

DOCKETED

Docket Number:	26-BUSMTG-01
Project Title:	2026 Business Meeting Agendas, Transcripts, and Public Comments
TN #:	270958
Document Title:	Final Transcript of May 13, 2026 Business Meeting
Description:	N/A
Filer:	Kim Todd
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	6/24/2026 10:12:05 AM
Docketed Date:	6/24/2026

CALIFORNIA ENERGY COMMISSION

In the matter of:

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

WEDNESDAY, MAY 13, 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

Noemi Gallardo, Commissioner

Nancy Skinner, Commissioner

STAFF

Drew Bohan, Executive Director

Sanjay Ranchod, Chief Counsel

Kevin Chou, ECS II, STEP, Clean Energy Infrastructure
Branch

Sandra Nakagawa, Director Integrated Energy Policy Report

PUBLIC ADVISOR'S OFFICE

Ryan Young, Public Advisor

ALSO PRESENT

Hon. Chris Bowen, MP, Australia's Minister for Climate
Change and Energy

PUBLIC COMMENT

Katharine Larson, SMUD

Adam Jorge, Sonoma Clean Energy

Woody Hastings, Climate Center

Sheila Hallstrom, Ormat Technologies, Inc.

Amelia Letvin, Geothermal Rising

INDEX	
	<u>PAGE</u>
1. Public Comment	4
2. Agency Announcements	5
3. Consent Calendar	7
4. Information Item - Remarks from the Honorable Chris Bowen MP, Minister for Climate Change and Energy, Australia	50
5. Local Publicly Owned Utilities (POU) Renewables Portfolio Standard (RPS) Draft Verification Results Reports Compliance Period 4 (2021-2024)	9
6. Order Instituting Informational Proceeding (OIIP) for the 2026 Integrated Energy Policy Report (IEPR) Update (Docket 26-IEPR-01)	24
7. Lead Commissioner or Presiding Member Reports	38
8. Executive Director's Report	48
9. Public Advisor's Report	48
10. Chief Counsel's Report	48
Adjournment	70

P R O C E E D I N G S

10:17 a.m.

WEDNESDAY, MAY 13, 2026

(Whereupon an introduction video is played and not
transcribed.)

CHAIR HOCHSCHILD: Good morning and welcome,
friends. My name is David Hochschild, Chair of the
California Energy Commission. Today is Wednesday, May
13th. I call this meeting to order. Joining me are
Commissioner Gallardo and Commissioner Skinner. We have a
quorum.

Let's begin by standing for the Pledge of
Allegiance.

(The Pledge of Allegiance is recited in unison.)

CHAIR HOCHSCHILD: Thank you. We'll begin with
public comment.

MR. YOUNG: Good morning and welcome. This is
Ryan Briscoe Young, the Energy Commission's Public Advisor.

The Commission welcomes public comment at its
business meetings. There will be multiple opportunities
for public comment today. This initial public comment
period is for any informational or non-voting items on the
agenda. If you'd like to make a public comment, we ask
that you wait for the dedicated public comment period for
the item that you'd like to make a comment on.

1 Now, for the instructions. If you're in the
2 room, please use the QR code posted in the back, or visit
3 the Public Advisor table. If you are on Zoom, please use
4 the raised-hand feature on your screen. And if you're
5 joining by phone, you want to press star nine to raise your
6 hand.

7 Starting with folks in the room for this item,
8 not seeing any. And there are no hands up on Zoom.

9 Back to you, Chair.

10 CHAIR HOCHSCHILD: All right. We'll turn now to
11 Item 2, Agency Announcements.

12 I want to recognize that May is Asian American
13 and Pacific Islander Heritage Month. And we want to
14 celebrate the contributions and the culture of Asian
15 Americans and Pacific Islanders throughout the state and
16 the nation.

17 And I also want to highlight that later in the
18 agenda, we're going to be hearing from the Honorable Chris
19 Bowen, who is the Minister for Climate Change and Energy in
20 Australia. About six weeks or so ago I was invited down to
21 Australia and did a bunch of talks down there and met with
22 him. They're doing a quite remarkable effort on
23 decarbonizing their grid, going from something like 22
24 percent clean energy on the grid in 2022 to 82 percent by
25 2028, and have basically been leading the world on a per

1 capita basis on battery storage.

2 So we're going to hear from him. And they have a
3 kind of remarkable new program of providing free
4 electricity for the nation of Australia from 12 to 3 in the
5 afternoon starting next month. So we'll learn more about
6 that. And grateful he is able to join us remotely.

7 Today, at our Commission meeting, we'll be
8 seeking approval of approximately \$9 million in investments
9 contributing to California's economic strength.

10 And with that, let me just turn to my colleagues.
11 Any other agency announcements? Yeah, Commissioner
12 Gallardo, please.

13 COMMISSIONER GALLARDO: Buenos dias. Good
14 morning, everyone. Thank you, Chair.

15 I also want to wish everybody a happy Asian
16 American and Pacific Islander Heritage Month. It's great
17 that we can celebrate that together.

18 I also want to say happy belated Mother's Day to
19 all of the fellow moms out there. Also to just all
20 guardians. Whether you're caring for younger ones or older
21 ones, I appreciate all you do.

22 I do have an announcement about the Clean Energy
23 Hall of Fame Awards, if we can go to the next slide? There
24 we go.

25 We have an annual event where we celebrate and

1 uplift the efforts of folks working throughout the state to
2 contribute to our mission of getting to a 100 percent clean
3 energy future. And so these are local leaders. And that
4 event is going to happen December 10th of this year.

5 And you have an opportunity to nominate people.
6 So if you know of anyone who deserves some praise and
7 usually doesn't get it but is working really hard to get to
8 this 100 percent clean energy future for California, please
9 take a moment to nominate them. You have plenty of time.
10 They're not due until June 1st. You can find more
11 information, lots of details on our website. And then we
12 will also share the link for those folks joining us on
13 Zoom. We'll share that in the chat.

14 So again, please help us here celebrate all those
15 folks out there and submit a nomination. The process is
16 really easy to do. And if you have any questions, there's
17 contact information there on our website of who you can
18 reach out to.

19 Thank you so much.

20 CHAIR HOCHSCHILD: Any other announcements?
21 Commissioner Skinner, anything?

22 Okay, with that, we'll turn to Item 3, Consent
23 Calendar. And we'll take public comment on that.

24 MR. YOUNG: Thank you, Chair.

25 This is Ryan Young, Public Advisor again. This

1 is the public comment period for Item 3. To notify us that
2 you'd like to make a public comment and you're in the room,
3 please use the QR code posted in the back. And if you're
4 on Zoom, please use the raised-hand feature on your screen.

5 I'm not seeing any public commenters either in
6 the room or on Zoom. Back to you, and thank you.

7 CHAIR HOCHSCHILD: Okay, before we take up Item
8 3, I just have an announcement I need to make.

9 Prior to voting on Item 3J, a proposed resolution
10 to approve a grant agreement with the Regents of the
11 University of California, as manager and operator of the
12 Lawrence Berkeley National Laboratories, I note for the
13 record that pursuant to government code section
14 1091.5(a)(9), that I taught a course at the UC Berkeley
15 Goldman School of Public Policy during the fall semester of
16 2025, where I was paid a salary of no more than \$10,000,
17 and where I will teach a course again in the fall semester
18 of 2026. This is considered a non-interest under the
19 conflict of interest law, because the grant agreement does
20 not involve the department at UC Berkeley where I taught,
21 but I have no direct or indirect financial interest in the
22 grant agreement. With this disclosure and noting this non-
23 interest in the official record, I'm able to vote on this
24 item.

25 Unless there's any Commissioner discussion on

1 Item 3, I'd welcome a motion from Commissioner Gallardo.

2 COMMISSIONER GALLARDO: I move to approve Item 3.

3 CHAIR HOCHSCHILD: Is there a second from
4 Commissioner Skinner?

5 COMMISSIONER SKINNER: Second.

6 CHAIR HOCHSCHILD: All in favor, say aye.
7 Commissioner Gallardo?

8 COMMISSIONER GALLARDO: Aye.

9 CHAIR HOCHSCHILD: Commissioner Skinner?

10 COMMISSIONER SKINNER: Aye.

11 CHAIR HOCHSCHILD: And I vote aye as well. Item
12 3 passes unanimously.

13 We will turn now to Item 5, we're going to come
14 back to Item 4 later this afternoon, so Local Publicly
15 Owned Utilities Renewable Portfolio Standard Draft
16 Verification Results Report Compliance Period 4.

17 Kevin Chou, welcome.

18 MR. CHOU: Chair Hochschild and Commissioners, I
19 am Kevin Chow, program staff for the Renewables Portfolio
20 Standard Verification and Compliance Unit of the Siting,
21 Transmission, and Environmental Protection Division. With
22 me are Josie Crosby, Albert Kim, and Maya Murphy-Cook from
23 Chief Counsel's Office.

24 Today, staff are presenting the verification
25 findings of 25 publicly owned utilities, or POU's, with

1 Verification Results Reports for Compliance Period 4.
2 These 25 reports are ready for your consideration and
3 adoption.

4 Next slide, please.

5 Before we present the reports, staff seeks your
6 approval for today. We wanted to provide some background
7 and updates on California's Renewables Portfolio Standard
8 Program, RPS.

9 California represents the fourth largest economy
10 in the world and manages the nation's largest and arguably
11 most ambitious RPS in the country. The program has served
12 as the foundation and building blocks for decarbonizing the
13 electric sector as we move towards the state's 100 percent
14 renewable and zero-carbon energy system.

15 The RPS was established in 2002 with the
16 requirement for electric load-serving entities to procure
17 minimum threshold percentages of renewable energy. The
18 requirements quickly evolved over time with the renewable
19 percentage mandates becoming more aggressive and the
20 introduction of multi-year compliance periods.

21 As mentioned, the RPS Program is a key driver for
22 achieving decarbonization of the energy sector envisioned
23 by the legislature and signed into law with Senate Bill 100
24 in 2018. This set the current procurement requirements for
25 eligible renewable energy to 60 percent of retail sales by

1 2030 and a goal of 100 percent clean energy via renewable
2 and zero-carbon resources by 2045.

3 Next slide, please.

4 The RPS Program has been a success by all
5 measures. This graph shows electricity produced from
6 solar, wind, geothermal, and other RPS eligible resources.
7 We have doubled output roughly every 10 years, as marked by
8 the stars. Other progress not shown on this chart is that
9 we met or exceeded goals, ambitious goals, over the last 20
10 years and spurred new, more efficient technologies and
11 reduced costs.

12 Next slide, please.

13 California's RPS Program has its complexities,
14 but it is quite elegant when it's distilled down to its
15 essential functions.

16 First, an RPS Program is a simple, highly
17 effective policy that requires load-serving entities to
18 source a percentage of their total sales from renewables.
19 It is a long-term policy signal. The requirement increases
20 over time and doesn't sunset. Starting with the left
21 cluster, there are two components for every megawatt hour
22 of output from an RPS facility, the electricity and the
23 Renewable Energy Credit, or REC, which represents the
24 renewable attributes. RECs can be claimed by the purchaser
25 for compliance purposes, for corporate sustainability

1 goals, or others, and the RECs can be traded like any other
2 commodity.

3 Second, the policy creates a market where the
4 majority of development is happening through power purchase
5 agreements, which spurs innovation and competition that
6 help control costs. We value resource diversity, and the
7 infrastructure provides local and regional benefits through
8 jobs, air quality, and much more.

9 The last overarching function is the regulatory
10 piece. We have tight standards for metering facilities,
11 which must report to an independent tracking system, the
12 Western Renewable Energy Generation Information System, or
13 WREGIS, that market participants and regulators rely on for
14 overseeing the program and determining compliance.

15 Next slide, please.

16 The RPS is a statewide program and reaches beyond
17 California's borders. While the program highly values
18 facilities directly interconnected to California, renewable
19 facilities can be interconnected anywhere within the
20 Western grid. As you can see in the red, it is comprised
21 of 14 U.S. states, two Canadian provinces, and Baja
22 California.

23 Next slide, please.

24 California's RPS Program has always been a
25 coordinated effort. We here at the Energy Commission

1 certify facilities and verify all RPS procurement claims.
2 Once our verification work is complete, we transmit the
3 results for retail sellers to the California Public
4 Utilities Commission, or CPUC, for compliance purposes
5 while we handle the POUs. In rare instances where
6 enforcement is needed for POUs, we will refer to the
7 California Air Resources Board, or CARB, for their
8 disposition. Last year, the CEC's RPS Team certified 700
9 facilities, totaling approximately 15,000 megawatts in
10 capacity.

11 Next slide, please.

12 This illustration shows how RPS is situated
13 through long-term clean energy goals. Targets are
14 currently increased to 60 percent renewable by 2030 and
15 sustained thereafter. The state's clean energy goals
16 continue to 100 percent by 2045 through further renewables
17 or zero-carbon resources. In Compliance Period 4, spanning
18 from 2020 to 2024, represented by the green shaded area of
19 this illustration, load-serving entities were required to
20 procure roughly 40 percent of their retail sales from
21 eligible renewable energy resources, which is the average
22 of annual targets for the compliance period that range from
23 35 to 44 percent.

24 Next slide, please.

25 With that background, presented here is a summary

1 of staff's findings for POU's in Compliance Period 4.
2 Forty-three POU's are subject to California's RPS
3 requirements. Twenty-five POU's verification results
4 reports are presented today. Of these 25 POU's, 18 POU's met
5 all the RPS requirements. Six POU's had procurement target
6 deficits, and one POU had a long-term procurement
7 requirement deficit. This requirement sets a minimum
8 amount of procurement that must be sourced from contracts
9 or ownership agreements of 10 years or more in duration.
10 These seven POU's have elected to apply for optional
11 compliance measures.

12 Next slide, please.

13 This graphic illustrates the vast diversity among
14 the 25 POU's in Group 1 for Compliance Period 4. These 25
15 POU's represent 38 percent of total POU retail sales as you
16 can see on the left green bar showing SMUD, a relatively
17 larger POU with approximately 640,000 customer accounts
18 representing over 10 percent of total POU retail sales.
19 And moving along to the right-hand side to smaller POU's,
20 such as the City of Corona with approximately 1,900
21 customer accounts representing less than one to two percent
22 of total POU retail sales.

23 Despite the range in size and scale, all the POU's
24 are generally subject to the same RPS requirements and work
25 towards meeting their goals.

1 Next slide, please.

2 This graph illustrates the quantity of renewable
3 energy certificates retired for Compliance Period 4 as a
4 proportion of the POU's retail sales we're seeking approval
5 for today. By the end of CP4 on December 31, 2024, as
6 previously noted, the RPS requirement was just shy of 40
7 percent when averaged across the four years. The CEC
8 determines a POU's compliance based on a multi-year
9 accounting period rather than annually. The renewable
10 percentage shown here for each POU is the total number of
11 RECs applied to the compliance period divided by their
12 retail sales.

13 In some cases, POUs that participate in a green
14 pricing program or have a qualifying large hydro (phonetic)
15 exemption will see a variance in their renewable
16 percentage. The other POUs that show a shortfall have
17 requested the use of approved optional compliance measures.
18 Staff will begin evaluating the POUs that have applied for
19 optional compliance measures after the adoption of the
20 verification results reports.

21 Throughout our verification process, we find that
22 some RECs are not eligible. However, there were no POUs
23 that failed to meet their RPS requirements solely due to
24 ineligible RECs.

25 Next slide, please.

1 The 25 draft verification results reports were
2 docketed and posted on April 22nd, 2026, with a 10-day
3 public comment period. Each POU presented today has
4 reviewed and accepted staff's findings prior to the
5 business meeting and did not submit public comments. Staff
6 made minor, non-substantive changes to 19 POU verification
7 results reports. The final results of those 19 POUs were
8 not affected in any way.

9 Next slide, please.

10 The reports presented here today for adoption
11 benefit both the program participants and the public by
12 providing verified data conclusions on renewable energy
13 procurement amounts made by California load-serving
14 entities to serve ratepayers in the state. These reports
15 also benefit the state by providing verified renewable
16 energy data that can be used in determining whether
17 California is on track for its renewable energy goals.

18 Next slide, please.

19 Staff find the analysis results and conclusions
20 outlined in the verification results reports for the 25
21 POUs listed here to be true and accurate, ready for next
22 steps in providing compliance determinations to each POU.
23 We request that the Energy Commission adopt the finding
24 that the verification results reports are not a project
25 under CEQA or alternatively exempt and adopt the resolution

1 approving the RPS verification results reports of the 25
2 POUUs mentioned below.

3 We thank you for your consideration of this
4 request, and we are happy to respond to any questions.
5 Thank you.

6 CHAIR HOCHSCHILD: Thank you so much.

7 Let's go to public comment on Item 5.

8 MR. YOUNG: Thank you, Chair.

9 The Commission now welcomes public comment on
10 Item 5. If you're in the room and you want to notify us
11 that you'd like to make a comment, please visit the Public
12 Advisor table in the back and use the QR code. If you're
13 on Zoom, please click on the raised-hand feature on your
14 screen.

15 At this time, I'd like to welcome Katharine
16 Larson to approach the podium and provide comment.
17 Comments will be two minutes or less. And please state and
18 spell your name for the record. Thank you so much.

19 MS. LARSON: Good morning, Chair Hochschild and
20 Commissioners. My name is Katharine Larson. That's
21 K-A-T-H-A-R-I-N-E L-A-R-S-O-N. I'm with SMUD. Just a
22 short comment from me today.

23 We support the adoption of the verification
24 results today. And we also wanted to commend staff for the
25 process improvements that have led to a much faster, rather

1 earlier, finalization of the verification process. It's
2 really helpful for us as we're -- for us to go through this
3 process and to have certainty about the results much closer
4 to the end of the compliance period. So just wanted to
5 acknowledge staff's great efforts and express our
6 appreciation.

7 Thank you.

8 CHAIR HOCHSCHILD: Thank you.

9 MR. YOUNG: Thank you so much.

10 Seeing no others in the room, I'm going to
11 transition to Zoom. Austin Medrano Langdon, I'm going to
12 unmute your line. Please unmute on your end. State and
13 spell your name for the record, and we welcome your public
14 comment. Austin Medrano Langdon, you're going to want to
15 unmute on your end. Austin, you want to unmute on your end
16 so that we can take your public comment.

17 Chair, I don't think we're going to be able to
18 hear this one. Back to you.

19 CHAIR HOCHSCHILD: Okay, we can come back. He
20 wants to make a comment, but we can't hear him?

21 MR. YOUNG: The hand's raised, but we can't hear
22 him.

23 CHAIR HOCHSCHILD: Okay. We can try. Maybe
24 we'll have Commissioner discussion and we'll come back and
25 try --

1 MR. YOUNG: Yes, sir.

2 CHAIR HOCHSCHILD: -- one more time before we
3 vote.

4 Let's turn next to Commissioner discussion,
5 starting with Commissioner Gallardo.

6 COMMISSIONER GALLARDO: All right, will do. So
7 thank you so much, Kevin, for your helpful presentation
8 today, especially showing the structure of the program, the
9 overview of the multiple entities involved, noting the
10 milestones we've hit, and also the impact that we have made
11 as a state. I view the RPS Program as one of the most
12 valuable accountability mechanisms that we have and just
13 want to be able to celebrate how much we've done and how
14 far we've gotten. So, again, congratulations to you,
15 Kevin, and the team for this accomplishment.

16 I also am grateful for the comments made by
17 Katharine from SMUD. I hope you're enjoying those kudos,
18 especially because the RPS verification entails a lot of
19 work that goes unseen for both staff and for the publicly
20 owned utilities, and it increases year over year, both as
21 the targets are increasing and now as retail sales are on
22 the uptrend.

23 And I understand that staff verified nearly 100
24 million erects; is that correct?

25 MR. CHOU: Yes.

1 COMMISSIONER GALLARDO: So, yes, so that's
2 incredible, 100 million erects for the POU's. And staff is
3 also verifying for all retail sellers, and that will be
4 over 35 times the volume. So this is incredible. And
5 staff are on pace to complete this work in roughly half the
6 time compared to the last compliance period. Last year,
7 our RPS team told me that they were working on finding more
8 ways to move quickly and efficiently to conduct the RPS
9 verification process, and they have been working very hard
10 to implement those improvements, and it's been noted, as we
11 heard earlier. So thank you for that.

12 And I'll acknowledge, as well, that in the
13 history of the RPS Program, we have never had 25 reports
14 ready for approval at a business meeting less than one year
15 after the July 1st reporting due date for the last year of
16 the compliance period. And they've done this while
17 increasing communication with utilities and others and
18 managing the higher volume of work overall.

19 So this pace has been a pain point for program
20 participants, so I am especially grateful of staff and your
21 efforts to reimagine their process and to show this really
22 meaningful progress, especially since I've been Lead
23 Commissioner. You're helping me look good.

24 And I'd like to take a moment to uplift our RPS
25 Team's incredible effort to bring these reports before us

1 today. So, first, I'd like to thank Regina Galer, the
2 Director of the STEP Division where RPS lives, Sean Simon,
3 also for his incredible leadership. You've been such a
4 wonderful asset. I'm really glad that we stole you from
5 the CPUC and hope you're happy here and will stay long,
6 Sean.

7 And also to the RPS Verification Team, who has
8 done an incredible amount of work to make this happen.
9 Chris Metzker, Sophia Bird, Sean Inaba, Shang Zien Zhou
10 (phonetic), Grace Jing (phonetic), and of course, the RPS
11 Certification Team, who is integral for the success of the
12 entire program and who works closely with Kevin's team.

13 A few others I want to thank for their support
14 are our legal experts and Chief Counsel's Office, who we
15 can't do anything without you, so Josie Crosby, Albert Kim,
16 Isaac Serratos, and Maya Murphy-Cook, thank you so much.

17 And finally, I think this is a special thank you
18 we have to make to Carol Robinson in MPCO, our Media Team.
19 She helped the team get 25 reports edited and ready for
20 publication, which is a major endeavor given all of the
21 other reports she reviews. So she's been a champion and
22 really happy I can make that acknowledgement. So thank
23 you, Carol.

24 And I wanted to note as well, Commissioners, that
25 WREGIS was mentioned earlier, and we will have an update

1 for you all by the end of the year on those efforts. So
2 not something to get into deeply here, just wanted to
3 acknowledge that we will have an update for you.

4 So again, thank you, Kevin. Congratulations.
5 I'll turn it over to you, Chair.

6 CHAIR HOCHSCHILD: Commissioner Skinner?

7 COMMISSIONER SKINNER: Thank you, Chair. And
8 Commissioner Gallardo, thank you for your oversight on this
9 work.

10 Kevin, thanks very much for the presentation.
11 And I won't go through the staff in detail as our
12 Commissioner, as my colleague did, but I do express my
13 appreciation for the staff's compiling of the data,
14 analyzing it, and the presentation.

15 And for our public municipal power entities,
16 public power entities, it was very good to see that most
17 all of them, with only very few exceptions, are at the
18 place where we want them to be, and that's good news in
19 terms of our goals. While they're not individually not as
20 large as our IOU providers, they collectively do represent
21 a lot of emissions. So this is great progress and really
22 appreciate the gains and progress we've made. Thanks.

23 CHAIR HOCHSCHILD: Great. Well, a few, first of
24 all, my thanks to you, Commissioner Gallardo, for the
25 steady hand at the wheel overseeing all of this, and to

1 you, Kevin, and all the team and staff that worked on this.

2 I just want to confirm. So, basically, 43 public
3 utilities in the state of California, and they're all in
4 compliance with the RPS.

5 MR. CHOU: We have 25 today.

6 CHAIR HOCHSCHILD: Yeah, 25, but -- okay.

7 And then I would note, you know, all the
8 investor-owned utilities are in compliance as well. And I
9 just want to highlight, you know, this is a pretty
10 remarkable feat that we're basically on path on this energy
11 transition on the grid. And, you know, at a moment when
12 the Iran war has spiked fossil fuel prices around the globe
13 and reminded us again of the vulnerability we face to
14 volatile fossil fuel pricing in the market, we are
15 insulating the state from those as we transition to clean,
16 renewable sources of energy.

17 And by virtue of doing that, because the reach of
18 the grid has continued to extend, right, and now we have
19 2.5 million electric vehicles in the state, most new
20 construction in the state is now all-electric, you know,
21 it's having these benefits in other sectors as well.

22 So really, decarbonizing grid remains very, very
23 strategic, and I just want to note this yet another
24 milestone on the journey to get there, so thank you for all
25 the good work.

1 And with that, I would welcome a motion on Item 5
2 from Commissioner Gallardo.

3 COMMISSIONER GALLARDO: I want to say thank you
4 to the POUs as well. I forgot to thank them.

5 So I move to approve Item 5.

6 CHAIR HOCHSCHILD: Is there a second from
7 Commissioner Skinner?

8 COMMISSIONER SKINNER: Second.

9 CHAIR HOCHSCHILD: All in favor, say aye.
10 Commissioner Gallardo?

11 COMMISSIONER GALLARDO: Aye.

12 CHAIR HOCHSCHILD: Commissioner Skinner?

13 COMMISSIONER SKINNER: Aye.

14 CHAIR HOCHSCHILD: And I vote aye as well. Item
15 5 passes unanimously.

16 We'll turn next to Item 6, Order Instituting
17 Informational Proceedings for the 2026 Integrated Energy
18 Policy Report.

19 Sandra Nakagawa.

20 MS. NAKAGAWA: Good morning, Chair. Good
21 morning, Commissioners. I'm Sandra Nakagawa, Director of
22 our Integrated Energy Policy Report.

23 Next slide.

24 The Integrated Energy Policy Report, better known
25 as IEPR, is in its 24th year. It was created by Senate

1 Bill 1389, offered by Bowen and Sher in 2002. As noted in
2 the support letter from then-CEC Chair Keese in 2002, the
3 IEPR allows for, quote, "more relevant, timely, and
4 efficient reporting to the policy development needs of the
5 Governor and the Legislature and the information needs of
6 the public."

7 Next slide.

8 This year, there are three areas of focus for the
9 IEPR, the California Electricity Demand Forecast. Second,
10 we will be looking at opportunities and challenges for
11 California geothermal resources. This is especially
12 exciting because it's the first time we will have a
13 dedicated IEPR chapter and public workshops dedicated to
14 geothermal energy. Finally, we will be revisiting the
15 topic of energy equity and environmental justice, one that
16 we looked at in the 2022 IEPR Update.

17 As part of the materials for today's business
18 meeting, you can find the Proposed Final Scoping Order,
19 which was developed following reviewing consideration of
20 public comment received in response to the Draft Scoping
21 Order that was released on March 10th.

22 Next slide. Thanks.

23 The OIIP under consideration today will provide a
24 foundation for the 2026 IEPR Update. Specifically, it
25 appoints the lead and associate Commissioners who play key

1 roles throughout the year. For this year, Chair Hochschild
2 will be serving as Lead Commissioner, while Vice Chair
3 Gunda will serve as Associate Commissioner for the Demand
4 Forecast, and Commissioner Gallardo will serve as Associate
5 Commissioner for the topics of geothermal energy and energy
6 equity and environmental justice.

7 The order also provides authority for the CEC to
8 collect information necessary to conduct analyses, hold
9 workshops, and handle data requests.

10 Next slide.

11 In terms of the benefits to Californians, the
12 data-driven analysis in the IEPR informs energy policy
13 decisions, including transmission planning and procurement.
14 The IEPR process also serves as a public forum for
15 considering passing policy issues in the energy space.
16 Lastly, the 2026 IEPR Update focuses on advancing energy
17 equity and environmental justice by revisiting
18 recommendations made in the 2022 IEPR Update.

19 Next slide.

20 Staff recommend that the Commission approve the
21 request for the order instituting an informational
22 proceeding for the 2026 IEPR Updates.

23 CHAIR HOCHSCHILD: All right, thank you.

24 Let's take public comment on Item 6.

25 MR. YOUNG: Thank you, Chair.

1 The Commission now welcomes public comment on
2 Item 6. If you're in the room, please use the QR code
3 posted in the back, and if you're joining on Zoom, please
4 use the raised-hand feature.

5 I would like to first welcome Adam Jorge. Adam,
6 if you could please approach the podium, state and spell
7 your name for the record, and we welcome your public
8 comments.

9 MR. JORGE: Good morning, Chair, Commissioners.
10 I'm Adam Jorge, A-D-A-M J-O-R-G-E, with Sonoma Clean Power.

11 So I'm here this morning to provide strong
12 support for the IEPR scoping order's dedicated focuses on
13 California geothermal resources, and for energy equity --

14 CHAIR HOCHSCHILD: Can you speak a little closer
15 to the mic if you can?

16 MS. LARSON: Yeah, sorry.

17 CHAIR HOCHSCHILD: Thanks. Thanks. There we go.

18 MR. JORGE: (Indiscernible.)

19 CHAIR HOCHSCHILD: Thank you. Yeah.

20 MR. JORGE: And for energy equity and
21 environmental justice. The IEPR's critical role in
22 California's energy planning processes make it an
23 invaluable tool in evaluating solutions to affordable,
24 reliable, zero-carbon futures for everyone.

25 Today, I want to highlight next generation

1 geothermal. These technologies are leading the way on
2 scalable, clean, firm power. Enhanced geothermal systems
3 offer opportunities to grow California's baseload power
4 profiles by generating energy from the super hot rock
5 that's now accessible through technological advancements,
6 all while minimizing usage -- water usage through closed-
7 loop systems, and while providing just transition
8 opportunities for the oil and gas workforce.

9 So I also want to highlight that the state has
10 already committed to this resource through procurement
11 orders at the CPUC that will deliver this power from Utah
12 and Nevada. And this has become an approach because other
13 states have really already shown that next generation
14 geothermal is productive and scalable already.

15 But we should absolutely be planning to bring
16 that value into California and to California communities,
17 in addition to this out of state development. This will
18 help take the type of clear and focused investigation
19 proposed in this scoping order to understand everything
20 necessary to deploy this resource in California.

21 And CCAs, like ours, are all in to help build out
22 this resource. CCAs have been responsible for more than 21
23 gigawatts of new renewable energy procurement in recent
24 years. And this energy is exactly the type we need to
25 further decarbonize the grid, while advancing long term

1 cost savings for ratepayers.

2 So I know that emerging technologies like this do
3 and should face healthy skepticism, but skepticism is
4 really a function of uncertainty. So investigating through
5 this IEPR is a great way to demystify these processes.

6 Thank you.

7 CHAIR HOCHSCHILD: Thank you.

8 MR. YOUNG: Thank you for those comments.

9 I'd next like to welcome Woody Hastings. Woody,
10 please approach the podium, state and spell your name for
11 the record, and we welcome your public comment.

12 MR. HASTINGS: Good morning. My name is Woody
13 Hastings, W-O-O-D-Y H-A-S-T-I-N-G-S. I'm the Phase Out
14 Polluting Fuels Program Director for the Climate Center. I
15 think this is the first time I've ever come here and
16 testified in-person before this body, so pleased to be
17 here, and thank you for the opportunity to comment. You
18 know, Climate Center, we're very, very pleased to see a
19 geothermal component in this IEPR.

20 And, you know, the Climate Center was founded in
21 Sonoma County in 2001. And we have a special relationship
22 with geothermal in that the geysers geothermal field is
23 located in our county and also in Lake County. And when we
24 were in the process of helping to form Sonoma Clean Power,
25 a special relationship with Sonoma Clean Power, too, we

1 orchestrated several tours of the geysers for the local
2 supervisors and city council members. So I had a deep dive
3 in conventional geothermal and really pleased to see the
4 progress that's being made with the technologies for next-
5 gen geothermal, super important. A lot of possibilities
6 coming up in the future.

7 So we're a strong supporter of next-gen
8 geothermal deployment with appropriate social and
9 environmental guardrails in place. And also, as mentioned
10 by Adam just now, the skills transfer, nearly one-to-one,
11 from oil and gas. You know, one of the guiding principles
12 for the Climate Center is high-road transition for workers.
13 You know, it's really virtually no training needed. It's
14 drilling. It's pipefitting. And so the skilled and
15 trained workforce that can do -- that has worked in oil and
16 gas for decades can transition pretty easily to geothermal.

17 And, yeah, the Climate Center, of course, we're
18 all about the climate and clean energy. And we see it as a
19 linchpin, a really key technology, baseload power, 24/7/365
20 power, clean. You know, the resource is, in human
21 timescale, inexhaustible; right? Inexhaustible. So
22 billions of years more of hot rocks beneath here. Let's
23 use it. Planet power.

24 CHAIR HOCHSCHILD: Thank you.

25 MR. YOUNG: Thank you.

1 I'd next like to welcome Sheila Hallstrom.

2 Sheila, if you would approach the podium, state and spell
3 your name for the record, and we welcome your comments.

4 MS. HALLSTROM: Hi, everyone. My name is Sheila
5 Hallstrom, S-H-E-I-L-A H-A-L-L-S-T-R-O-M, and I'm here with
6 Ormat Technologies, Inc., a hydrothermal conventional
7 geothermal company. I just wanted to provide immense
8 support for the inclusion of it in the IEPR report. We are
9 very excited to see it for the first time in an IEPR
10 report.

11 Ormat has been operating conventional geothermal
12 facilities in California since the 1980s, and we continue
13 to explore California and expand our facilities here, and
14 we just want to provide appreciation for the inclusion this
15 year. We're looking forward to reading it.

16 Thank you.

17 CHAIR HOCHSCHILD: Thank you.

18 MR. YOUNG: Thank you.

19 At this time, I would like to welcome anyone in
20 the room that I haven't captured. If you wouldn't mind
21 approaching the podium and providing your comments.
22 Comments will be two minutes or less. Please state and
23 spell your name for the record. Thank you.

24 MS. LETVIN: Hi. Amelia Letvin with Geothermal
25 Rising, A-M-E-L-I-A L-E-T-V-I-N.

1 Geothermal Rising is the trade organization and a
2 nonprofit that represents the geothermal industry in the
3 United States and North America. We advocate for advancing
4 geothermal, both for heating and cooling purposes and for
5 electricity generation. Geothermal has the potential to
6 meet the clean, firm needs of the state of California, and
7 the inclusion of geothermal in the IEPR Report will help to
8 make a strategic plan to look towards the future of how to
9 scale up geothermal in this state and meet our clean energy
10 goals.

11 So I thank you for this opportunity to speak and
12 appreciate the thoughtful inclusion of geothermal in this
13 year's report.

14 CHAIR HOCHSCHILD: Thank you.

15 MR. YOUNG: Thank you so much for your comments.

16 I'm now going to transition to Zoom. If you'd
17 like to make a comment, please use the raised-hand feature.

18 Seeing none, Chair, back to you. Thank you.

19 CHAIR HOCHSCHILD: Okay, unless there is any
20 Commissioners -- do you want to comment on Item 6? Yeah.

21 COMMISSIONER GALLARDO: Yes, absolutely. So my
22 team and I are really excited about this IEPR. We haven't
23 participated in one as directly since I started as
24 Commissioner, so this is an exciting opportunity just for
25 those reasons. We proposed having geothermal as a key

1 topic and a hot topic, literally, for the IEPR because we
2 have been involved in a lot where we're seeing geothermal
3 having some challenges. And so we wanted to do this
4 exploration of, you know, what -- how -- what can we do to
5 remove barriers here in California for geothermal and make
6 it successful given all of the things that everybody said.
7 It's a wonderful, firm, clean resource, and so we're
8 excited about that.

9 My team and I oversee the permitting here at the
10 Energy Commission, and so geothermal has been part of the
11 origin story of the Energy Commission, so we're very
12 familiar with it. And now with our new certification
13 program called Opt-In, geothermal, even 50 megawatts, 50
14 megawatts -- under 50 megawatts is eligible for that
15 permitting program, so we're really excited on that front.

16 And then for Lithium Valley Vision, we also
17 oversee, it's a good opportunity there because we are
18 trying to establish a lithium industry in the Imperial
19 Valley where we're extracting lithium from geothermal
20 brine, and we were also seeing some challenges there in the
21 industry not being able to move as fast as we thought it
22 would.

23 So, again, I think this opportunity for a focus
24 on geothermal in the IEPR will enable us to help on all of
25 those fronts. And I'm excited to learn more about the new

1 technologies that are emerging and showing a lot of success
2 elsewhere. So thank you to all of you for showing up here
3 today.

4 And I also want to give gratitude to my team,
5 specifically Erik Stokes for leading us on this geothermal
6 effort. He's the one who's been helping convene folks.
7 Geothermal Rising had their advocacy day yesterday here at
8 the Capitol and stayed to be able to join us here for
9 convening. We invited other state entities who are
10 supportive of geothermal, and so it was exciting to have
11 everybody together, industry and our state entities,
12 starting the conversation, and the IEPR will enable us to
13 continue that conversation. So big thanks to Erik, also to
14 Jimmy and Uno (phonetic) and Colleen for working on this
15 for my team, but especially Erik.

16 And then I also want to talk about the other
17 topic. But Commissioners, do you want to mention anything
18 on geothermal? Okay.

19 And then on the topic of energy equity and
20 environmental justice, we had an awesome opportunity back
21 in 2022 for that IEPR to be able to have that as the key
22 topic. And one of the things that came through from that
23 IEPR is a recommendation to have workforce expertise live
24 at the Energy Commission.

25 And so we were able to create a position focused

1 on labor and workforce development. And I'm really excited
2 that we have that position and we have someone really
3 fantastic who filled that position, Sara Miles, she was
4 here earlier, I'm not seeing her right now, but she's been
5 really diligent in serving as a liaison for us with other
6 workforce and labor experts.

7 And so I wanted to mention that because we have
8 this position, because we have Sierra filling this role and
9 she's doing a fantastic job, we have folks here from labor
10 and representing unions, Alex from IBEW and Chris from the
11 Sheet Metal Workers Union. So she's invited them to come
12 and attend and learn more about what the Energy Commission
13 is doing and so that they can better engage with us.

14 So I just think it's really exciting to see
15 results coming from the IEPR, from a recommendation now to
16 a real tangible benefit. And so for this IEPR, we're
17 focusing again on the, you know, results and the outcomes
18 that we have seen from that '22 IEPR now, and then also
19 opening it up to see what else can we do here at the Energy
20 Commission. I want to highlight that our deputy -- our
21 Public Advisor, excuse me, Ryan Young, will be partnering
22 on that effort and leading us.

23 And Ryan, I just wanted to open it up to see if
24 you had any comments you wanted to make about this?

25 MR. YOUNG: Yes. I'm really excited to be

1 collaborating with Commissioner Gallardo's Office on this
2 chapter. I think it's exciting to examine some of the
3 progress we've made since 2022. And without getting ahead
4 of ourselves, I want to celebrate that we've accomplished
5 much of what we set out to do and look forward to
6 discussing what's to come. Thank you.

7 COMMISSIONER GALLARDO: All right, well, thank
8 you. Two very exciting chapters for the IEPR. The other
9 one will be good, too, but, you know, these two will be
10 exciting. So thank you everyone for being here and taking
11 the time to support this.

12 CHAIR HOCHSCHILD: Commissioner Skinner?

13 COMMISSIONER SKINNER: Thank you again,
14 Commissioner Gallardo, for your oversight on this one, too.
15 And I look forward to getting the update. I think we --
16 I've been reading about some of the promise of the advanced
17 geothermal. I hope that we can actually achieve it because
18 clearly it's a 24/7 renewable resource. That would be very
19 helpful. While we are doing -- we are going incredibly
20 aggressive and we've installed so much really good storage
21 that is giving us the type of reliability we need, we know
22 that as we continue to electrify that some additional
23 resources, especially those that would be 24/7, would be
24 greatly helpful. So I look forward to that part of the
25 update. I look forward to the update overall, but I'm glad

1 that we have a focus in that area.

2 So thanks, staff, for working on it. And again,
3 I will read it with interest.

4 CHAIR HOCHSCHILD: The only other point I would
5 add to what's been said, particularly by Commissioner
6 Gallardo, about geothermal is that, you know, the Trump
7 administration obviously cut the tax credits for solar, for
8 wind, for electric vehicles, for electric heat pumps, for
9 electric vehicle charging. But, you know, sheltered from
10 those cuts were energy storage and geothermal. And so I
11 think it's a really important note, there's still an
12 opportunity to take advantage of federal tax credits for
13 geothermal. And we obviously want to do that to the
14 greatest extent possible, given we have a pretty
15 substantial geothermal resource here in the state.

16 So anyway, so thank you, Sandra. Thanks,
17 everyone. And I look forward to working on this together.

18 With that, I would welcome a motion on Item 6
19 from Commissioner Gallardo.

20 COMMISSIONER GALLARDO: I move to approve Item 6.

21 CHAIR HOCHSCHILD: Is there a second from
22 Commissioner Skinner?

23 COMMISSIONER SKINNER: Second.

24 CHAIR HOCHSCHILD: All in favor say aye.

25 Commissioner Gallardo?

1 COMMISSIONER GALLARDO: Aye.

2 CHAIR HOCHSCHILD: Commissioner Skinner?

3 COMMISSIONER SKINNER: Aye.

4 CHAIR HOCHSCHILD: And I vote aye as well. Item
5 6 passes unanimously.

6 We'll turn now to Item 7, Lead Commissioner and
7 Presiding Member Reports.

8 Commissioner Gallardo?

9 COMMISSIONER GALLARDO: All right. I have some
10 images to show. So I didn't give a report out last time,
11 so this might be a little old, but I wanted to highlight
12 that the Chair and I were invited to attend an event put on
13 by the Large Solar Association and California Wind Energy
14 Association. They do this renewable energy permitting
15 conference annually, I think, and it was good to see a lot
16 of folks in the room from industry. I think there were
17 about 80 or so folks. And we talked about all of the
18 progress that we're making as a state on renewable energy.

19 And then also I had a chance to highlight the
20 Opt-In Certification Program in particular. I think some
21 folks are still confused about it, and there's been some
22 changes recently due to legislation, so I wanted to make
23 sure that the industry had that information. They were
24 really grateful for us to be there. And although the Wind
25 Association still thinks we made the wrong call on one of

1 our projects, they are still grateful that there is this
2 opportunity, and also grateful that we are continuing to
3 make improvements as we go. And staff has been working
4 really diligently. And so I want to thank the STEP
5 Division for all their work on Opt-In in particular.

6 And, also, we got to highlight the dashboard at
7 this event. And industry was surprised that we had created
8 that. They said they had been trying to track all the
9 information. So now that they know it's there, they said
10 they're going to look at it more diligently. And I think
11 there are some folks in industry who were already looking
12 at it, but some who didn't know about it and were excited
13 to check that out. So that's the image that you see there
14 with Chair standing in front of the crowd talking about our
15 progress.

16 And then recently, on May 1st, we also had an
17 open house focusing on our Opt-In Certification Program
18 where we invited industry to come here and talk more with
19 us about Opt-In in particular. And this was a really
20 wonderful opportunity for us to showcase all the work that
21 staff is doing in terms of specific changes, and also what
22 they're noticing about challenges that developers might be
23 having and being able to talk through those challenges and
24 enable them to learn how to overcome those areas. And so
25 it was really great for staff and industry to be able to

1 have that opportunity to talk together in a different way
2 instead of solely through the proceedings.

3 We also were able to talk to industry about the C
4 community benefits agreement requirement that's included in
5 Opt-In, which is a really special feature. It's something
6 different than what the Energy Commission has done in the
7 past on permitting, so something that we've been learning
8 as well. But I think it's a great opportunity for
9 community to get engaged with these processes. And so
10 there's a lot of engagement involved.

11 And we were really fortunate that our Public
12 Advisor, Ryan Young, was willing to facilitate a
13 conversation there. We had several experts who do
14 community benefits agreements work talking with industry
15 directly, so that was something that they really
16 appreciated. And then we had also our consultant who we
17 hired to help us do more improvements on Opt-In talk about
18 their findings and some of the recommendations that they're
19 thinking about for us to consider. So that was also
20 helpful. And just a really great day overall to be able to
21 focus on our Opt-In Program.

22 Chair, did you want to make any comments on
23 those? I know you were a part of both, but --

24 CHAIR HOCHSCHILD: No, I thought it was just
25 terrific. Great turnout and really good discussion. So

1 thank you for holding that together.

2 COMMISSIONER GALLARDO: Okay. And then I also
3 wanted to mention, we had our deputy director at CNRA on
4 tribal affairs join us to talk to the developers also about
5 how to do consultation engagement better with tribes. And
6 we also had someone from Kern County talk to the developers
7 about engagement with local government. So just all of
8 these entities together being able to dive in.

9 So I want to give a big thank you again to my
10 Chief of Staff, Erik Stokes, for leading this effort to
11 pull that open house together. It was his idea and I
12 really appreciate that he did all that work to make it
13 happen. And to the rest of my team, including Rosemary and
14 Jimmy, for helping out, and Colleen and Uno also helping
15 from their perspectives.

16 And we'll go to the next slide here.

17 All right, so I have a few images, and, Chair,
18 feel free to chime in here about the tribal engagement that
19 we've been doing as part of an informational proceeding
20 focused on tribal energy sovereignty. So our Director of
21 Tribal Affairs, Sierra Graves, has been leading this
22 informational proceeding where we're talking to tribes and
23 going to tribes to ask them about any improvements,
24 enhancements, changes that they want to see in our tribal
25 consultation policy that we already have. And then also to

1 see what they want in our tribal energy sovereignty policy,
2 which will be new.

3 And so it's been exciting to be able to go visit
4 the tribes, learn more about what they're all doing and
5 what they want in terms of clean energy goals, and also the
6 tribal energy sovereignty. And it means something
7 different to all of them and so it's also helpful for us to
8 get that insight.

9 So here we have three images. One from April
10 15th with the Susanville Indian Rancheria. Another from
11 April 24th with Yocha Dehe Wintun Nation. And then another
12 one May 4th with the Tuolumne Band of Me-Wuk Indians. So
13 going all over the state to meet with folks. And some of
14 these meetings are smaller and some of them are bigger. So
15 it's just been wonderful to see all of the tribes coming
16 together and for us to be able to focus in on these areas.

17 We'll go to the next slide.

18 Just three more images here. I won't go too in
19 depth, but on May 6th, we were with the Bishop Paiute
20 Tribe. May 8th, we were with Morongo Band of Mission
21 Indians. That was yesterday. And then May 7th, we were
22 with the Santa Ynez Band of Chumash Indians.

23 So I'll just say that going all over the state,
24 it's been helpful to remind myself that we have such an
25 expansive state. And the conditions in terms of the

1 climate and the topography, just all those things are
2 different and so there are challenges that are unique for
3 these different areas. And the tribes are trying to deal
4 with that on top of all other things. And so it was just a
5 good reminder also on that front. And really beautiful
6 places that we get to visit on this.

7 And so there have been 11 of these visits.
8 Yesterday was the last one. And then the team is going to
9 pull together all of the information that they've been
10 gathering, and then do some draft policies and go back to
11 the tribes to do additional work to review the policies and
12 see if we got all of the information correct that they
13 shared with us.

14 So it's going to be tremendous, it's a huge
15 endeavor, and I want to thank our Director of Tribal
16 Affairs, Sierra Graves, for all that she's done to lead
17 this, and also her team, who have been extremely supportive
18 and diligent. So Kelsey Freeman and Davina Whitethorn, as
19 well, and the rest of the PAO+ Team for supporting. I
20 know, Kim, you've been there to take notes and do other
21 things, and I've seen Dorothy and others. So thank you so
22 much for that.

23 Chair, anything you wanted to say on that?

24 CHAIR HOCHSCHILD: No, just you said everything I
25 would have said. And, you know, we have done now \$165

1 million for grants to support tribal energy sovereignty in
2 California. And with the ones that went out for the
3 Equitable Building Decarbonization Program, those are
4 formula grants. So literally every single tribe is going
5 to get funding from the Energy Commission in some form or
6 another. So really, really good progress. A long way to
7 go, but very grateful for all the work.

8 COMMISSIONER GALLARDO: Yeah, and I'll end with
9 kudos to you, Chair, for being Lead on this effort and
10 having this vision of making sure that the tribes are not
11 just --

12 CHAIR HOCHSCHILD: Team effort.

13 COMMISSIONER GALLARDO: -- included but uplifted.

14 CHAIR HOCHSCHILD: Yeah, a team effort, for sure.

15 COMMISSIONER GALLARDO: Yeah.

16 CHAIR HOCHSCHILD: Commissioner Skinner, anything
17 you wanted to share out on your side?

18 COMMISSIONER SKINNER: Certainly. Thank you.

19 We just last Friday had our Clean Transportation
20 Advisory Committee meeting to review the Draft Clean
21 Transportation Investment Plan Update. And we are
22 presenting that plan to DACAG this coming Friday.

23 So just for those who are following the Clean
24 Transportation Program, those funds are approved, were
25 approved by the legislature and are a fixed source of funds

1 that CEC receives that we are then responsible for
2 utilizing to support our zero-emission vehicle
3 infrastructure. And we have the Draft Investment Plan for
4 this coming fiscal year. The public comments on it are due
5 on May 22nd. So anyone who wants to weigh in, please do.
6 The website shows how to. And then we'll have our second
7 advisory committee in June, where we will present any
8 update to the update based on the public comments we've
9 received. And we hope that we'll have the Commissioner
10 report ready and be able to present at the Commission's
11 August business meeting.

12 And we were moving up our timeline. Sometimes in
13 the past, we've not approved the Investment Plan until,
14 say, December of -- in the middle of the fiscal year, in
15 effect. But since the funds we receive are available to us
16 beginning July 1 and the fiscal year begins July 1, we are
17 trying to get more aligned or in tune with that timing so
18 that we're actually approving the plan for the fiscal year
19 early in the fiscal year.

20 The other thing I wanted to highlight is we've
21 just opened a grant solicitation. It's our first grant
22 solicitation like this. And our FTD staff are brilliant at
23 coming up with really good names, acronym names. And this
24 grant solicitation is EV HOME. And apologies, I'm not
25 going to be able to relate to exactly what the H-O-M-E

1 stands for. But what the solicitation is doing is it is
2 going to make funds available to nonprofits that will work,
3 either they themselves are community-based, or they will
4 work with community-based groups to work with households in
5 our low-income and disadvantaged communities, so the exact
6 zip codes or census tracts that define that. And they will
7 help them bundle the various incentives, which there are
8 still some, even though there's no federal tax credit, and
9 we don't know yet about California's, whether we will have
10 an incentive program or not. The governor's proposed it,
11 but we'll have to wait and see what the legislature does.
12 But there are some others, some cities have some, some air
13 districts, various other entities.

14 So basically, EV HOME would fund these community-
15 based groups to work to help households acquire an EV and
16 install home charging and/or access local charging. So
17 let's say it's a multifamily property, then they would
18 help, they would use some of the funding to install
19 charging at that multifamily property or within, you know,
20 close by so that these households would have reliable
21 charging at their access at the time that they also
22 acquired an EV. So that's a new grant solicitation that
23 we're very excited about.

24 And there's, of course, many other solicitations
25 open right now, especially a hydrogen one. People have

1 been pushing us for some time. I think we're going to
2 extend the deadline on that one. But I recommend folks go
3 to our website and they will see what funds we have out
4 there now available to apply for, for supporting our ZEV
5 infrastructure.

6 CHAIR HOCHSCHILD: Great. Well, I will just
7 share one snippet of an exciting event from last week. I
8 was down in Silicon Valley for the ribbon cutting for a new
9 solar factory, Tandem PV with former energy secretary,
10 Jennifer Granholm. They've achieved 30 percent conversion
11 efficiency on their solar panel. That is a really, really
12 impressive milestone and yet another, you know, bit of
13 progress in clean energy that, you know, is going to drive
14 cost down. And, of course, when you get the efficiency
15 higher on solar, it means you need less land, you have less
16 and less roof space to produce the same amount of power.
17 And that reduces all your hardware costs, your installation
18 costs and so on. So they were a CEC grant recipient and
19 nice to see, you know, yet again, our grants going out and
20 making an impact. So it was a really, really special day.

21 And I just want to thank Commissioner Gallardo
22 for being such a wonderful partner on the tribal work we've
23 done now, you know, 11 of these consultations around the
24 state this last year, and it's been an incredible education
25 and opportunity to get to know many different tribes better

1 and hear their concerns. And I'm just really grateful to
2 be able to partner with you on that, as well as Sierra
3 Graves and Davina Whitehorn and the rest of the team.

4 With that we'll turn to Item 8, Executive
5 Director's Report.

6 MR. BOHAN: Thank you, Chair, Commissioners.

7 Just want to remind you tomorrow is our annual
8 picnic. And it's always fun when you all show up. We have
9 eliminated the soccer game, which disappoints a lot of
10 folks. We have instituted lots of other games we think
11 will be fun. And it's an opportunity for folks to get to
12 know each other face-to-face when we spend a lot of time on
13 screens. And we were just having issues with people
14 getting hurt playing soccer, so we replaced it with games
15 like corn hole where we expect the injury rate to plummet.

16 Thank you.

17 CHAIR HOCHSCHILD: All right. Thank you. Bean
18 bags, yes.

19 Item 9, Public Advisor's Report.

20 MR. YOUNG: Thank you, sir. No report at this
21 time.

22 CHAIR HOCHSCHILD: Okay. Item 10, Chief
23 Counsel's Report.

24 MR. RANCHOD: Thank you, Chair. Brief report
25 today.

1 First, I want to acknowledge an attorney in the
2 Chief Counsel's Office who will be retiring from CEC. Bill
3 Dietrich, an Attorney III, has been an integral member of
4 our transactions unit for more than eight years. His
5 dedication and attention to detail have left a lasting
6 impact on colleagues and clients alike and today is
7 actually Bill's last working day.

8 Bill first joined CEC in 2014 in the Efficiency
9 Division. And after a brief 2015 hiatus to explore
10 consulting, he returned to the CEC in 2016 as the Branch
11 Manager of the former Existing Buildings and Compliance
12 Office. Wishing to return to lawyering, Bill then joined
13 the Transactions Unit of CCO in 2018 as an Attorney III
14 where he has served for more than eight years.

15 Bill has helped CEC advance many energy research
16 and technology demonstration projects and move forward
17 hundreds of millions of dollars in funding. And in 2019,
18 he was recognized with one of CEC's SEA divisional awards
19 for his contributions to CEC.

20 Bill, congratulations on your retirement from
21 state service. You've been an essential member of this
22 crew. And while we're sad to see you beam out, we're
23 excited for the new star system you're heading to. As
24 Spock said, live long and prosper.

25 Second, the Chief Counsel recommends the

1 Commission adjourned to a closed session for discussion of
2 several matters that are expected to require about 60
3 minutes. Pursuant to Government Code section 11126(e), the
4 Commission may adjourn to closed session with its legal
5 counsel to discuss pending litigation, including the
6 matters listed in item 10B of the published agenda and to
7 discuss significant exposures litigation against the CEC or
8 whether to initiate litigation based on existing facts and
9 circumstances.

10 That concludes my report.

11 CHAIR HOCHSCHILD: Great. So let's adjourn for
12 that. Following that we'll do lunch. And then let's come
13 back and be here by 2:20, to be safe, for the minister's
14 comments. And we'll take up Item 4 and then we'll adjourn
15 at the end of that.

16 So with that we'll adjourn for closed session.

17 Thanks.

18 (Closed session from 11:20 a.m. until 2:27 p.m.)

19 CHAIR HOCHSCHILD: Okay. All right, we're back
20 from recess -- this is echoing so much, I'm not sure why
21 that is -- and we have concluded closed session.

22 So we'll turn now to Item 4. Minister Bowen, I
23 see you there. Welcome, and thank you so much for making
24 time. I want to just thank you for the wonderful visit I
25 had with you when I was in Australia maybe six weeks ago or

1 so for Sydney Climate Week. It was a great opportunity to
2 meet with a bunch of your team tech entrepreneurs and
3 leaders. And I just want to say what you are doing in
4 Australia on rapidly advancing clean energy is really
5 remarkable, as well as battery storage where from my
6 perspective you're on a per capita basis certainly you're
7 leading the world.

8 Oh, should I -- maybe I should be off this.
9 Okay.

10 And I was hoping you could just share a little
11 bit with us about what is happening on clean energy
12 progress in Australia, battery storage, and this new
13 program you mentioned to me around making electricity free
14 in the afternoons.

15 And so with that over to you, Minister Bowen, and
16 thank you so much for joining us.

17 HONORABLE BOWEN: Thank you, David. My absolute
18 pleasure. Great to join you guys. It's 7:30 in the
19 morning here in Canberra, so good morning to you, and it's
20 wonderful. I was very delighted to accept your request to
21 have a chat to you today.

22 And likewise, David, we were, you know, very
23 pleased to be able to receive you. And we are very
24 admiring of the work you and the governor are doing. When
25 I think about Australian government approach and how it

1 matches approaches of other governments around the world, I
2 think Australia and California are arguably right up there
3 in terms of alignment and similarity of approach. So we're
4 very admiring of everything you've done, particularly
5 around EVs and the progress you're making as well.

6 Look, I'm happy to share a few reflections with
7 you and things we've learnt along the way. We are no
8 poster child. We have plenty of challenges. You know, we
9 are a large fossil fuel economy. We've always owned that
10 and understood that, respected that. But still, we need to
11 move away from that going forward. And so I'm pretty
12 pleased with the progress we're making, but not yet
13 satisfied because there's so much more to do.

14 But to your questions, I think one thing we have
15 understood in Australia, and I think if I could say
16 modestly, we have done pretty well, is that the road to
17 net-zero runs through households. So we need the big
18 sweeping, you know, utility-scale wind farms and solar
19 farms. We need all that. But we also need every house and
20 every driveway having the capacity to play a role.

21 So that has several parts, as you know, and we
22 have high rooftop solar penetration in Australia. Thirty-
23 five percent of Australian homes have solar panels on the
24 roof. That's pretty high by international standards. But
25 interestingly, for houses, for standalone houses, that

1 figure is 50 percent. And for apartments and strata
2 dwellings, it's three percent. So we have a big
3 disconnect. We've got a lot of work to do to get more
4 solar panels on apartments. Australian houses, half of
5 them have solar panels. And we have a renewable energy
6 scheme to support that. Through certificates, Australians
7 get discounts when they put solar panels on. That's a
8 longstanding policy that came in the year 2000.

9 But sometimes I find American friends ask me a
10 couple of questions about that, which I'm happy just to
11 preempt. They say, how do the utilities react? How do the
12 energy companies react? And why don't they stop it? And
13 the answer to that is, we don't give them a chance. They
14 have no say. And they have to accept it. And in fact,
15 they have decided to embrace it. And they all offer their
16 own solar products. So the big utility companies all say,
17 have big advertising campaigns saying, you know, come with
18 us, we'll come and put solar panels on your roof, and we'll
19 have a great plan for you to maximize that.

20 The other question I get is about planning. And
21 I'm not sure exactly the situation, David, in California,
22 but I know at least in some United States jurisdictions,
23 you have to get permission to put solar panels on your roof
24 from your local authority, your local council, local
25 planning authority. If we did that in Australia, there

1 would be riots in the street.

2 In Australia, your roof is your roof. Unless
3 it's a heritage building, you can put on solar panels with
4 no council approval. If you ring up a solar company and
5 say, I want solar panels, they'll come around that week and
6 give you a quote. Depending on supply chain, they can put
7 the solar panels up a week later. You know, sometimes
8 you've got to wait longer if there's a shortage of solar
9 panels. But there's no planning restrictions. And if we
10 put planning restrictions on, Australians would be
11 absolutely furious because we just want them to get on with
12 it and they want to get on with it.

13 The other thing that I'll just touch on because
14 you've asked me to --

15 CHAIR HOCHSCHILD: Minister? Minister, you do
16 require some certification; correct?

17 HONORABLE BOWEN: Of course. Of course.

18 CHAIR HOCHSCHILD: -- for the installer, so not
19 anybody can install. So the --

20 HONORABLE BOWEN: No.

21 CHAIR HOCHSCHILD: That's where your regulatory
22 focus is on making sure the installation, the people doing
23 the installation are qualified, but there's no restriction
24 on people being able to select when --

25 HONORABLE BOWEN: That's right.

1 CHAIR HOCHSCHILD: -- they do it for their house.
2 Yep. Okay.

3 HONORABLE BOWEN: A hundred percent. And that
4 strong regulation of quality is very important because, you
5 know, you would get shunks and fake electricians. We throw
6 people out of the system, you know, if they've done a dodgy
7 job. You've got to be accredited. And I'll maybe come
8 back to that on batteries, too, because, you know, you've
9 got to be not just a certified electrician, but an
10 accredited solar or battery installer. And you've got to
11 take pictures and, you know, you've got to show your work
12 is high quality. And that, you know, we've put -- 4.5
13 million houses have solar panels on their roof and no
14 safety issues, you know, very tiny, one percent complaints,
15 et cetera.

16 That brings me to batteries, where I do think,
17 again, we say modestly, we think we've made a bit of
18 progress. We've done really well on solar, but we hadn't
19 done well on batteries until very recently. So 1 in 3
20 houses has solar panels on the roof, but 1 in 60 had
21 batteries when we came to office. So to put it another
22 way, we are a much smaller, you know, population than you.
23 So 100,000 Australians had batteries 12 months ago. We
24 brought in a new scheme and today that figure is 500,000.
25 So it's a 400,000 increase in 12 months. We put in 400,000

1 cheaper home batteries in the last 12 months. When I say
2 we, Australians.

3 We've done that by a subsidy scheme. It's a
4 little bit complicated because we do it through
5 certificates, et cetera. But look, all that really matters
6 is the government pays 30 percent on average of the cost of
7 a battery, so we rebate 30 percent, so the land --
8 homeowner pays 70 percent. We have a sort of scale, a
9 scaling system. So the rebate comes down as the battery
10 gets bigger to make sure that people aren't over installing
11 batteries that are too big for their needs. That all works
12 well.

13 It has come at an expense. Obviously, it's a \$7
14 billion Australian program between now and 2030, but one
15 that's well worth it. We've put in 11 gigawatt hours of
16 home storage in the last 12 months. We're already seeing
17 an impact on the grid in terms of reduced coal and gas use
18 in the night. Thirty percent of the price is being set 30
19 percent of the time by batteries now. And obviously,
20 that's a lot cheaper than gas or coal in the evening. And
21 the latest EMBA report, EMBA-Global report, I was, you
22 know, very chuffed to get a couple of shout outs in that
23 for batteries. And they point out that in 2025, we put in
24 enough batteries to transfer 53 percent of our solar power
25 from the day to the night and regarded us as second to

1 Chile for battery installation.

2 Of course, we're doing grid-scale batteries as
3 well, the big ones. They're doing that as well. And we
4 are currently the third largest market in the world for
5 grid-scale batteries after China and the United States.
6 We're not the third biggest economy in the world, so we'll
7 take that. And community batteries playing less of a role.
8 But, you know, neighborhood batteries, community batteries,
9 we find they get a lot of community buy-in and support and,
10 you know, esprit de corps, we're all in this together for
11 those people who can't do battery installation.

12 The final point I'll touch --

13 CHAIR HOCHSCHILD: Can I just stop you there for
14 a moment? First of all, that's remarkable on an absolute
15 basis that Australia, with, what do you have, less than 30
16 million people, is the third biggest market in the world.
17 So, I mean, on a per capita basis, you are the number one
18 market

19 HONORABLE BOWEN: Yeah, we are.

20 CHAIR HOCHSCHILD: My question was, you know, in
21 exchange for paying for basically a third of the cost of a
22 home-owned battery system, are you requesting or requiring
23 them to be able to allow, you know, a virtual dispatch of
24 that battery if the grid needs it? Is there a virtual
25 power plant being created --

1 HONORABLE BOWEN: Yeah.

2 CHAIR HOCHSCHILD: -- associated with that?

3 HONORABLE BOWEN: No. No, we thought about that.
4 And, you know, I'm all for virtual power plants. I mean,
5 I've got one in my own home, obviously. And we're very
6 supportive of them. But we took the view that if we
7 required it, people wouldn't do it. And about 20 percent
8 of the home batteries that are being put in are signing up
9 for VPPs.

10 David, there are some state schemes. So we're a
11 federation like you, so we have states that also have
12 schemes that do add to our national bonus on the
13 requirement that you sign up for a VPP, but they're not
14 getting huge take-up. To be very frank with you, there's a
15 lot of mistrust in the Australian community against VPPs.
16 They don't trust the energy companies. And they say, well,
17 why would I let the energy company come and take my power?

18 I think we're on a journey. I think we have to
19 let people get there themselves. You know, it's a big
20 call. Some, like a lot of the people who are putting in
21 batteries are putting in solar panels for the first time
22 themselves. You've got to let them take their journey.
23 And if you said to them, well, you've got to put this
24 battery in, but you must sign up for a VPP immediately, I
25 think, you know, they'd lose interest.

1 I think, though, over time, if the energy
2 companies do a good job of explaining the benefits, after
3 12 months or 2 years, you might say, oh, well, Joe down the
4 road, he's got a VPP, he's making money, maybe we should do
5 that, and give them time to work it through. So that's our
6 approach on that.

7 The final point I'll touch on, because you asked
8 me to before we go to any other questions you or the
9 Commissioners might have, is our Solar Sharer Offer, which
10 is coming into force on the 1st of July. So this is a
11 requirement on energy. We have, you know, regulated energy
12 markets, it's a free market but a regulated one. They have
13 to meet certain standards, the energy companies.

14 And one of the standards we're putting on them is
15 that they must at least offer their customers, and it's up
16 to the customers whether they take it up, three hours of
17 free electricity in the middle of the day. They could
18 choose whether it's 11:00 to 2:00 or 12:00 to 3:00 or
19 whatever, but they must offer that. Because, obviously, if
20 we can get people transferring, you know, discretionary
21 energy use from the night to the day, that's great for the
22 grid, because we have so much solar power in the middle of
23 the day. We have energy coming out of the wazoo in the
24 middle of the day, but not enough at night. So we want
25 people moving to the middle of the day. And that's great

1 for consumers.

2 So it's not for everyone so, you know, it won't
3 suit everyone. But if you think about a retired couple at
4 home, you know, why wouldn't they put the dishwasher on at
5 1 o'clock in the afternoon and not 7 o'clock at night if
6 they have the choice, if they can do it for free?

7 These days, a lot of people, I'm not sure of the
8 situation in California at the moment, a lot of Australians
9 work from home still after COVID. A lot of people who are
10 in office work can still do a lot of work a few days a week
11 from home. That's allowed. They can pop down and put the
12 dishwasher on or, you know, run the appliance in the middle
13 of the day. Or increasingly with smart appliances, you can
14 just schedule it from your workplace and put it on in the
15 middle of the day.

16 So I must tell you, David, the energy companies
17 don't love that. I had a lot of pushback from the
18 electricity companies when we said we're going to make you
19 do that. But the Australian people do love it and I think
20 they're going to take it up, quite a big proportion.
21 There's still network costs that have to be worked through.
22 But the actual cost of electricity in the middle of the day
23 is usually negative in Australia because of the solar
24 panel. So why wouldn't you let consumers benefit from that
25 negative electricity cost by having free power?

1 But, you know, again, David, thank you for your
2 lovely comments. We were 33 percent renewable energy when
3 we came to office four years ago. We're now 50 percent.
4 I'm pleased with that. But, you know, a lot more to do.
5 We are driving towards 82 percent renewable energy by 2030.
6 That's our target. That's not going to be easy to achieve.
7 But I believe it is achievable. We've just got to keep our
8 foot on the accelerator. And that's what we intend to do.
9 And, again, if we learn anything in Australia, it's
10 households, households, households.

11 I haven't touched on because I don't want to take
12 up all your time, I haven't touched on vehicle-to-grid
13 charging, which you and I have discussed, which we are
14 working towards.

15 As I say in my public communications, one of the
16 big benefits of the way we're doing it is the consumer is
17 now in charge. You used to have the choice between
18 electricity companies and which coal-fired power you're
19 going to buy, and that was it. Now your roof is a power
20 station. Your garage can be a storage -- a power station
21 which stores energy. So can your driveway. If you get an
22 EV and do vehicle-to-grid charging, you can charge your car
23 in the middle of the day and charge the grid from your car
24 at night and make money. You are a prosumer. You produce
25 energy and consume it. You're no longer just a consumer.

1 You are now the master of your own energy destiny.

2 That's how we're sort of framing this, the
3 Australian people, giving them more agency over their
4 decisions, more control and ability not only to save money
5 but in many instances to make money out of the energy
6 system.

7 CHAIR HOCHSCHILD: Yep. Well, many thanks.
8 Let's turn to my colleagues for any questions.

9 Commissioner Skinner?

10 COMMISSIONER SKINNER: Thank you very much, M.P.
11 Bowen. I didn't quite catch, what is the quantity of what
12 I call utility-grade battery storage that you've now
13 installed? I caught the growth in the home-installed
14 batteries, but that utility-grade.

15 HONORABLE BOWEN: I'd have to check the exact
16 number of gigawatt hours we put in of utility-grade, what
17 we call grid scale. It's high.

18 COMMISSIONER SKINNER: Okay.

19 HONORABLE BOWEN: It's getting -- yeah. You
20 know, it would be more than what we've done on home
21 batteries. So it's 11 gigawatt hours in a year of home
22 batteries. It would be higher than that over the time for
23 utility scale. But I'll get there. I'll send David the
24 exact number. But as I said, for grid scale, so that
25 third-in-the-world figure I shared with you doesn't include

1 home batteries. That's just grid-scale utility batteries.

2 COMMISSIONER SKINNER: Right. Right. Okay. And
3 then on the -- your goal now is to get 30 percent renewable
4 by 2030. I mean, 80 percent renewable by 2030?

5 HONORABLE BOWEN: Eighty percent, yes.

6 COMMISSIONER SKINNER: Okay. What are you at?

7 HONORABLE BOWEN: Eighty-two. Eighty-two
8 percent.

9 COMMISSIONER SKINNER: What are you at today?

10 HONORABLE BOWEN: Fifty.

11 COMMISSIONER SKINNER: Wow. Okay. Okay.

12 CHAIR HOCHSCHILD: Commissioner Gallardo?

13 COMMISSIONER SKINNER: Impressive.

14 COMMISSIONER GALLARDO: Thank you so much,
15 Minister Bowen, for joining us. Australia is on my list of
16 places that I want to visit. So one of these days, we'll
17 get there.

18 HONORABLE BOWEN: It's a long way. It's a long
19 way, but I would argue it's worth it, and you're very
20 welcome.

21 COMMISSIONER GALLARDO: I'm sure it's definitely
22 worthwhile. So I have a couple of questions.

23 First, when you were talking about the focus of
24 accreditation for contractors who do the home solar, I was
25 curious if that was a reaction to maybe some bad actors

1 that had been maybe taking advantage of people, or if that
2 was something that was put into place from the very
3 beginning? If you could talk a little bit more about that,
4 I'd appreciate it.

5 HONORABLE BOWEN: It's a little bit of both, to
6 be honest, Commissioner. So we've always had strong
7 support, strong regulation of solar installers. So
8 obviously, you have to be an electrician first off. But
9 then you can't just be an electrician. You have to have
10 done a course on solar panel installation, be accredited,
11 be tested, be checked. Same with batteries. We've always
12 had that. But having said that, we've also been alive to
13 the risk of, you know, bad actors coming in. And we have
14 had some experience.

15 I'll tell you just a little quick story about
16 during the global financial crisis, the then government, it
17 was my party, but we had a scheme of subsidizing
18 insulation, pink batts insulation. It went very bad, very
19 badly, because it wasn't accredited and anyone could do it.
20 And four people died putting in pink batts in roofs. And,
21 you know, it was a huge, huge problem, huge political
22 problem, huge, huge issue.

23 So when I went out and said, you know, announced
24 the cheaper home battery policy, obviously all my political
25 opponents said straight away, this is going to be pink

1 batts all over again, you know? But I was able to say, no,
2 it won't be because this is a highly regulated industry.
3 The mistake the government made in 2009 was putting
4 hundreds of millions of dollars into an unaccredited,
5 unregulated industry where anyone could put a sign out and
6 say, I'm an insulation installer.

7 We're not going to do that with batteries. It's
8 highly regulated. We have an inspection regime, which goes
9 around. Obviously, we don't expect -- we only inspect a
10 small proportion of the batteries installed. It's a risk
11 management. But if an installer is identified as putting
12 in substandard, and often the substandard is, you know, the
13 safety stickers are in the wrong place, so we don't throw
14 people out for that. We counsel them and warn them. But
15 if it's a safety issue, basically, it's two strikes and
16 you're out. You get one chance of making a mistake. You
17 do it twice, your accreditation is withdrawn. And, you
18 know, if we find that you've put in a bad one, we'll
19 inspect more of yours to see if that was a one-off, honest,
20 you know, human error mistake. We'll accept that. But if
21 it's part of a pattern, you will lose your accreditation.

22 COMMISSIONER GALLARDO: Thank you. I think that
23 makes a lot of sense.

24 I also had a question on the utility-scale
25 batteries. I may have missed this. What's been the

1 reaction of the community there of people to utility scale?

2 HONORABLE BOWEN: Great. Fine. I mean, we have
3 a few planning issues where people object to them going in
4 near them. But, you know, they still get approval. I
5 mean, unlike what you could do in your home, these things
6 do need to go through environmental approval processes.
7 You know, and I find often sometimes the objections are,
8 you know, valid about, you know, amenity or siting. But
9 often it's just, frankly, climate deniers are a long way
10 away, saying we don't like anything which is renewable
11 energy. And the planning authorities see through that and
12 approve them anyway.

13 And, you know, the cost of utility-scale
14 batteries is coming down dramatically, as you will know.
15 And so our utility, our energy companies are doing it more
16 and more. AGL, one of our big utilities, the chief
17 executive told me he's building two big batteries, one that
18 they decided to build three years ago, one that they're
19 building now. And the one that they're building now is
20 half the cost and double the capacity than the one they
21 built three years ago. So they're getting on with it.

22 COMMISSIONER GALLARDO: One more, unless you want
23 to.

24 CHAIR HOCHSCHILD: Go ahead.

25 COMMISSIONER GALLARDO: I was curious if you

1 could explain to us, and again, I may have missed this, you
2 said that there's three hours of free electricity from one
3 to three. Am I counting correctly? No. Around 1:00 p.m.
4 or in the afternoon. And --

5 HONORABLE BOWEN: It's up to the companies which
6 three hours they produce.

7 COMMISSIONER GALLARDO: Oh.

8 HONORABLE BOWEN: So we require them, yeah, so we
9 require them to provide three hours of free power.
10 Inevitably, that will be around lunchtime because that's
11 when there's so much solar power.

12 COMMISSIONER GALLARDO: Oh.

13 HONORABLE BOWEN: But they can choose whether
14 they offer 11:00 to 2:00 or 12:00 to 3:00 or 10:00 to 1:00.
15 They can offer more if they want. You know, they can offer
16 10:00 to 2:00 if they want to. But we only, we require
17 them to offer, as a matter of law, three hours.

18 COMMISSIONER GALLARDO: Okay. And so that
19 would -- you use legislation to get that through?

20 HONORABLE BOWEN: Well, in effect, it's our
21 regulatory regime that we have. I didn't need to go it
22 through the parliament. But in effect, yes.

23 COMMISSIONER GALLARDO: Okay. Well, thank you so
24 much. And congratulations for all of that success that
25 you're having.

1 CHAIR HOCHSCHILD: All right, my last question --

2 HONORABLE BOWEN: You're welcome.

3 CHAIR HOCHSCHILD: -- is just about the battery
4 chemistries you're using. I'm assuming it's predominantly
5 lithium. But --

6 HONORABLE BOWEN: Yeah.

7 CHAIR HOCHSCHILD: -- could you share what else
8 you're doing on compressed air storage or flow batteries,
9 other chemistries you're exploring?

10 HONORABLE BOWEN: So we're agnostic about the
11 battery capacity, David. You know, we let the market sort
12 that out. It is -- you know, 99 percent of it's lithium-
13 ion. But, you know, we do have flow batteries. We do have
14 chemical batteries. We do have the whole lot going in.

15 You know, our interest in that is more at the
16 research and development stage. So Australian Renewable
17 Energy Agency, our investment agency, does invest in
18 technology for new and innovative batteries, including
19 compressed air. Well, compressed air is, you know, pretty
20 difficult in terms of big scale but, you know, they have
21 been investing in that. So we don't prescribe a type of
22 battery. We let the market sort that out and, you know,
23 let the market determine the most efficient way of giving
24 Australians the batteries they want.

25 CHAIR HOCHSCHILD: Okay. Well, listen, from all

1 of us, congratulations on your incredible progress. And,
2 you know, confronting the climate challenge requires states
3 and nations around the world to be successful. I just
4 think particularly now with the Iran war, the wisdom of the
5 energy transition and making ourselves less vulnerable to
6 volatile fossil fuel prices has never been more clear. So
7 thank you for shining the way forward on this and look
8 forward to the continued partnership. Appreciate you
9 joining.

10 HONORABLE BOWEN: It's my pleasure. And as I
11 said, wonderful to see you in Sydney and Canberra, David,
12 and you're all welcome. And maybe I'll see some of you at
13 COP31 in Antalya in Turkey, where Australia is presiding
14 over the negotiations, which you're very pleased to do.

15 And the comment you just made, David, is one that
16 all my international colleagues have made to me. No one is
17 saying around the world, you know what, this oil crisis
18 teaches us that we need to rely more on fossil fuels. That
19 is not something which has come up.

20 So love your work, love everything you and the
21 governor are doing and see you soon.

22 CHAIR HOCHSCHILD: All right. Thanks so much.
23 Cheers.

24 HONORABLE BOWEN: Bye.

25 CHAIR HOCHSCHILD: And with that, we are

1 adjourned. Thanks, everybody.

2 (The meeting adjourned at 2:50 p.m.)

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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 19th day of June, 2026.



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.

June 19, 2026

MARTHA L. NELSON, CERT**367