
12 of internal emergency training resources, and enhancing our  
13 coordination and collaboration while participating in  
14 multi-agency training and tabletop exercises.

15 That concludes my update. Thank you for your  
16 time and attention, and I can address any questions you  
17 have at this time.

18 CHAIR HOCHSCHILD: Thank you, Justin. Any  
19 questions for Justin? No? Keep up the good work.

20 Oh, you have -- yeah, go ahead.

21 COMMISSIONER GALLARDO: Thank you so much,  
22 Justin, for the great presentation, also the briefing that  
23 you gave to me. And what I understood is that you're doing  
24 this presentation to help inform everyone about, you know,  
25 what was done, what's available, which I think is

1 fantastic. I know that there's always work being done  
2 behind the scenes, but it's also really helpful to know  
3 what it looks like, and I think the trainings also will be  
4 really helpful to us. So mostly gratitude.

5 And in terms of the next steps you were talking  
6 about, the question would be, is there anything else you  
7 see that could be done that would be helpful, aside from  
8 what you laid out?

9 DR. COCHRAN: No. We're working closely with our  
10 partner agencies, the California Public Utilities  
11 Commission, California Governor's Office of Emergency  
12 Services, the Department of Water Resources, as well as the  
13 CAISO. We're engaging some of our local community  
14 partners. I know some of the counties in Southern  
15 California are developing some energy and emergency plans  
16 and ramping up those efforts, so we're supporting that  
17 through the Office of Emergency Services and partner  
18 agencies.

19 I think the main thing that our team can focus on  
20 and inform you are efforts at the congressional level. I  
21 know the Secure Grid Act is looking at taking some of the  
22 energy security planning items in the Infrastructure  
23 Investment Jobs Act and pushing those out to a farther  
24 date, so that would potentially impact our efforts and tie  
25 in more work we'd have to do with DOE's various offices

1 that touch upon those work.

2 CHAIR HOCHSCHILD: Great.

3 COMMISSIONER GALLARDO: Awesome.

4 CHAIR HOCHSCHILD: Vice Chair?

5 VICE CHAIR GUNDA: Sorry, Chair. I missed one  
6 business meeting and I'm already out of practice when you  
7 said any questions. I did have a few comments.

8 I just wanted to say thank you, Justin, to the  
9 team, you and the team. I think, you know, it's important  
10 how it's continuing to synthesize across various domains of  
11 energy. Really helpful.

12 I wanted to just kind of ask a couple of  
13 questions as you, you know, kind of move forward in the  
14 efforts, you know, to Commissioner Gallardo's question, you  
15 know, where do you see gaps in terms of, you know, our  
16 overall planning in terms of emergency or safety? I know  
17 the Cal OES does a tremendous job, but from a department or  
18 an agency perspective, where do you see we could continue  
19 to enhance our work?

20 DR. COCHRAN: Currently, we're looking at a  
21 project that Executive Director Bohan has requested us to  
22 look at. It addresses concerns about larger-scale events  
23 impacting California's grid, so that's going to work.

24 We're seeing, I know, a lot of people have talked  
25 about generative AI. That is a developing concern still,

1    though some of the concern has ramped down as the scale of  
2    build-out of generative AI seems to be slowing or  
3    encountering barriers on both the deployment and technology  
4    side.

5            A developing concern that I've heard in many of  
6    the community forums and some of the -- like the National  
7    Association of State Energy Officials Energy Security  
8    Committee has started talking about is drones. I think the  
9    conflict in Ukraine has really shown or expanded upon the  
10   capability of drones, and so that is a developing concern  
11   that, you know, may be beneficial to look at.

12           VICE CHAIR GUNDA: Thanks. Just one thought,  
13   Justin, as we think through, you know, the Fuel Set-Aside  
14   Program, you know, that you're involved with and the Energy  
15   Assessment Division is involved with, specifically on the  
16   petroleum emergencies, and I think more and more we are  
17   moving towards black swan events being more of all energy  
18   sectors kind of having a bad day. So I just want to  
19   continue to push your work into that domain of coincidental  
20   events. Just incredibly grateful for your passion and  
21   commitment to this domain of work, so thank you for that.

22           And just the other piece, in terms of the current  
23   Diablo safety work that's going on, when is NRC due for  
24   their safety assessment? Is NRC doing that or --

25           DR. COCHRAN: So NRC has completed the license

1 extension safety assessment that has been posted. Before  
2 they finalize their yes or no on the license renewal,  
3 they're waiting for California agencies to finalize their  
4 two licensing activities, the Coastal Commission, and I  
5 think it's the Water Resource Control Board, but I can  
6 forward that information.

7 I know that there are activities, regular  
8 activities, around training and coordination with federal  
9 partners, local partners, and the Office of Emergency  
10 Services Radiological Preparedness Unit, and we coordinate  
11 with that mostly in supporting information. The Department  
12 of Public Health Radiological Health Grant is the lead  
13 agency for many of those activities because it falls under  
14 their purview.

15 But on the table, I'm not currently aware of any  
16 additional safety assessments ongoing for Diablo Canyon  
17 outside of the regular activities of the Diablo Canyon  
18 Independent Safety Committee.

19 VICE CHAIR GUNDA: And the embrittlement study is  
20 being done by Westinghouse?

21 DR. COCHRAN: Yes, I believe the coupons are sent  
22 to Westinghouse. They have to wait for them to cool to a  
23 radiological dose where they can safely analyze them. It's  
24 typically between 16 and 20 months from the date of receipt  
25 or the date of the coupon, so we're expecting that either

1 late this year or sometime next year.

2 VICE CHAIR GUNDA: Got it. Thank you. Thanks  
3 for all the work.

4 CHAIR HOCHSCHILD: Thank you, Justin. Keep up  
5 the good work. Appreciate it.

6 DR. COCHRAN: Thank you, sir.

7 CHAIR HOCHSCHILD: With that, we'll turn next to  
8 Item 5, which is an information item, AVA Community Energy,  
9 and I welcome Howard Chang to present.

10 MR. CHANG: Good morning, and thank you for  
11 having me here to present. As noted, my name is Howard  
12 Chang, the CEO for AVA Community Energy. I'm here to  
13 provide a quick overview of some of the electrification,  
14 resilience, and VPP programs that we have active right now.  
15 I'll jump right into things, but happy to take any follow-  
16 up questions or chat offline as is helpful.

17 So we can go to the next slide, please.

18 Really quick introduction. AVA Community Energy  
19 is a community choice aggregator. We launched in 2018,  
20 formerly known as East Bay Community Energy. We initially  
21 just served Alameda County. We've since expanded into San  
22 Joaquin County. I'm really excited to say that in May of  
23 2026 this year, we're going to extend into Unincorporated  
24 San Joaquin County. So when you look at the map, that kind  
25 of light green area, we're going to begin service there in

1 the next few months. Really excited to serve the Central  
2 Valley further and, of course, add in the important ag  
3 communities that are part of that.

4 Next slide, please.

5 This has a few stats about AVA Community Energy.  
6 We certainly won't cover all of them. What I'll note here  
7 is that we serve a population of about 2 million people.  
8 We're the largest CCA in PG&E territory. That's about  
9 760,000 accounts. About 690,000 are residential accounts.

10 The two most important stats on this page, I'll  
11 just say, is we have about 110,000 solar accounts, and we  
12 have about 140,000 fully-electric EVs, 170,000 if you  
13 include plug-in hybrids. So those are important as I talk  
14 about programs and ability to scale effectively.

15 Next slide, please.

16 The only thing I'll note here is that we use  
17 Lunar as our technology backbone for all of our VPPs, so  
18 that is our DERMS platform. We kind of break it up into  
19 charging, home batteries, and resilience hubs. I'll touch  
20 on each of those individually.

21 So next slide, please.

22 Next four slides are on different programs that I  
23 want to talk about. The last two I'll just note, if we're  
24 short on time, I can cut those short or just cover them  
25 really, really high level.

1           We're really excited to launch a program called  
2 our SmartHome Battery and Resilience Hub Program.

3           I'll say for context, we do things typically as  
4 pilots first. We learn from them, we try to innovate, and  
5 then we try to scale that afterwards. In 2020, we did a  
6 pilot which was a partnership with Sunrun called Resilient  
7 Home where we provided \$1,000 incentives for solar and  
8 storage systems. That was a load modification program  
9 sized at about 2 megawatts. A lot of complexity, lots of  
10 learnings from that.

11           Fast forward to today, we are about a month away  
12 from launching our SmartHome Battery Program. It's a \$15-  
13 million funded program. About 75 percent of that will go  
14 to residential units, 25 percent of that towards community  
15 resilience hubs. In that table, I'll just highlight the  
16 last column on the right, you can see the rough average  
17 incentive sizing that we'll deploy there.

18           CHAIR HOCHSCHILD: And sorry, Howard, you launch  
19 that in a month; is that what you said?

20           MR. CHANG: That's right, in about, in March.

21           Great.

22           MR. CHANG: So we've been in a multiyear sort of  
23 design phase.

24           The standard residential market rate is about  
25 \$2,200 between the upfront and the ongoing incentive. For

1 income-qualified CARE and FERA customers, that would be  
2 about \$16,000. Very significant to cover a meaningful  
3 portion of that battery installation. And of course,  
4 community resilience hubs, about \$140,000. That will, of  
5 course, be sized accordingly to those units. Those are  
6 sort of the small commercial scale.

7           We designed this to provide an upfront incentive  
8 and then an ongoing incentive to ensure that people are  
9 participating in a sort of a five-year VPP-type program.  
10 They can nominate a capacity, 40 percent, 60 percent, 80  
11 percent of that battery in order to be part of that VPP.

12           A lot of interesting complexities there. We  
13 designed this to be a DSGS-like program, so we can call on  
14 those batteries 40 times throughout a year. We do have an  
15 ability to do load modification as well for NEM 2.0  
16 households, so those that are grandfathered in. We found  
17 that the economics there can still support a load model-  
18 type program, whereas for a solar billing program, it's  
19 really important that you do it as a DSGS-like program.

20           The last thing I'll just note is we were hoping  
21 to sort of stack some of the incentives. Obviously, with  
22 DSGS funding running out, I think this is more of a  
23 replacement for that, as well as for the ITC. Nonetheless,  
24 we think it's a really important factor to try to continue  
25 to incentivize and build VPPs to further adoption of

1 batteries in our territory.

2           The last thing I'll just say is lots of  
3 challenges to talk about, integration challenges with the  
4 technology for the community resilience hubs, for example,  
5 not able to integrate some of the three-phase inverters  
6 into our program. So there's just a lot of things to work  
7 through as we're launching this program and continue to  
8 sort of augment.

9           Next slide, please.

10           I'm going to briefly highlight our AVA SmartHome  
11 Charging Program. This is a home charging program where we  
12 get customers enrolled with a \$75.00 initial enrollment  
13 incentive and then \$25.00 annual incentive. That's in  
14 addition to an estimated \$140 a year in savings from that  
15 shifting of their charging behavior.

16           The graph on the right just shows what we're  
17 seeing in terms of some of the early results there. That  
18 program has been in place for about a year now. We do see  
19 that about 85 percent of the charging is in off-peak hours.  
20 We're defining off-peak -- well, we're defining peak as  
21 anything from 3D to midnight, so most of that is happening  
22 off-peak. And about 33 percent of the participants have  
23 shifted away from the peak hours. So we are seeing success  
24 there. That's great.

25           With that said, we are seeing customer

1 acquisition challenges. These are still relatively small  
2 incentive dollars. We were hoping to grow the program to  
3 about 5,000. We're currently about 2,300. The good news  
4 is we have close to 20 OEMs that are integrated into that  
5 two-way communication program, and we have some that are  
6 passive participants as well.

7           One challenge I'll highlight is that a lot of  
8 OEMs are bringing their programs into their own direct-to-  
9 consumer application. We have four OEMs that have actually  
10 pulled out of the program to do something called  
11 ChargeScape. So it will be interesting to iterate on this  
12 and think about how do you get the customers and  
13 standardize across the market if we want to scale further.

14           I've got two more slides I'll just quickly touch  
15 on here. If you go to the next slide, please?

16           This is just a quick highlight of two programs  
17 called Ava Charge and Critical Municipal Facilities. Ava  
18 Charge is where we're installing fast-charging stations  
19 throughout our territory, really targeting multifamily  
20 charging deserts. Our first site is launched in Oakland  
21 City Center West. We're really excited for that. We still  
22 have to work a little bit more on ways to optimize rate  
23 structures to incite charging in lower cost, cleaner times.

24           And I do want to call out and thank the CEC for  
25 the reach grants that we have on a couple of the sites in

1 our first phase portfolio of that portfolio, which is about  
2 12 sites.

3           The program on the right is called Critical  
4 Municipal Facilities. That's solar and storage on some of  
5 our municipal sites. And that's where we're doing back-to-  
6 back PPAs. We're building the project. We're doing a PPA  
7 with our city members to provide resilience in their  
8 communities. These are sited at places like fire stations,  
9 community centers, in order to provide further resilience  
10 to both the site as well as to the broader communities.

11           I've got one last slide here. I know I'm going a  
12 little long. If you go to the last slide?

13           Two programs. These are less VPP-type programs.  
14 We have an Ava Bike Electric Program. We're providing \$10  
15 million in incentives for electric bikes to our customers.  
16 Those are all to be redeemed locally in local bike shops in  
17 our territory. Again, this is part of a diverse portfolio  
18 to try to get electrification to our customers.

19           And on the right side is a pilot program we've  
20 done called Healthy Communities where we're installing up  
21 to 200 induction cooktops at income-qualified sites. The  
22 success there is we're measuring the health benefits of  
23 those induction cooktops after they're installed. We are  
24 seeing meaningful reductions in NOx and carbon monoxide.

25           The challenge that I'll just point to is customer

1 acquisition is really hard. Despite covering the full cost  
2 of these installations, we've only been at 160  
3 installations, not quite at the 200 installation mark. So  
4 really hard to get out to the customers, convince them of  
5 this, and do that work. So we're thinking about whether  
6 that program will scale further or whether we'll bring some  
7 of that research information and partner in other ways to  
8 address some of the health concerns.

9 And that's it for my end.

10 CHAIR HOCHSCHILD: Well, that was terrific.

11 All right, questions? Yeah, Vice Chair.

12 VICE CHAIR GUNDA: I just first wanted to thank  
13 you, Howard, for the presentation. You know, I want to  
14 note a couple things, both in terms of the overall CCA  
15 family, but also, Ava, in just being on the cutting edge of  
16 trying a lot of these things. So I wanted to ask you maybe  
17 your initial thoughts as you continue to think about how to  
18 plan for the grid electrification. Two questions.

19 One, you talked about the \$15-million program.  
20 Where is the funding for that coming from, and how are you  
21 justifying that funding --

22 MR. CHANG: Yeah.

23 VICE CHAIR GUNDA: -- as an important part of  
24 this?

25 MR. CHANG: Absolutely. So that is fully from

1 Ava's general funds, our general budget. We see the  
2 benefits of this, obviously, try to bring down costs from  
3 an affordability perspective, right, bringing it down from  
4 higher cost times to lower cost times. And obviously, we  
5 are also seeing the benefits of resilience. So resilience  
6 in terms of individual homes, as well as resilience within  
7 community resilience hubs. A lot of public value there.

8 I will point out a challenge here, which is as  
9 the generation service provider, obviously, we are one part  
10 of the electricity bill. The delivery aspects is through  
11 the IOU, in our case, PG&E, of course. And some of the  
12 benefits of some of these VPP programs are more on the  
13 distribution grid as opposed to, say, on the generation  
14 part of the bill.

15 So that's something that we haven't fully  
16 unlocked as to how do you properly, you know, monetize that  
17 value and work with the IOUs to understand what is that  
18 value and target the right places to offset some of those  
19 distribution grid constraints. But it is an aspect of  
20 these programs that is obvious in terms of, you know, what  
21 value you bring in launching these programs.

22 VICE CHAIR GUNDA: Yeah, that's great. Just on  
23 the large loads coming in, is Ava's Territory expecting  
24 data centers or any other large loads coming in? And how  
25 are you preparing for that?

1           MR. CHANG: Absolutely. We have pretty  
2 significant territory. We're also close to Silicon Valley,  
3 so there is interest, and there's existing data centers and  
4 we have projected load growth about 30 percent. That is  
5 including the agri forecast. So it's very significant.

6           We're in a lot of active discussions with  
7 different tech companies about where they may be siting and  
8 how real those data centers may be and whether they will  
9 materialize. I think as is the case across the state of  
10 California, there's a lot of uncertainty there. But  
11 there's a lot of interest and we are planning accordingly  
12 to think about how do you structure that, how do you  
13 structure the rates to meet that load, but also manage some  
14 of the risk of whether that load will materialize and  
15 whether it will remain. So we're in active discussions  
16 there.

17           VICE CHAIR GUNDA: And I think the general  
18 agreement is that electrification will, you know, under the  
19 right conditions, will have downward pressure on the rates.  
20 Any wisdom on some of the, you know, guardrails we need to  
21 think about in terms of ensuring that the downward pressure  
22 actually happens?

23           MR. CHANG: Yeah, again, I'll highlight the  
24 interesting aspect of being the generation service provider  
25 there when we think about serving data centers. When we're

1 in a relatively high-priced environment right now with a  
2 lot of volatility energy prices, I think there's more  
3 upward pressure on the generation portion of the bill when  
4 you just think about energy procurement and resource  
5 adequacy. I think there's more value to try to unlock from  
6 a distribution perspective and perhaps a transmission  
7 perspective; right?

8 Better utilization of the grid is what should  
9 bring down costs. That is on the IOU side of the bill, but  
10 that's what we really want to collaborate closely with our  
11 IOU partners to think about how do you continue to unlock  
12 that and how do you make sure we're incentivizing that  
13 growth in a way that can bring down costs as opposed to put  
14 up on the short end.

15 VICE CHAIR GUNDA: Great. Thank you so much for  
16 being here.

17 CHAIR HOCHSCHILD: Yeah, first of all, Howard,  
18 congratulations for what you're doing. This is just  
19 really, across the board, it's incredibly visionary and  
20 creative and innovative. And I do think it validates what  
21 we'd hoped, I think with the CCA experiment, to be able to  
22 foster much more innovation in the space, and really across  
23 the board from e-bikes to induction cooktops to fast  
24 charging and so on.

25 I wanted to just ask you, you're building out a

1 fast charger network. Okay. Nobody else is doing that in  
2 the utility space or in the CCA space that I know at your  
3 scale. What have been the biggest challenges as you've  
4 been engaging that project? What are the kind of main pain  
5 points you're experiencing?

6 MR. CHANG: Yeah, that's a great question. So we  
7 have a unique strategy really targeting these multifamily  
8 charging deserts and really trying to get to underserved  
9 communities, right, and improve EV adoption in these areas  
10 that are perhaps lower income or renters that don't have  
11 access to home charging. That's a really critical facet of  
12 what we're trying to target with our deployment of charging  
13 infrastructure, I'll say, and we approach that as it's a  
14 public good, it's a public service. And so the utilization  
15 of the chargers may start very slow and hopefully grow as  
16 adoption improves.

17 Our model is unique in that we're using the  
18 private sector to actually build these sites and put them  
19 on their balance sheet. We ask them to underwrite the  
20 technology risk, whereas we take the utilization risk. We  
21 are setting the rates. We are trying to drive customers to  
22 these sites, to brand Ava, so we sort of split that. I  
23 think that's a thoughtful, smart approach.

24 With that said, the challenge is to actually get  
25 the private sector to want to actually deploy these sites.

1 The economics are thin on them. And we've seen limited  
2 interest from private sector developers to really go there  
3 and say, we'll underwrite the technology.

4 In particular, I will highlight some of the  
5 challenge of just some of the high availability standards  
6 in California. We want to ensure a really good, positive  
7 customer experience. At the same time, with the high  
8 availability standards there, that's where some of the  
9 private sector third-party installers are saying, we're  
10 nervous about being able to meet those standards and get  
11 the O&M agreements and ensure that the technology can  
12 actually operate at that level. So I would say that's one  
13 particular challenge that we're really seeing.

14 CHAIR HOCHSCHILD: Okay. Commissioner?

15 COMMISSIONER GALLARDO: Howard, I'll also give  
16 you praise. I think it's very impressive, all that you're  
17 doing. And I also appreciate the focus on helping under-  
18 resourced communities. And I was curious about that.

19 So I didn't fully understand; when you're talking  
20 about the CARE and FERA programs, those are programs that  
21 are meant to help folks, individuals, families who have  
22 lower incomes. Are you leveraging those incentives, like  
23 are you able to get those funds directly, or what is the  
24 setup? I'm really curious about that part.

25 MR. CHANG: Yeah, great clarification. I

1 referenced CARE and FERA a few times synonymously with sort  
2 of income-qualified programs that we have. So all of our  
3 customers are all fully eligible for the CARE and FERA  
4 discount in the same way that an IOU customer is. So, yes,  
5 they still have that eligibility. If you were a CARE and  
6 FERA customer when you were a PG&E customer and you become  
7 an Ava Community Energy customer, you still maintain that  
8 CARE and FERA designation. You get that, the public  
9 benefits of that, as well as their electricity bill.

10 My reference to CARE and FERA was more about when  
11 we do our program designs, we're thinking about that  
12 customer segment uniquely as income-qualified and thinking  
13 about, you know, elevated ways that we can support those  
14 customers. So for our SmartHome Battery Program, as an  
15 example, what I highlighted there was higher incentive  
16 levels for CARE and FERA classified customers to help  
17 further support their adoption of some of these  
18 electrification-equivalent energy technologies.

19 Similarly, on, say, the Bike Electric Program  
20 rebates, we have a significantly elevated incentive level  
21 for CARE and FERA customers to support the majority of a  
22 purchased bike, just as an example.

23 I would say across the board for our programs, if  
24 you have an income-qualified CARE and FERA designation, you  
25 have an elevated incentive level so we can further augment

1 that adoption.

2 COMMISSIONER GALLARDO: Excellent. Thank you for  
3 clarifying. And then one more. I was also curious about  
4 the engagement you're doing.

5 MR. CHANG: Right.

6 COMMISSIONER GALLARDO: For example, getting  
7 Unincorporated San Joaquin Valley area to participate. Who  
8 are you engaging with or how is that happening? If you  
9 could talk a little bit about that, if it's not  
10 confidential, that would --

11 MR. CHANG: Absolutely.

12 COMMISSIONER GALLARDO: -- be great.

13 MR. CHANG: As is the case with any new member of  
14 our territory, it's over a multi-year process in engaging  
15 closely with the elected officials first, talking to the  
16 city staff, or in this case, the county staff, and  
17 understanding what are the benefits of being part of a CCA.  
18 In this case, Unincorporated San Joaquin County joined our  
19 membership about two years ago. So they've been in the  
20 planning phase for a couple of years. This is the year now  
21 when we're actually starting to involve customers in that  
22 territory.

23 So we've been talking very closely with the  
24 county supervisors, the county staff, and we're talking to  
25 some of the economic development agencies, the Farm Bureau,

1 to make sure we're engaging, we're educating, we're  
2 communicating to customers about what it means to be a CCA  
3 customer, what are your options in terms of different  
4 programs, electricity rates, the ability to opt out if  
5 that's of interest. And we've done that now a few times.

6 So last year, we expanded service to the City of  
7 Stockton and the City of Lathrop and San Joaquin County.  
8 So we're seeing how to do that effectively and make sure  
9 there's as much transparency with the customers as  
10 possible. And so we are now planning for that  
11 Unincorporated extension later this year.

12 COMMISSIONER GALLARDO: Okay. And just one  
13 follow-up. Are you getting reactions from like community-  
14 based organizations?

15 MR. CHANG: Specifically, Unincorporated San  
16 Joaquin County or --

17 COMMISSIONER GALLARDO: Yeah, in that area.

18 MR. CHANG: Yeah. I mean, we do try to work  
19 closely with community-based organizations in general as  
20 part of the education, as part of different electrification  
21 programs. We provide grants and sponsorships to some of  
22 those organizations to make sure that we are finding ways  
23 to further any electrification. We have a Green Jobs  
24 Grant, for example, with an organization called Rising Sun.  
25 So we do a lot of that type of engagement with programs to

1 build familiarity with CCAs and also to advance some of our  
2 electrification programs.

3 COMMISSIONER GALLARDO: Okay. Thank you so much.  
4 Appreciate that.

5 CHAIR HOCHSCHILD: Yeah. And just a couple more  
6 questions.

7 Just first, can you give us a sense of the  
8 reaction from your customers to these various programs? I  
9 mean, how are people responding to the e-bike incentive, to  
10 home electrification, to the VPP and other things you're  
11 doing? Just walk us through kind of what the response has  
12 been.

13 MR. CHANG: Yeah. That's a great question  
14 because it's varied. And I think it's varied based off of  
15 our outreach and marketing. It's varied based off of how  
16 we design the program. And it's varied based off of the  
17 product itself.

18 So e-bike, as an example, has been very, very  
19 warmly received. Customers are very excited by that. We  
20 designed it in a unique way where you enter sort of a  
21 lottery system so that they can sort of plan for that  
22 meaningful purchase. I know some programs you sort of  
23 queue up and you see a lot of concentration at once. So  
24 we've tried to sort of dole out our incentives over the  
25 course of the year to sort of build that interest and

1 excitement, and also allow people to research the product  
2 and decide if they actually want to go purchase it as  
3 opposed to be rushed to make that decision all at once. So  
4 that one's been hugely exciting. It has exceeded our  
5 expectations in terms of customer interest.

6           The flip side of that is the program I  
7 highlighted with Healthy Communities. That was already  
8 intended to be a small pilot program, but even getting to  
9 200 installations there were really challenging; right? I  
10 think there's a trust factor when you go to customers,  
11 generally lower-income customers, really wondering, what's  
12 the catch? What are the benefits? This is obtrusive into  
13 my home to come in and replace a gas stove with an  
14 induction cooktop stove. So there's a lot of education  
15 that goes around that.

16           And I think that was surprising, the slower  
17 adoption and interest levels for a program like that, given  
18 that we were covering, fully covering the cost of an  
19 induction cooktop and the installation process.

20           So that maybe is the two sides of the spectrum.

21           SmartHome Charging is another example where  
22 customer acquisition is a bit slower than we anticipated.  
23 The incentive levels are, you know, they're not nothing,  
24 but, you know, it's \$75.00 up front, so these are not huge  
25 amounts of money, so that's an interesting program.

1           And then TBD on the SmartHome Battery Program,  
2 that's going to launch in March. But we're hearing from  
3 integrators and installers of their excitement to have a  
4 program and incentive like that, given that some of the  
5 incentives are drying up as a whole already.

6           CHAIR HOCHSCHILD: Okay. And then last question  
7 for me, just I wanted to just get your thoughts on the  
8 state of the CCA development generally. I mean, here, it  
9 strikes me, we're sort of at a little bit of an odd kind of  
10 halfway there moment where CCAs -- you know, last time I  
11 looked, we did a review and overall, you know, CCAs were a  
12 little bit cheaper and a little bit greener on balance kind  
13 of everywhere. And certainly from my perspective, you  
14 know, much more creativity and innovation, all the kinds of  
15 things you're talking about, which I think are good for  
16 health. I think they're good for climate. I think they're  
17 good for the innovation economy and clean air and so on.  
18 So overall, I'm really happy to see that development.

19           But here you have, you know, investor-owned  
20 utilities who are no longer providing that retail-facing  
21 service to big swaths of the state, but still are  
22 elsewhere. And I worry a little bit about a sort of  
23 duplicative architecture within, you know, investor-owned  
24 utilities versus, you know, like if the transition is going  
25 to happen, I mean, what is the solution for the remaining

1 areas of the IOU territory? Should there be some mega CCA  
2 entity that gets created to serve all the remaining  
3 unserved, you know, retail population?

4 So that's kind of my question, like what's the  
5 trajectory that you're seeing?

6 And by the way, am I understanding correctly kind  
7 of this point about CCAs being just, you know, slightly  
8 greener, slightly more affordable generally, that's roughly  
9 in the ballpark; yeah?

10 MR. CHANG: Yeah, that's correct. Let me answer  
11 a couple of those pieces. So right now there's about 25  
12 CCAs operating in California, and we serve about 40 percent  
13 of the load within the, you know, the aggregate three major  
14 IOUs. So a very significant portion.

15 But to your point, there is still a significant  
16 portion of customers that are not served by CCAs.  
17 Obviously, our expansion to Unincorporated San Joaquin  
18 County is not unique. There are a number of other CCAs  
19 that continue to expand and grow their service territories.  
20 I think we will continue to see that.

21 With that said, I think we all are wanting to  
22 grow cautiously and we know that. I know that we've been  
23 engaged by a number of counties that have an interest in  
24 being served by a CCA, whether it is to launch their own or  
25 to join an existing CCA.

1           So the interest level is high. I think we see  
2 that most municipalities have seen the benefits of cleaner,  
3 slightly more affordable energy, and the myriad of programs  
4 and services that we can offer. And really, ultimately,  
5 the benefit being to localize some of that control and to  
6 customize to the interests of those communities and  
7 constituents. So I think it's been a critical aspect.

8           So I think we will continue to see that growth,  
9 but we obviously want to be cautious with that, given load  
10 growth in general, data center growth, volatility in the  
11 energy market, so that we're doing that in a really  
12 responsible manner.

13           The other part of your question is just to  
14 validate, yes, in general, CCAs are at a slight discount  
15 and a bit greener than the IOUs. And I think that will --  
16 you'll see that that differs across the 25 CCAs, given the  
17 different priorities.

18           CHAIR HOCHSCHILD: With the new, higher PCIA,  
19 does that change much?

20           MR. CHANG: Well, you know, we've seen some  
21 reform in PCIA time and time again, so that creates a  
22 little bit of uncertainty and that adds more volatility.  
23 For AVA Community Energy, I'll speak for us, we always  
24 absorb the PCIA in terms of how we set our rates for our  
25 customers, and we have always been very, very focused on

1 providing a discount for our customers. Our discount on  
2 our, at least our standard default rate has always been a  
3 discount, and it's ranged between half a percent to five  
4 percent. And it will differ. When rates are high, that  
5 discount rate goes up, and when rates are low, that  
6 discount rate goes down between 25 and 26. We've seen our  
7 generation rates, we've decreased it by about 20 percent.

8 So right now, we actually have a smaller discount  
9 rate at about half a percent, but we've seen a lot of rate  
10 increases over the last five to seven years. So we're back  
11 down to about the 2018 level, whereas the last several  
12 years, we've been at sort of historical peaks.

13 Unfortunately, the delivery side of the bill  
14 continues to eke up a lot of that due to wildfire  
15 hardening. But, you know, we're really focused on the  
16 generation portion, we just look out for that PCIA.

17 CHAIR HOCHSCHILD: Just like what is the delta  
18 right now between retail rates for Ava and PG&E, for  
19 example, in your --

20 MR. CHANG: Just for the generation portion?

21 CHAIR HOCHSCHILD: Yeah. Yeah.

22 MR. CHANG: So we provide a half a percent  
23 discount --

24 CHAIR HOCHSCHILD: Right.

25

1 MR. CHANG: -- on the generation portion; right?

2 CHAIR HOCHSCHILD: Half. Okay.

3 MR. CHANG: Last year, it was a five percent  
4 discount for our Bright Choice product, which is our  
5 standard product. Again, rates have come down 20 percent,  
6 and so given that PCIA has increased and sort of our  
7 portion of the generation rate has come down significantly.  
8 So our generation portion actually has come down 42 percent  
9 between 2025 and 2026.

10 But when you account for an increased PCIA, the  
11 overall generation rate to our customers has gone down 20  
12 percent between 2025 and 2026. And in that environment,  
13 obviously, our sort of financial headroom, if you will, is  
14 squeezed given energy prices are softening but haven't  
15 fully softened to that level yet, that's why our discount  
16 has sort of dropped to the half percent level. So it  
17 ranges, again, year to year, and we're trying to stabilize  
18 those rates for our customers as much as we can.

19 CHAIR HOCHSCHILD: Yeah. Got it.

20 Vice Chair?

21 VICE CHAIR GUNDA: Yeah, I was kind of hoping not  
22 to go here, but because we are discussing, just wanted to  
23 get a sense from you, what's the outlook of the auto  
24 market? I know just the, I know, kind of past 2020, maybe  
25 like '22, '23, the market was very tight. How is it

1 looking? What's the outlook? You know, how are the  
2 contract prices looking for you guys?

3 MR. CHANG: Yeah, it is improving significantly.  
4 Obviously, in that '21-22-23 timeframe, it was a very tight  
5 market, very, very heightened, elevated prices,  
6 historically high prices. And so we saw challenges to even  
7 meeting those compliance obligations. That has improved  
8 significantly. Obviously, that's a little bit disrupted  
9 with the implementation of the Slice of Day requirements.  
10 That's a new requirement looking at 24 hours. And so  
11 that's not to say that's tightened up the market, but it's  
12 hindered some of the liquidity of our meeting of the  
13 various obligations.

14 We've seen with the addition of battery storage  
15 capacity and new generation coming online that it's  
16 alleviated a lot of that supply, or I should say alleviates  
17 some of that demand supply dynamic, and so we're seeing  
18 prices softening now. They're still above kind of where  
19 they were in the 2018 era when they were at historically  
20 low levels, but it's definitely moderating and softening as  
21 we're looking at future years right now.

22 VICE CHAIR GUNDA: Excellent. Thank you so much.

23 CHAIR HOCHSCHILD: Well, thank you again for  
24 coming in. Congrats on all the progress. Keep going.

25 Is there anything else, just as we think about

1 our work at the Energy Commission? Particularly in the R&D  
2 space, I think there's obviously a lot of alignment we're  
3 doing. We just funded a \$28-million battery hub, the first  
4 California battery hub, which we're setting up actually in  
5 your service territory in Hayward. You know, and I'm just  
6 curious, from an R&D perspective, are there any areas that  
7 are of particular interest, you know, for you or our fellow  
8 CCAs?

9 MR. CHANG: Yeah. I mean, I think the  
10 presentation I provided really is to show an overview of  
11 the various programs that we're trying to launch. And. Ul.  
12 what I'll highlight there is sort of the innovation that  
13 we're trying to bring to market and really trying to  
14 address our customer interests, whether it be  
15 affordability, decarbonization, greater resilience, it's  
16 sort of across the board in these programs, some of them in  
17 multiple of those areas and some of them more singular;  
18 right? And so we are all trying to innovate and experiment  
19 a little bit with how we meet those customer needs to  
20 various programs and services.

21 When I think about, you know, first of all, it's  
22 been a great collaboration between the CCAs, Ava  
23 specifically, and CEC, and your staff here has been  
24 fantastic in terms of what you're also doing to try to  
25 innovate and push forward on these various types of

1 programs.

2 I think there's further work that we can continue  
3 to collaborate on in terms of dynamic rates, how that can  
4 send the right price signals to our customers, but also how  
5 do we do that in a way that manages risk and affordability  
6 in a reasonable manner, while still unlocking some of the,  
7 you know, load modification benefits, VPP-type benefits in  
8 the programs. There's a lot in terms of the technology and  
9 the data flows that I think can further improve things.

10 Ultimately, I think it's great that CCAs are all  
11 experimenting in different ways with our different  
12 customers and what our interests are. And I think as we  
13 evolve and mature, the next step of real benefit will be to  
14 standardize; right? But don't let perfect be the enemy of  
15 good. Having standardization is really critical.

16 We're seeing that with things like our SmartHome  
17 Battery Program, where we're out there trying to get  
18 multiple integrators, OEMs to sign on to our participation  
19 agreement and how we've designed and are launching this  
20 program. We are a sizable CCA, so we have that ability to  
21 get that level of interest. But to really allow this, you  
22 know, we're sizing this with a target of 21 megawatts.  
23 That's pretty small. It's 10x bigger than our pilot  
24 program was back in 2020. But we want to see this grow,  
25 you know, tenfold, a hundredfold above that to really be

1 impactful in the state of California.

2 I think in order to do that, we have to  
3 standardize, not just standardize some of the practices and  
4 programs that we have across CCAs, but work with the CEC on  
5 best ways to standardize and really think about how do you  
6 launch that further in a way that's meaningful, unlocking  
7 some of the distribution grid benefits, utilizing dynamic  
8 rate structures to further that implementation.

9 CHAIR HOCHSCHILD: Yeah. You know, the one final  
10 thing I'll say, I think there's a lot around, you know, not  
11 just technology innovation, but like process innovation.  
12 One of the things we've done over the last few years is  
13 this SolarAPP, the CalAPP, Project 2, do instant over the  
14 internet permitting for behind-the-meter storage, behind-  
15 the-meter solar. I think we pushed out, Deana, how many?  
16 We've probably reached, yeah, I think we reached, you know,  
17 almost every county in the state with those funds. And,  
18 you know, we're seeing, those are often taking 30 to 60  
19 days and they can now be -- and we want to expand that to  
20 include, you know, EV chargers and electric panel upgrades  
21 and the like. But that's an area where I think we can keep  
22 working.

23 So I, you know, as one follow up, I think we  
24 should think about maybe some sort of follow-up mini huddle  
25 we can do around areas of collaboration between CCAs and

1 the Energy Commission on these kinds of things, and  
2 particularly with a look at the, you know, \$150 million  
3 we're spending on R&D every year, how it can best align.

4 But anyway, thank you. Congratulations to you,  
5 your whole team. You guys are leading the way. Just super  
6 impressive. Keep it up.

7 MR. CHANG: I really appreciate it. If I can  
8 just make one really quick comment on the SolarAPP? I'm  
9 glad you raised that.

10 CHAIR HOCHSCHILD: Yeah.

11 MR. CHANG: I think one of the unique benefits of  
12 a CCA is the partnership that we have with our  
13 municipalities. It's not just about designing these  
14 programs and providing incentive dollars, it's about  
15 reducing friction across the board. And permitting is one  
16 of those areas.

17 So we've actually had a partnership with  
18 SolarAPP, as well, and helped fund them and tried to ease  
19 the permitting restrictions across our member cities, so  
20 working collaboratively with them. And we even tried to  
21 work with them to further their platform to focus on other  
22 building electrification means, so not just on solar, but  
23 things like heat pump water heaters and such.

24 CHAIR HOCHSCHILD: Yeah.

25 MR. CHANG: And there have been some challenges

1 there to extend that, to be frank, but I think there is an  
2 untapped opportunity to continue to ease the friction.

3 CHAIR HOCHSCHILD: Yeah. And I'll just say, I had my  
4 gas meter removed about four months ago, got my induction  
5 stove, which is the last gas appliance. It felt great.

6 And I just also want to say on the large-scale  
7 permitting, Commissioner Gallardo leads our siting work.  
8 And, you know, we have our first Fast Track project, the  
9 Darden Energy Project, which is the largest battery project  
10 in the world now, now under construction in West Fresno  
11 County, which got done on time. And I really want to thank  
12 Commissioner Gallardo for all the leadership. But we're  
13 hoping to approve a lot more like that.

14 So thank you again, Howard. Appreciate you  
15 coming in.

16 MR. CHANG: Yes. Thank you so much for having  
17 me.

18 CHAIR HOCHSCHILD: Okay. All right, with that,  
19 let's turn next to Item 6, Regions of the University of  
20 California, on behalf of the San Diego campus.

21 And I welcome Douglas O'Brien to present. He's  
22 online. Yeah, Douglas, over to you.

23 MR. O'BRIEN: Good morning, Chair, Vice Chair,  
24 Commissioners. My name is Douglas O'Brien, and I work for  
25 the Distributed Electricity Backup Asset Program, also

1 known as the DEBA Program, within the RREDI Division at the  
2 CEC. With me are Deana Carrillo, Director of the RREDI  
3 Division, and Renee Webster-Hawkins from the Chief  
4 Counsel's Office. Also, Michael Ferry from UC San Diego is  
5 available on Zoom to help respond to questions. Today we  
6 are presenting for your consideration a proposed resolution  
7 amending the prior approval of the grant agreement under  
8 the DEBA Program's bulk solicitation with the Regents of  
9 the University of California on behalf of the San Diego  
10 campus.

11 Next slide, please.

12 As part of the DEBA Program, under the Strategic  
13 Reliability Reserve, this proposed agreement will support  
14 grid reliability by increasing the capacity of existing  
15 resources. Incremental capacity resulting from this  
16 project must be made available during grid emergencies for  
17 a term of five years from project online date.

18 Next slide, please.

19 For some background on the program, as part of  
20 the Budget Act of 2022, the legislature and the governor  
21 created the Strategic Reliability Reserve with programs  
22 such as the DEBA Program and the Demand-Side Grid Support,  
23 or DSGS Program. The Strategic Reliability Reserve enables  
24 the state to prevent and respond to emergency energy  
25 conditions like events that occurred in 2020 and 2021. It

1 should be noted that these types of events  
2 disproportionately impact California's under-resourced  
3 populations.

4 DSGS and DEBA Programs serve as complementary  
5 programs to help meet grid needs during extreme events.  
6 DSGS incentivizes dispatchable customer load reduction and  
7 backup generation. DEBA incentivizes cleaner, more  
8 efficient resources that serve as on-call emergency supply  
9 or load reduction during extreme events.

10 Next slide, please.

11 The purpose of the DEBA bulk grid solicitation  
12 was to strengthen electric grid reliability by funding  
13 efficiency upgrades and capacity additions for existing  
14 bulk grid generators. The solicitation prioritized zero-  
15 and low-emission resources and then efficiency improvements  
16 for conventional resources.

17 The Notice of Proposed Award, posted in April of  
18 2024, recommended five energy storage projects and four  
19 conventional resource efficiency projects for a total of  
20 almost \$123 million and is anticipated to bring 297  
21 megawatts to support the grid by June 2027. To date, the  
22 CEC has approved seven agreements related to the DEBA bulk  
23 grid solicitation.

24 Next slide, please.

25 The item for your consideration today involves

1 amending a previously approved agreement with the  
2 University of California San Diego for a lithium iron  
3 phosphate battery energy storage system. The agreement was  
4 originally approved by the Commission in the September of  
5 2024 business meeting for an award of almost -- of \$7.1  
6 million. However, the agreement has not been executed due  
7 to a series of challenges confronting UC San Diego.  
8 Challenges include financial impacts due to loss of federal  
9 funding and increased import tariffs, as well as a  
10 technical impact due to strengthened battery safety  
11 standards.

12 In the revised agreement under consideration  
13 today, there are three key changes compared to the  
14 agreement approved in September of 2024. The first two  
15 address the financial challenges and the third address the  
16 battery safety standards.

17 The first revision relates to the financial  
18 structure of the project. In the original project, UC San  
19 Diego was the sole owner and operator of the new system.  
20 As revised, a third party will own the new system for the  
21 first 10 years, with UC San Diego sharing operational  
22 responsibility. Thereafter, UC San Diego will own and  
23 operate the system. For the grant agreement, UC San Diego  
24 will remain the prime recipient of the CEC funding. As  
25 part of the shared operational responsibility, the third

1 party owner will use the resource to provide resource  
2 adequacy services for a community choice aggregator,  
3 resulting in valuable local capacity to improve  
4 reliability.

5           The second revision relates to the size of the  
6 system. The new four-hour battery energy storage system  
7 has been reduced from 9.8 megawatts to 8 megawatts. The  
8 project adds capacity by replacing the existing 2.5  
9 megawatt two-hour energy storage system.

10           The third revision relates to the project  
11 location. The project will locate the new system next to  
12 the UC San Diego's Central Utilities Plant instead of the  
13 East Campus Utilities Plant. The UC San Diego Fire  
14 Marshal, in consultation with the San Diego Fire Rescue  
15 Department, has determined the new site to be superior and  
16 preferred from the perspective of both fire safety and  
17 hazard mitigation compared to the original East Campus  
18 site. The project is part of the campus microgrid and it  
19 will continue to use the existing interconnection with San  
20 Diego Gas & Electric as proposed originally.

21           Staff recommends the Energy Commission adopt  
22 staff's recommendation that this revised project is exempt  
23 from CEQA and approve the proposed DEBA Grant Agreement  
24 with Regents of the University of California on behalf of  
25 San Diego's campus.

1           The process has been a team effort. I would like  
2 to thank the staff from the Siting Division, Administrative  
3 Services Division, and the Chief Counsel's Office for their  
4 contributions and assistance.

5           This concludes staff's presentation and we are  
6 available to answer questions you may have.

7           CHAIR HOCHSCHILD: Thank you so much.

8           Let's do public comment on Item 6.

9           MR. YOUNG: Thank you, Chair.

10          The Commission now welcomes public comment on  
11 Item 6. To notify us that you want to make a comment on  
12 this item and you're in the room, please use the QR code  
13 posted in the back. If you're on Zoom, please click the  
14 raised-hand feature on your screen. If you're joining by  
15 phone, please press star 9 to raise your hand.

16          We will start with people in the room. Seeing  
17 none, I will move on to Zoom. I would like to welcome  
18 Michael Ferry.

19          Michael, I'm going to unmute your line. Please  
20 unmute on your end, state and spell your name for the  
21 record, and we welcome your comment.

22          MR. FERRY: Yes, good morning. Can you hear me?

23          MR. YOUNG: Yes.

24          MR. FERRY: Great. Again, good morning. My name  
25 is Mike Ferry, F-E-R-R-Y, with UC San Diego. On behalf of

1 the University, I'd like to thank the Commission for  
2 supporting this project that will improve bulk grid  
3 reliability in the San Diego region.

4 Our region is a constrained load pocket of  
5 California with very thin transmission deliverability  
6 allocations that inhibit new local capacity assets from  
7 coming online. This project will use a valuable approach  
8 to addressing this challenge, an approach that avoids new  
9 grid upgrades and therefore reduces ratepayer costs. The  
10 battery system located on our campus microgrid will be a  
11 certified CAISO proxy demand resource and will deliver  
12 resource adequacy through metered load reduction. By  
13 avoiding the injection of new power into congested  
14 transmission lines, the battery capacity is inherently  
15 deliverable under CAISO rules and able to provide local  
16 capacity on a reliable basis.

17 Moreover, should severe grid emergencies occur,  
18 as happened in September 2020 with the loss of the Sunrise  
19 Powerlink transmission line, the proposed battery system is  
20 capable of exporting power directly to the bulk grid  
21 system.

22 During the past 18 months, the University has  
23 overcome several challenges with respect to the  
24 implementation of this project. A number of high-profile  
25 lithium battery fires, including two in San Diego County in

1 2024, put a bright spotlight on new battery projects in the  
2 region. New legislation led to increased safety standards  
3 for lithium battery systems, and the University's faced  
4 significant budget challenges as a result of federal  
5 actions coupled with tax credit and tariff uncertainties.

6           Adapting to these challenges, University staff  
7 re-evaluated the proposed system design, financing, and  
8 project location with an emphasis on safety, cost, and  
9 optimal utilization. The result has been a better project,  
10 a safer design, and a location that minimizes hazards and  
11 maximizes benefits, at the same time, setting a replica  
12 model for campuses and other large electric consumers  
13 statewide to drive California's clean energy future.

14           Again, on behalf of UC San Diego, I'd like to  
15 thank the Commission for funding this project that will  
16 benefit our campus, the San Diego region, and California  
17 ratepayers.

18           Thank you.

19           MR. YOUNG: Chair, that concludes public comment  
20 on Item 6. Back to you.

21           CHAIR HOCHSCHILD: Thank you.

22           Any comments on Item 6? Yeah, Vice Chair.

23           VICE CHAIR GUNDA: Yeah, thank you, Chair.

24           Doug, thank you for the presentation. I just  
25 wanted to, you know, share my appreciation for the DEBA

1 Team and the RREDI Team overall for kind of working on  
2 these continually changing circumstances and adapting the  
3 projects to make sure the spirit of the funding is honored.  
4 So thank you all for all the work.

5 I don't have any questions. Thanks for the  
6 comments from UC San Diego. Looking forward to supporting  
7 the item.

8 Thanks.

9 CHAIR HOCHSCHILD: All right. Any other  
10 comments? All right, with -- I don't have any myself.  
11 Thank you. Thanks for the presentation.

12 Would you be willing to make a motion on Item 6,  
13 Vice Chair?

14 VICE CHAIR GUNDA: Move Item 6.

15 CHAIR HOCHSCHILD: Is there a second from  
16 Commissioner Gallardo?

17 COMMISSIONER GALLARDO: I second.

18 CHAIR HOCHSCHILD: All in favor, say aye.

19 Vice Chair Gunda?

20 VICE CHAIR GUNDA: Aye.

21 CHAIR HOCHSCHILD: Commissioner Gallardo?

22 COMMISSIONER GALLARDO: Aye.

23 CHAIR HOCHSCHILD: And I vote aye as well. Item  
24 6 passes three to zero.

25 We'll turn next to Item 7, County Monterey. And

1 I welcome Miki Crowell to present.

2 MS. CROWELL: Good morning, Chair, Vice Chair,  
3 Commissioner. My name is Miki Crowell. I'm staff in the  
4 Fuels and Transportation Division, and I'm presenting a new  
5 agreement with the County of Monterey.

6 Next slide, please.

7 On July 14th, 2023, California Air Resources  
8 Board released a competitive solicitation titled Advanced  
9 Technology Demonstration and Pilot Projects. The purpose  
10 of the solicitation was to fund zero-emission off-road and  
11 marine vessel technologies, as well as Green Zone projects.  
12 The CEC and CARB partnered to provide \$225 million for the  
13 solicitation, with CARB contributing \$175 million for  
14 vehicle funding and the CEC contributing \$50 million for  
15 infrastructure funding. Under this solicitation, four  
16 agreements have already been approved for CEC funding.

17 Next slide, please.

18 This project offers many benefits to  
19 Californians, including installation of 390 charging ports  
20 throughout the Monterey Bay Area, and many of them will be  
21 publicly accessible, emissions reduction associated with  
22 the adoption of electric vehicles, and reduction of  
23 institutional and educational barriers to EV adoption  
24 through workforce training.

25 Next slide, please.

1           The proposed project, titled Monterey Bay  
2 Municipal Fleet Electrification and Workforce Accelerator,  
3 will involve purchasing 160 municipal fleet EVs, which will  
4 be covered by CARB funding, installing 390 charging ports  
5 and four solar photovoltaic systems, and providing  
6 workforce training for jurisdictions' EV users, mechanics,  
7 and maintenance staff across the counties of Monterey, San  
8 Benito, and Santa Cruz, and the cities of Santa Cruz and  
9 Watsonville. This task also includes efforts to increase  
10 the number of electric vehicle infrastructure training  
11 programs certified electricians in participating  
12 jurisdictions to enable accelerated infrastructure  
13 development.

14           Next slide, please.

15           Staff recommendation is to approve the grant  
16 agreement with the County of Monterey and adopt staff's  
17 recommendation that the project is exempt from CEQA.

18           I'll be happy to answer any questions. Thank  
19 you.

20           CHAIR HOCHSCHILD: Thank you. Questions for  
21 Miki? Oh, sorry, public comment. Excuse me.

22           MR. YOUNG: Thank you, Chair.

23           The Commission now welcomes public comment on  
24 Item 7. To notify us that you'd like to make a comment on  
25 this item, and if you're in the room, please use the QR

1 code in the back. If you're on Zoom, you want to click on  
2 the raised-hand feature on your screen. And if you're  
3 joining us by phone, please press star nine to raise your  
4 hand.

5           Seeing none in the room, Chair, I'm going to move  
6 to Zoom. And Chair, that appears to conclude public  
7 comment for Item 7. Back to you.

8           CHAIR HOCHSCHILD: And I apologize, but these are  
9 Level 2 or level --

10           MS. CROWELL: So there are 192 dual port Level 2  
11 chargers and 3 dual port DCFC.

12           CHAIR HOCHSCHILD: Okay, but no Level 1? Yeah,  
13 okay. Thank you. Great. Love to see this. Thank you for  
14 all the work.

15           And I just wanted to make a special tribute to  
16 Hannon Rasool, who is moving to a new position, running the  
17 transportation program for NRDC. He's been with us five  
18 and a half years. Really appreciate all his hard work on  
19 supporting charging infrastructure across the state. And I  
20 want to thank him and the whole team for all the progress.  
21 And, you know, I know we get to votes like this. There's,  
22 you know, many, many months of work and preparation and  
23 diligence involved in the preparation. So I do want to be  
24 sure to thank him as well.

25           So with that, unless there's discussion, I would

1 welcome a motion from Commissioner Gallardo. Oh, sorry,  
2 did you want to --

3 VICE CHAIR GUNDA: No.

4 CHAIR HOCHSCHILD: Yeah.

5 VICE CHAIR GUNDA: No discussion. I just wanted  
6 to say thank you, Miki, and then really appreciate this  
7 project that integrates both solar and the chargers, So  
8 thank you.

9 And I also want to give a shout out to Hannon and  
10 his leadership of the FTD and the coordination with CARB on  
11 this issue, so thank you so much.

12 CHAIR HOCHSCHILD: Yeah.

13 VICE CHAIR GUNDA: I look forward to supporting.

14 CHAIR HOCHSCHILD: And I would welcome a motion  
15 from Commissioner Gallardo on Item 7.

16 COMMISSIONER GALLARDO: I move to approve Item 7.

17 CHAIR HOCHSCHILD: Is there a second from the  
18 Vice Chair?

19 VICE CHAIR GUNDA: Second.

20 CHAIR HOCHSCHILD: All in favor, say aye  
21 Commissioner Gallardo?

22 COMMISSIONER GALLARDO: Aye.

23 CHAIR HOCHSCHILD: Vice Chair Gunda?

24 VICE CHAIR GUNDA: Aye.

25 CHAIR HOCHSCHILD: And I vote aye as well. Item

1 7 passes three to zero. Thank you.

2 We will turn next to Item 8, which is Lead  
3 Commissioner Presiding Member Reports. Let's start with  
4 the Vice Chair.

5 VICE CHAIR GUNDA: Thank you, Chair. You know, I  
6 missed the last business meeting, I was traveling during  
7 the time, but just wanted to flag a few high-level pieces  
8 that our office is focused on right now with Energy  
9 Assessments Division, the RREDI Division, as well as some  
10 work with the STEP Division. So just 30,000-foot level.

11 Our focus for the next five months, we'll be  
12 preparing for the electric reliability for the summer, as  
13 well as the petroleum price outlook for the summer. So  
14 those two things are of primary focus right now.

15 I wanted to uplift a couple of evolving themes on  
16 the electric grid side that are of focus. So as with, you  
17 know, year after year, as we go through the reliability  
18 planning, there's always something new that comes up and,  
19 you know, some old stuff that we try and figure out how to  
20 mitigate or address.

21 So this year, as we go in, I think the things  
22 we'll be looking at is for a couple of years now, we  
23 haven't had a heat wave in the West. So kind of just  
24 looking through a coincidental event like a '21 or '22 and  
25 thinking about potential heat wave contribution to the grid

1 reliability issues.

2           Second, we do have good rain as of now, keeping  
3 up with the averages at this point of time in a given year.  
4 But really looking forward to getting the full water year  
5 information as we move forward and the hydro conditions for  
6 the summer.

7           And finally, the third, I think the most  
8 important one for us is the last couple of years, we had  
9 delays in connecting electric loads to the system. And  
10 there was legislative action and PUC's action on  
11 accelerating those loads. So we are kind of keeping an eye  
12 on how much of those loads might come up in a lumpy fashion  
13 onto the grid.

14           So we're going to be watching all three of them  
15 and then looking at the reliability analysis, reminding  
16 that we still have, you know, DSGS for the summer in some  
17 shape or form. We have some money for the staff to think  
18 through. And then we're hoping to have, you know, as close  
19 a program as '25 for this year. So we'll have DSGS. We do  
20 have the OTC power plants in 2026. At the end of 2026 is  
21 when the OTC power plants essentially are closed without  
22 further legislation or funding. So just kind of taking one  
23 step at a time for the electric reliability. And we'll  
24 have a workshop in May, as always, to go through that.

25           Second, petroleum. We are kind of going through

1 a quick transition here in the next several weeks. So we  
2 move from winter blend to summer blend. And typically, you  
3 know, this is the time you see a little tightness in the  
4 market. But we're also kind of watching the PBF Martinez  
5 and waiting for it to come online and kind of working --  
6 continue to work with Valero on potential options to  
7 support the supply.

8 So with all that, I think it's important for us  
9 to watch how the summer outlook looks. And we look forward  
10 to providing that information to the Commissioners as well  
11 as the public pretty soon here.

12 I wanted to close off just a little bit with  
13 gratitude. Our office has been, you know, apart from  
14 working with the three divisions I mentioned, has been  
15 working and depending a lot on the lead staff, the Chief  
16 Counsel's Office, as well as the Executive Office. So I  
17 just wanted to kind of take -- give a shout out to all  
18 those groups for the incredible help we receive. Thanks.

19 CHAIR HOCHSCHILD: Thank you, Vice Chair.

20 Commissioner Gallardo.

21 COMMISSIONER GALLARDO: All right. I do have  
22 some images to show. It will be quick.

23 But one image I didn't get to put in here is from  
24 an event I covered for the Chair celebrating Dr. Espanola  
25 Jackson on Monday. She was a community leader, resident of

1 the Bayview Hunters Point area in San Francisco. And just,  
2 I was honored to be able to do that, but also just wanted  
3 to highlight the impact of people. And she was petite from  
4 what I understood, because I never got to meet her, she  
5 passed away about 10 years ago, but her legacy is living  
6 on, especially in this community. And again, it was an  
7 honor to be able to give remarks on behalf of the Chair to  
8 celebrate her. And just reminded me, you know, the  
9 importance of the Clean Energy Hall of Fame Awards and  
10 celebrating people like her. And she was one of the folks  
11 who inspired us to do that type of event here at the Energy  
12 Commission.

13 Chair, I don't know if you want to say anything  
14 about her. I didn't want to take that away from you.

15 CHAIR HOCHSCHILD: I will in my remarks, yeah.

16 COMMISSIONER GALLARDO: Okay.

17 CHAIR HOCHSCHILD: Thank you.

18 COMMISSIONER GALLARDO: So I'll move forward with  
19 my images here. Just a quick deck.

20 I wanted to give you all just a preview of what's  
21 going on with our site -- in our siting arena, specifically  
22 Opt-In. There's going to be a lot of movement happening in  
23 the next few months through the end of the year, so I  
24 wanted to highlight three active projects.

25 The first one is the Soda Mountain Solar Project.

1 This is out in San Bernardino County in the Mojave Desert.  
2 You can see the image there of us on a site visit. It's a  
3 300 megawatt solar project, 1,200 megawatt-hour BESS, or  
4 energy storage, and potentially 200 to 300 construction  
5 jobs per day and then 25 to 40 permanent jobs. So just to  
6 give you a sense of what the project is or could be if --  
7 depending on whether it's approved.

8           And staff did a great job on a public meeting  
9 last week where we went out to talk about the staff  
10 assessment that had been published, so I wanted to express  
11 my gratitude to them for all their hard work. So this is  
12 the STEP Division.

13           We also get a lot of support from other offices.  
14 And Drew, in particular, from Executive Office has been a  
15 stellar partner. Chief Counsel's Office and all the  
16 attorneys who are helping us have been wonderful.

17           PAO-Plus, as well, have done a tremendous job  
18 with engagement in our community, and then also being able  
19 to handle public comment at the event, and PCO as well,  
20 helping us on media coverage. They enabled drew to be able  
21 to talk about opt in. And so that was really wonderful to  
22 have that.

23           OGIA has also been taking a more active role with  
24 us, as well, to get the word out to legislators about  
25 what's happening in their districts.

1           And then I.T., as well, helps us so much on  
2 logistics. And Chris, who's in the back, was a stellar at  
3 this last public meeting, running around doing all the  
4 things and setting this up for success.

5           So I just wanted to make sure I extend gratitude  
6 to everybody.

7           And then in terms of process, fellow  
8 Commissioners, just know that if we stay on time with all  
9 of this, which we are aiming to do, and I think we will  
10 achieve this, public comments when we do February 27th.  
11 And then there's an updated staff assessment shortly  
12 thereafter, a month after that. And then looking to do the  
13 vote on the April 27th business meeting agenda. So that's  
14 what you can have to look forward to.

15           Then we'll go to the next slide.

16           There's also another project called Potentia-  
17 Viridi. This one is in Alameda County, but it's closer to  
18 the City of Tracy. So there's an image there of the site.  
19 And this would be 400 megawatts, 3,200 megawatt-hour  
20 battery energy storage system, up to 127 construction jobs,  
21 3 permanent jobs. Folks get really excited about these  
22 jobs, even though they're not permanent. The construction  
23 jobs are really exciting, particularly for the unions and  
24 the trades.

25           And then here, also, we will have a staff

1 assessment public meeting in Tracy early in March, then  
2 comments do March 27th, and then looking to have a vote if  
3 we stay on time by May 26th. So again, a lot of action  
4 here and staff will be very busy, they've been extremely  
5 diligent, but here's what it looks like.

6 And then the last one I want to do, it will be  
7 the next slide, is Prairie Song. That's in the Los Angeles  
8 County area, 9,200 megawatt-hour BESS, again, battery  
9 energy storage system. So that one's starting to move.  
10 We're planning a public meeting in the Palmdale area at the  
11 end of this month, and then a staff assessment due June  
12 29th, and then voting in October, so -- or end of October.  
13 So a lot of action again that will be seen this year.

14 And that's it. Just wanted to give you a preview  
15 on Opt-In.

16 CHAIR HOCHSCHILD: Thank you so much. I really  
17 appreciate how you use slides. Actually, I love that you  
18 do that. So always great to just get kind of a visual on  
19 the different things we're talking about.

20 You know, rather than give sort of update on the  
21 last year, I just want to just maybe use this time to share  
22 a little bit the story of Espanola Jackson, what she meant  
23 to me, who she was. Some of you who were with us at my  
24 swearing in ceremony when I got reappointed last year heard  
25 this story.

1           So the African-American community in San  
2 Francisco, where I'm from, really came from the south to  
3 San Francisco during World War II, and the big shipbuilding  
4 in Richmond and Hunters Point, and her family was part of  
5 that, that migration.

6           And I met her about 20 years ago. I was  
7 appointed to the San Francisco Public Utilities Commission  
8 by then Mayor Gavin Newsom. And right when I got  
9 appointed, there were two very, very hotly contested  
10 battles kind of going on that were coming to us to vote.  
11 And I had really strong views on both of those. One of  
12 them was a proposal to build a new gas-fired power plant in  
13 the Potrero District, a low-income community, and very  
14 contested by the neighborhood. And I felt then, I feel  
15 now, that was not a good idea. We had a big, big debate  
16 about that.

17           And then at the same time, a bunch of us were  
18 working to establish the city's first solar program and  
19 trying to get that approved. And that was also extremely  
20 politically complex.

21           So Espanola Jackson was a community activist  
22 from the Bayview-Hunters Point community. She came to  
23 every single meeting. We met every two weeks. And you've  
24 heard that saying, I think President Obama used to say  
25 this, one voice can change a room. One room, you know, can

1 change a city. One city can change the state. One state  
2 can change a nation. One nation can change the world. She  
3 was the voice for me. She was so consistent and clear you  
4 know, about stopping this power plant. And, you know, she  
5 was barely five feet tall, but she was the tallest person  
6 in the room to me. And she spoke with conviction and  
7 passion and purpose.

8           And I really feel like her kind of moral  
9 anchoring of what the right thing to do was -- you know,  
10 really changed that debate in the city of San Francisco.  
11 And I realized after, you know, listening to her, like who  
12 is this woman? She was like the conscience of San  
13 Francisco, is how I said it. And so we won on that. The  
14 power plant was ultimately ceded and the solar program got  
15 created. Actually, she got one of the incentives to get  
16 solar on her home. And I've just felt this incredible bond  
17 with her family ever since. They came to my ceremony and I  
18 think, you know, in life they say there's friends and  
19 there's this family and then there's friends who become  
20 family. And so I feel very grateful to her.

21           You know, I visited her at the end of her life in  
22 the hospital, at home at the very end. And I carry her  
23 spirit very much with me in this work, in this job. She's  
24 kind of my conscience on a lot of these tough votes that we  
25 take. And one of the main advocates that she worked with,

1 Joshua Arce, who was right in the middle of those two big  
2 battles. He's now president of the San Francisco Public  
3 Utilities Commission. And so, you know, both of us are in  
4 these roles, but very much with her voice alive within us  
5 and everyone who is fortunate enough to work with her. And  
6 they just did this beautiful ceremony to kind of mark 10  
7 years of her life. But it was an honor to work with her.

8           And I really want to thank you, Commissioner, for  
9 I had to be in New York to give a talk at a summit I was  
10 at, so I couldn't be there in person, and you went and you  
11 read my remarks and I'm so grateful to you. So thank you  
12 for hearing me on that.

13           So with that, let's go to Item 10, Public  
14 Advisors Report.

15           MR. YOUNG: Thank you, Chair.

16           CHAIR HOCHSCHILD: Oh, I'm sorry. Executive  
17 Director's Report first. I apologize. Item 9.

18           MR. BOHAN: No worries. Thank you for that.

19           Thank you for acknowledging Hannon. I just  
20 wanted to double down on that and thank him for five years  
21 of service to the Energy Commission, providing strong  
22 leadership. The good news is he won't be going far. He's  
23 going to remain where he is in San Diego. As you noted,  
24 he's joining NRDC, with whom we've had a long relationship  
25 and hope to see that get boosted by Hannon's presence

1 there.

2 And also just wanted to thank Jen Kalafut, who  
3 has agreed to step in as the acting director while the  
4 search takes place to find a replacement.

5 Thank you.

6 CHAIR HOCHSCHILD: Thank you. Let's go to Item  
7 10, Public Advisors Report.

8 MR. YOUNG: Thank you, Chair. I just want to  
9 thank you for telling that story. I just missed her during  
10 my tenure in the Bay Area and -- but her legacy lives large  
11 in my heart.

12 And I also just wanted to highlight, in that  
13 spirit, Black History Month. We have some great leaders  
14 here at the Commission and we should celebrate them.

15 Finally, I want to put in a plug for the  
16 Disadvantaged Communities Advisory Group on the 20th.  
17 We're going to have some meaty topics, including SB 100 and  
18 non-energy benefits. And looking forward to this group's  
19 attendance.

20 Thank you.

21 CHAIR HOCHSCHILD: Great. Thank you so much,  
22 Ryan.

23 Item 11, Chief Counsel's Report.

24 MR. RANCHOD: No report today, Chair. Thank you.

25 All right. I think we are adjourned. Thanks,

1 everybody.

2 (The meeting adjourned at 11:23 a.m.)

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## CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of February, 2026.



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MARTHA L. NELSON, CERT\*\*367

## CERTIFICATE OF TRANSCRIBER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



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MARTHA L. NELSON, CERT\*\*367

February 27, 2026