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CALIFORNIA ENERGY COMMISSION

In the matter of:

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

TUESDAY, MAY 26, 2026

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

In-person at:

CALIFORNIA NATURAL RESOURCES BUILDING
 715 P STREET, MEDIA ROOM 2-201, SECOND FLOOR
 SACRAMENTO, California 95814
 (Wheelchair Accessible)

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Reported by:
 Martha Nelson

APPEARANCESCOMMISSIONERS

David Hochschild, Chair

Siva Gunda, Vice Chair

J. Andrew McAllister, Commissioner

Noemi Gallardo, Commissioner

Nancy Skinner, Commissioner

STAFF

Drew Bohan, Executive Director

Sanjay Ranchod, Chief Counsel

Jennifer Martin-Gallardo, Deputy Executive Director

Barbara Borkowski, Senior Attorney, Chief Counsel's Office

Jared Babula, Senior Attorney, Chief Counsel's Office

Liz Gill, Manager Reliability Analysis Branch, Energy
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Ashley Gutierrez, Compliance Project Manager STEP,
Compliance & Enforcement Unit

Eric Veerkamp, Project Manager Siting, Transmission, and
Environmental Protection Division, CEQA Project
Management Unit

PUBLIC ADVISOR'S OFFICE

Ryan Young, Public Advisor

APPEARANCESALSO PRESENT

Julia Zuckerman, Clearway Energy Group

PUBLIC COMMENT

Josh Harmon, Pacific Gas & Electric

Tony Braun, Braun Blaising & Wynne

Jeremy Smith, State Building and Construction Trades
Council of California

Lucas Griffith, MeQueeney Ranch

Shawn Wilson, on behalf of Alameda County Supervisor David
Haubert

Christine Dillman, Tri-Valley Haven

Kathy Young, Tri-Valley NonProfit Alliance

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P R O C E E D I N G S

10:00 a.m.

TUESDAY, MAY 26, 2026

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

CHAIR HOCHSCHILD: Good morning and welcome,
friends. I'm David Hochschild, Chair of the California
Energy Commission. Today is May 26th. I call this meeting
to order. Joining me are Vice Chair Gunda, Commissioner
McAllister, Commissioner Gallardo, and Commissioner
Skinner. We have a quorum.

Let's stand for the Pledge of Allegiance.

(The Pledge of Allegiance is recited in unison.)

CHAIR HOCHSCHILD: We'll begin with public
comment and then move on to agency announcements.

Mr. Public Advisor, do we have any public
comment?

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

The Commission welcomes public comment at its
business meetings. We have multiple opportunities for
public comment. This is for any information or non-voting
agenda items.

If you'd like to make a comment and you're in the
room, please use the QR code or visit the Public Advisor

1 table in the back. If you're on Zoom, please click on the
2 raised-hand feature. And if you're joining by phone,
3 please press star nine to raise your hand. Comments will
4 be limited to two minutes or less per speaker and you'll be
5 called upon. Please provide the spelling of your name, as
6 well as your affiliation.

7 We will start with folks in the room. Seeing
8 none. There are also no commenters on Zoom.

9 Back to you, Chair.

10 CHAIR HOCHSCHILD: Okay, we'll turn now to agency
11 announcements.

12 Since we convened last, the California State
13 Senate unanimously voted to confirm Vice Chair Siva Gunda.
14 And I would like to just share a few thoughts and welcome
15 some comments from my colleagues.

16 This is a time where our state needs our best and
17 our brightest in leadership roles. Government is being
18 tested in ways we've never seen before, both from the
19 actual crises and then I think there's really a campaign
20 against government agencies in some quarters. And we need
21 to show that government can work and can deliver on key
22 priorities for the public and for the energy transition
23 that we're all engaged in here and to reduce air pollution
24 and improve people's lives.

25 And Vice Chair Gunda, you know, came up through

1 the ranks in the Energy Commission and we met when you
2 were, you know, mid-level staff in EAD and just every
3 project you touched turned to gold. It was amazing to
4 watch your leadership continue to evolve.

5 And you're somebody who runs toward the burning
6 building, whatever the biggest crisis is, whether it's grid
7 reliability, which was the first thing I asked you to take
8 on and you did that with such gusto and collaboration and
9 intelligence and thoughtfulness and kindness to all those
10 you worked with. And then now with petroleum, with SB 100
11 and so much else, you know, you've just represented the
12 Energy Commission and the state so incredibly well. And
13 yet another example of how immigrants to our state and our
14 nation make us a better place. And so just incredibly
15 gratified.

16 I know I speak for all of us when we say we
17 concur with the State Senate on their vote and with the
18 governor on his reappointment.

19 But I just would like to open it up if anyone
20 else would like to make any comments.

21 Commissioner Gallardo?

22 COMMISSIONER GALLARDO: Buenos dias. Good
23 morning, everyone.

24 So, Vice Chair Gunda, I am privileged to also
25 consider you a brother. And I think the Chair is correct

1 that we need our best and brightest. You are that, and
2 also our kindest. And so we have all three of those
3 qualities in you and are so blessed.

4 And I feel like I learned from you all the time,
5 even before we were in these positions together and really
6 appreciate how dedicated you are to the state, to the role
7 and to the constituents of California, and also to all of
8 us. And that you also have this really special way of
9 reminding us of your family, also, and how they motivate
10 you and move you.

11 So anyway, all of that is really special and
12 regard you just, you know, the highest, at the highest,
13 highest levels. So appreciate you and congratulations on
14 everything.

15 CHAIR HOCHSCHILD: Commissioner McAllister?

16 COMMISSIONER MCALLISTER: Well, gosh, we can wax
17 eloquent here all day long, and I know we have a business
18 meeting to get to, but I just really had a front row seat
19 also to, you know, reliability challenges we had and the
20 way you stepped up and just approached that in a fearless
21 way. And you've done so on a whole bunch of other issues,
22 critical issues that we're facing as a state. And so I
23 just really appreciate your leadership on that.

24 And so that comes from a deep well of, I think,
25 care and intelligence and humility, really, to be able to

1 bring people together and actually listen in a way that's
2 meaningful to everyone involved, even if they don't get
3 what they want. And I think, you know, you're wrestling
4 petroleum, for example, you know, lately.

5 But above all, I really just value your
6 friendship and the model that you just over and over kind
7 of display to all of us who work with you closely and to
8 the world of emotional intelligence and sort of the high EQ
9 combined with just an incredible work ethic. And it just,
10 it's really inspirational to observe and to partner with
11 you on different things, and I just really appreciate.

12 You know, you could be doing a lot of things in
13 helping California overcome these challenges and really
14 continue to lead and figure things out and show that it can
15 be done is -- we wouldn't be in the place we are without
16 your presence and leadership and model, so just thanks. So
17 I really appreciate it. And congratulations on the vote.
18 That's a big deal. Thanks.

19 CHAIR HOCHSCHILD: Commissioner Skinner?

20 COMMISSIONER SKINNER: Vice Chair, huge congrats.
21 Unanimous vote. Not bad. In times like this where --
22 especially when you're lead on what has become -- what has
23 always been a very controversial issue in California, how
24 we handle, how we treat our refineries, our -- the issues
25 of petroleum, the issues of fossil fuels, as, of course,

1 with California's clear leadership on protecting the
2 climate, and not just Republicans, but others feeling like
3 that's a conflict with economic goals and with the
4 affordability for our consumers, that you as our point
5 person on that issue would get the unanimous vote. Hey,
6 well done.

7 The thoroughness with which you approach each of
8 the items that you have responsibility for within this
9 Commission just blows me away. And I hope that in that
10 thoroughness, you also carve out enough time to take care
11 of yourself. But just your skillset, your attention to
12 detail, but as my colleague Commissioner McAllister pointed
13 out, also your EQ, your emotional intelligence around how
14 to then take these complicated issues and communicate them
15 or shape a recommendation, it's just very excellent.

16 So thank you, Vice Chair. And congratulations.

17 CHAIR HOCHSCHILD: Siva?

18 CHAIR HOCHSCHILD: Yeah, I just wanted to kind of
19 say, first of all, thanks to all the Commissioners on the
20 dais. I think, you know, just like Commissioner Gallardo
21 has become a sister, pretty much everybody here seems like
22 siblings. You know, so just wanted to say, you know,
23 whatever I get to do and the opportunity would not be
24 possible without the four of you and many, many colleagues
25 at the Energy Commission.

1 And I think I just maybe want to just say a
2 couple things. You know, being an immigrant into a state,
3 coming here with sparkles in your eyes, you know, wanting
4 to -- you know, I remember, I think I shared this story
5 with a few people. I was in fifth or sixth grade and we
6 learned about asteroids for the first time. And my teacher
7 was telling us about, you know, how dinosaurs, you know,
8 all died off. And, you know, and a bunch of us trouble
9 kids used to sit in the backseat and we were all chatting
10 and at lunch, you know, even though we were all kind of
11 rowdy, we were a little scared what would happen if an
12 asteroid hit the U.S. or, you know, the earth now. And a
13 bunch of us unanimously just said, oh, America's going to
14 take care of it.

15 That was 10-year-old Siva growing up in India and
16 looking up to a place, the United States, with this awe,
17 you know, whether it was NASA, whether it's the
18 technological gains, being a symbol of hope and strength.
19 Everybody, including me, wanted to go to the U.S. and make
20 a better life for ourselves and be a part of that world.

21 And in 2000, I had this enormous privilege to
22 come here and get my education and be a part of, you know,
23 Utah first, then New York, and then California. And I
24 could not be more proud and grateful and honored to have an
25 opportunity to live in this state.

1 You know, times, good times happen, bad times
2 happen. You know, in 2001, I was in New York when
3 September 11th happened and had to learn some tough lessons
4 on what it takes to be a part of something when somebody's
5 scared of you, do not know your origins and worried about,
6 you know, what you represent being a part. And I felt like
7 I learned a lot. Most of it just kind of learning to
8 approach conflict with as much love as I can, you know,
9 what my parents taught me, what my friends taught me. I
10 don't always do a good job, but I think it's really
11 important, especially during times like this, to give an
12 opportunity to get to know the other person and have the
13 opportunity to love and be able to kind of confront
14 difficult things together.

15 I lost my dad this year. You know, he was a
16 politician for 40 years. And the reason why I wear kind of
17 being a part of a public servant so proudly is because he
18 always thought that's the coolest thing. It's either NASA
19 or public servant. Obviously, I was not smart enough for
20 rockets. But, you know, I just think of it, incredibly
21 proud to call myself a public servant. I cannot have
22 dreamed about a greater honor than saying that, you know,
23 we work for people of California.

24 So for those of you in this room who hold me
25 accountable, who love me through my mistakes, my good

1 stuff, I'm just incredibly grateful. And I ask you again
2 to help me through the next four and a half years of, you
3 know, doing as best as I can. And I'll try to show up as
4 honestly and as selflessly as possible. But I am human,
5 I'll make mistakes, and I would ask your help to give my
6 best. So thank you all.

7 CHAIR HOCHSCHILD: Well, with all due respect to
8 NASA, you made the right choice. And I'll just say, you
9 know, one of the -- I think policymaking is art. I think
10 it's an art. And it's a very difficult art. And I have
11 watched you practice that and I've watched you improve, but
12 really drawing on your core abilities, really who you are
13 naturally, and you're amazing at it. And I just think that
14 you have been able to shine in a way that is absolutely
15 exemplary.

16 And we're all partnered with you on this journey.
17 And it's just a great joy to me that you were willing to
18 serve a second term and I'm really looking forward to many
19 chapters ahead with you, so congratulations.

20 Yesterday was Memorial Day. I just want to share
21 something more personal from my side.

22 I always think about my grandfathers on Memorial
23 Day. Both of my grandfathers were in World War II. I gave
24 a talk last Monday at the Offshore Wind and Port Summit in
25 Long Beach. Right across the hall from where the

1 conference is, is the Queen Mary. Some of you may have
2 been on that boat. So that was actually converted to a
3 troop ship in World War II. My grandfather shipped off to
4 Europe on that boat. And we're German-Jewish on my
5 father's side, and so he spoke German. His job was
6 actually interrogating captured Nazi officers. He took a
7 bullet in the head. His helmet saved his life.

8 But when I think about some of the colossal
9 challenges we face now, I really draw on the strength of
10 our ancestors overcoming what at the time seemed, you know,
11 like enormous odds, you know, confronting fascism and
12 Hitler and all that and persevering. So a good reminder of
13 those who've been before us. And again, our gratitude to
14 everybody in the armed services now and before.

15 So with that, unless there's other agency
16 announcement?

17 Yes, please, Commissioner Gallardo.

18 COMMISSIONER GALLARDO: All right. Thank you.

19 I, too, wanted to say thank you for the service
20 that all folks who have served have provided. I was just
21 in Washington this past weekend with my family, my uncle
22 who served in the army and his family who moved all around
23 the world, you know, following him in that service. So I'm
24 also personally grateful.

25 I also want to remind everybody that we will have

1 a Clean Energy Hall of Fame Awards this year, December
2 10th, and we are accepting nominations. So I've been a
3 pest about this. I want to make sure we give everyone an
4 opportunity to nominate folks who you know throughout the
5 state who are local leaders advancing 100 percent clean
6 energy future. It is an ambitious goal and mission that we
7 have at the Energy Commission. We can't do it alone, so we
8 need help, and folks around the state are doing that. And
9 so we want to make sure we elevate them and continue
10 inspiring them with the celebration.

11 So nominations due June 1st. There's six
12 categories -- or six awards, three categories. There's a
13 Clean Energy Champion, Tribal Champion, Youth Game Changer,
14 and Lifetime Achievement, so the full spectrum. So please
15 nominate soon, due June 1st. Thank you.

16 CHAIR HOCHSCHILD: Thank you.

17 Commissioner McAllister?

18 COMMISSIONER MCALLISTER: Just quickly, I want to
19 remind everyone, coming up on the 10th is the latest
20 version of the Electrification Summit, so right here at the
21 CNRA Building. And I'm not sure, I don't think it's quite
22 full yet, but just kudos to Bryan Early, my chief of staff,
23 who's been really running herd on it, and a whole ton of
24 staff that has helped put it all together and will be there
25 on the day and really facilitating the event. So really

1 looking forward to sharing that day with everyone.

2 CHAIR HOCHSCHILD: Great. Thank you.

3 Unless there's anything else, we'll turn to Item
4 3, Consent Calendar.

5 Is there any public comment on Item 3?

6 MR. YOUNG: The Commission now welcomes public
7 comment on Item 3. If you're in the room, please use the
8 QR code or visit the Public Advisor's table. And if you're
9 online, please press star nine, and if you're on the phone,
10 use the raised-hand feature on Zoom.

11 Seeing none, Chair, back to you.

12 CHAIR HOCHSCHILD: Okay, hearing none, unless
13 there's a Commissioner discussion, I'd welcome a motion
14 from the Vice Chair on Item 3.

15 VICE CHAIR GUNDA: Move Item 3.

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

18 COMMISSIONER GALLARDO: Second.

19 CHAIR HOCHSCHILD: All in favor, say aye.

20 Vice Chair Gunda?

21 VICE CHAIR GUNDA: Aye.

22 CHAIR HOCHSCHILD: Commissioner Gallardo?

23 COMMISSIONER GALLARDO: Aye.

24 CHAIR HOCHSCHILD: Commissioner McAllister?

25 COMMISSIONER MCALLISTER: Aye.

1 CHAIR HOCHSCHILD: Commissioner Skinner?

2 COMMISSIONER SKINNER: Aye.

3 CHAIR HOCHSCHILD: And I vote aye as well.

4 We'll turn now to Item 4, Rulemaking Adopting
5 Amendments to the Definition of Related Facility and Adding
6 a Definition of -- I'm not sure if I'm pronouncing that
7 right, how do you say it? -- Appurtenant Facility.
8 Appurtenant. Thank you.

9 All right, over to you, Barbara.

10 MS. BORKOWSKI: Good morning, Chair and
11 Commissioners. My name is Barbara Borkowski and I'm here
12 with Jared Babula from the Chief Counsel's Office of the
13 CEC.

14 We are here to present to you the proposed
15 amendments to the California Code of Regulations, Title 20,
16 Article 2, regarding the definition of a pertinent facility
17 and related facility.

18 Next slide, please.

19 The specific purpose of the proposed amendments
20 is to develop definitions that support a framework
21 consistent with the CEC's statutory authority for assessing
22 what additions to or components of power plants are
23 jurisdictional to the CEC. The proposed amendments define
24 the term "related facility." Since at least the early
25 1980s, the CEC has defined related facility to implement

1 the CEC certification or licensing program, granting an
2 applicant the authority to construct and operate a power
3 plant. However, the term "related facility" is not
4 directly defined in statute.

5 The proposed amendments also add the definition
6 of a pertinent facility. The proposed "a pertinent
7 facility" definition requires two elements for CEC
8 jurisdiction, physical connectivity to the power plant or
9 its site and operational coordination with the power plant.
10 Therefore, the proposed definition of a pertinent facility
11 is structured to provide a framework for addressing the
12 jurisdiction of project features that are proposed for a
13 new facility or added to an existing operating facility,
14 which will be used to analyze each facility on a case-by-
15 case basis.

16 The definition should be read in the context of
17 key statutory definitions found in the Public Resources
18 Code sections covering electric transmission line,
19 facilities, site, thermal power plant, and modification of
20 an existing facility. The regulations cannot provide a
21 prescriptive or exhaustive definition of a pertinent
22 facility because as technologies evolve, facilities,
23 projects, descriptions change and the regulations need to
24 be able to work for the future as well as current
25 facilities.

1 Additionally, the current energy landscape has
2 changed with energy storage technology being added to
3 existing thermal power plant sites, which helped the state
4 meet both reliability and greenhouse gas emission reduction
5 goals. The current lack of a definition for a pertinent
6 facility and current definition of related facility need to
7 be updated to reflect the growing deployment of storage
8 technology as a component of existing power plants.

9 Next slide, please.

10 The specific benefits of this rulemaking are to
11 update a definition that has been made partially obsolete
12 by statutory changes in technological advancements, also to
13 provide clarity to power plant owners and local
14 jurisdictions regarding the scope of the CEC certification
15 programs and modifications to CEC jurisdictional power
16 plants. The language change will facilitate a more
17 efficient project amendment process for operating power
18 plants, as well as the scope of certification for data
19 centers.

20 The proposed definition of a pertinent facility
21 clarifies that for data centers, projects submitted to the
22 CEC for approval, not an exemption, the CEC's authorization
23 to build and operate only applies to the power plant, not
24 the data center building, which is subject to approval by
25 the local government. This is consistent with local

1 authority over the design and construction of office and
2 commercial buildings, as well as business parks where data
3 centers may be located.

4 Next slide, please.

5 Two examples illustrate the application of a
6 pertinent facility. If a power plant owner decides to
7 install pumps and pipes on the power plant site to access
8 groundwater for purposes of selling to nearby farms, the
9 equipment while onsite would not be jurisdictional because
10 the water extraction is not in operational coordination
11 with the power plant. The water is simply a side activity.
12 The equipment and installation, plumbing and selling of the
13 water would be outside CEC's jurisdiction. Thus, it is not
14 an appurtenant facility.

15 This example compares to an onsite or offsite
16 energy storage system that connects to the power plant and
17 is under common operational coordination. In this case,
18 the energy storage system would be appurtenant to the
19 jurisdictional power plant and under CEC jurisdiction as
20 set forth in Public Resources Code Sections 25500 and
21 25545.1(b).

22 Next slide, please.

23 Staff recommends the CEC finds the adoption of
24 the rulemaking is exempt from CEQA as detailed in the CEQA
25 memo filed into the docket and approves the resolution

1 adopting the regulatory language.

2 This concludes the presentation and we are
3 available to respond to any questions. Thank you.

4 CHAIR HOCHSCHILD: Thank you.

5 Is there any public comment?

6 MR. YOUNG: Thank you. The Commission now
7 welcomes public comment on Item 4.

8 Josh Harmon, would you approach the podium?
9 Welcome. Please state and spell your name for the record.
10 Comments will be two minutes or less.

11 MR. HARMON: Good morning. My name's Josh
12 Harmon, J-O-S-H H-A-R-M-O-N. I'm here on behalf of Pacific
13 Gas & Electric Company.

14 First, I want to clarify that while we support
15 geothermal energy and these amendments overall, my comments
16 are only relevant to the data center clarification being
17 considered.

18 For at least the last few years, we've been
19 hearing from data center developers about the CEC's 100
20 megawatt cap for backup generation. While such a cap never
21 existed formally, customers felt that they needed to go
22 through the Small Power Plant Exemption process to avoid
23 any risk that the CEC might try to assert oversight for
24 day-to-day operations of a data center, including something
25 as routine as changing out a data server.

1 This risk stems from half-century-old language in
2 the Warren-Alquist Act, which rightly grants the CEC
3 jurisdiction over related facilities of a power plant. The
4 language in that 1974 law, while clear in its intent,
5 created enough uncertainty in the CEC certification process
6 to scare most developers away from the application for
7 certification process entirely.

8 As the Vice Chair has observed, forecasting
9 energy demand has gotten much more difficult in recent
10 years, not only for the state, but also for load-serving
11 entities like PG&E, and data centers are a key driver.
12 Reducing unintended regulatory uncertainty helps developers
13 investing in California stick to their plans, which makes
14 grid planning a little easier.

15 Also note that this clarification, importantly,
16 would not weaken environmental review for data centers. On
17 the contrary, it would strengthen it as the AFC process is
18 more robust than the SPPE process.

19 Finally, I want to thank Elizabeth Huber, Jared
20 Babula, and staff from the STEP and Legal Teams, as well as
21 Jimmy Qaqundah and Commissioner Gallardo, who all met with
22 us over the last year and were willing to listen and eager
23 to understand this complicated issue. Thank you.

24 MR. YOUNG: Thank you.

25 I'm now going to transition to Zoom. Scott

1 Galati, I'm going to unmute your line. Please unmute on
2 your end. State and spell your name for the record, and
3 we'll welcome your comment. Looks like Scott lowered his
4 hand. Scott, if you want to make a public comment, please
5 raise your hand.

6 All right, Chair, back to you.

7 CHAIR HOCHSCHILD: Okay, well, first of all, I
8 really appreciate the spring cleaning and modernization of
9 these. Kind of this is precisely what I hope we continue
10 to always engage in. Technology evolves. We need to catch
11 up and have our language and our rules, even words that I'm
12 not able to pronounce properly, reflect that. So thank
13 you. And I hope there's an effort we just continue
14 generally with, you know, our governing statutes, you know,
15 half a century old now. So really appreciate that.

16 And with that, I just turn it over to
17 Commissioner Gallardo for the Commissioner discussion.

18 COMMISSIONER GALLARDO: Yeah, I agree. It was a
19 little hard for some of us to pronounce, but this is a very
20 practical action. And we are basically updating the
21 regulations to align more closely with statute and to
22 clarify the Commission's scope of jurisdiction with regard
23 to car plant facilities.

24 But as we heard it during public comment, this
25 action does have real-world implications given the impact

1 it's having even on data centers. And as you all know, the
2 more that data center facilities grow in size and in
3 number, the more power they'll need, both as a primary
4 source and for backup.

5 And we anticipate seeing more permitting
6 applications from data center developers. We are already
7 hearing a lot of interest from developers and questions.
8 So it is critical, as Chair is saying, that we have very
9 clear regulations that can help guide applicants and also
10 those affected by the applications aside from just the
11 applicants.

12 I'd want to also uplift Energy Commission's STEP
13 Division and our Chief Counsel's Office for their
14 responsiveness to stakeholders in this effort and for being
15 proactive. This rulemaking was initially -- or initiated,
16 excuse me, partially in response to stakeholders expressing
17 their concerns as we heard from PG&E. And, you know, the
18 current regulations were confusing and we want to make sure
19 that they were clarified. And also, this rulemaking was
20 done as part of the staff's effort to refine the regulatory
21 language to reflect the state's evolving power and grid
22 system, which as we know, there's so many things happening
23 and it keeps changing.

24 And I also want to note that it's good to clarify
25 that the Energy Commission certification, compliance, and

1 enforcement jurisdiction solely pertain to the power
2 facility and not things like the actual servers. However,
3 it's also important to note that when the Energy Commission
4 receives an application for a data center's power facility,
5 the Energy Commission, as the lead CEQA agency, will
6 conduct a robust environmental review of the entire
7 project, which includes the data center itself. So the
8 local jurisdiction and other agencies can then use the
9 Energy Commission's environmental analysis of the entire
10 project when processing their own permit applications.

11 So I wanted to emphasize this and that the review
12 will not be bifurcated, because there were some concerns
13 from other stakeholders who thought that might happen. And
14 so, again, I want to thank STEP Division and the Chief
15 Counsel's Office for their hard work. And a special shout
16 out to our attorneys, Jared Babula and Barbara Bukowski and
17 also STEP's Deputy Director, Diane Vorters, for the
18 diligence in this very important update. So I encourage my
19 fellow Commissioners to support this item.

20 Thank you, Chair.

21 CHAIR HOCHSCHILD: Any other comments?

22 Vice Chair, are we ready to make a motion?

23 VICE CHAIR GUNDA: I do, yeah.

24 CHAIR HOCHSCHILD: Oh, you do want to make a
25 comment?

1 VICE CHAIR GUNDA: Yeah.

2 CHAIR HOCHSCHILD: Okay, please.

3 VICE CHAIR GUNDA: So I just wanted to say
4 thanks, Barbara, for the clear presentation. And thank you
5 for the comments from PG&E as well.

6 Sanjay, thanks for your leadership and the CCO
7 team as a whole on this issue, Jared, for the work as well.
8 I think, you know, and I really appreciate every
9 opportunity we can take to reduce the regulatory clutter to
10 the extent that we can to keep it streamlined and
11 modernized, as the Chair mentioned, and really appreciate
12 the CCO team as a whole taking that view.

13 Also wanted to uplift STEP, you know, broader
14 team and STEP as a whole. Thank you for the incredible
15 work. I think though many Californians may not be familiar
16 with the CEC's Opt-In, may be familiar with CEC's Opt-In
17 permitting authority, CEC has had this long power plant
18 permitting authority, over 40 years. And I think since the
19 power plants 40 years ago, the system has significantly
20 evolved. The data center storage posed particularly
21 different issues. And so really appreciate us taking the
22 opportunity to clarify as much as we can and continue to
23 support local jurisdictions as well in doing so.

24 So we're all looking forward to supporting the
25 item. And also want to thank all the stakeholders who

1 engaged in the process, and to Commissioner Gallardo.

2 CHAIR HOCHSCHILD: Okay, are you enthusiastic
3 enough to move the item?

4 VICE CHAIR GUNDA: Absolutely. Absolutely move
5 Item 4.

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

8 COMMISSIONER GALLARDO: I second.

9 CHAIR HOCHSCHILD: All in favor, say aye.

10 Vice Chair Gunda?

11 VICE CHAIR GUNDA: Aye.

12 CHAIR HOCHSCHILD: Commissioner Gallardo?

13 COMMISSIONER GALLARDO: Aye.

14 CHAIR HOCHSCHILD: Commissioner McAllister?

15 COMMISSIONER MCALLISTER: Aye.

16 CHAIR HOCHSCHILD: Commissioner Skinner?

17 COMMISSIONER SKINNER: Aye.

18 CHAIR HOCHSCHILD: And I vote aye as well. Item
19 4 passes unanimously.

20 We'll turn now to Item 5, Publicly Owned Utility
21 Capacity Payment Regulations.

22 So now we'll go to Liz Gill.

23 MS. GILL: All right. Good morning Chair, Vice
24 Chair, Commissioners. My name is Liz Gill and I'm the
25 Manager of the Reliability Analysis Branch and the Energy

1 Assessments Division. And today I'm bringing Assembly Bill
2 1373, Publicly Owned Utility Capacity Payment
3 Implementation Regulations, to you for adoption.

4 Next slide, please.

5 All right, so a little bit of background before I
6 jump into the regs themselves.

7 In 2020, following the electricity reliability
8 challenges of 2020 and 2021, the legislature established
9 the Strategic Reliability Reserve to support the state's
10 electric grid during extreme and emergency events that fall
11 outside of typical planning standards. You are probably
12 familiar with the CEC's two programs that are part of the
13 Reserve, DSGS and DEBA.

14 The regulations today are focused on DWR, the
15 Department of Water Resources, Electricity Supply Strategic
16 Reliability Reserve Program, or ESSRRP, which procures
17 utility scale resources to support the grid during
18 emergency conditions. So if I ever referenced the Reserve,
19 I'm just referencing the DWR portion of the Reserve and not
20 the CEC programs.

21 Next slide, please.

22 All right, so AB 1373, which passed in 2023,
23 established a fee structure for POUs and load serving
24 entities in the California ISO Balancing Authority area
25 that failed to meet their resource adequacy requirements

1 during a month where ESSRRP resources are triggered to meet
2 a reliability need. The concept is that if utilities are
3 not meeting their resource adequacy requirements, that they
4 are contributing to exacerbating those emergency conditions
5 and therefore leaning on the strategic reserve.

6 Under 1373, POU -- or CEC will determine payments
7 for POUs, while the CPUC will determine capacity payments
8 for its jurisdictional LSEs. It also authorizes CEC to
9 adopt regulations, which is why we're here today.

10 Next slide, please.

11 All right, so AB 1373 identifies roles and
12 responsibilities for the CEC, the CPUC, and DWR. DWR will
13 identify when ESSRRP resources are used in a month where a
14 reliability need occurs. They will also provide resource
15 cost information to CEC and CPUC.

16 CEC will determine whether any California ISO
17 POUs are deficient in their resource adequacy obligations.
18 And I do want to emphasize that these regs only apply to
19 POUs in the California ISO Balancing Authority and not to
20 other POUs in other balancing authorities. The CPUC will
21 do the same for their jurisdictional LSEs.

22 The capacity payment will be determined based on
23 the monthly costs of ESSRRP resources. And then the CEC
24 and CPUC will assess capacity payments for any identified
25 deficient POUs or LSEs, respectively, if ESSRRP is

1 triggered under emergency conditions.

2 Next slide, please.

3 All right, so CEC is engaged in significant pre-
4 rulemaking activities given the interagency nature of the
5 ESSRRP. This included a pre-rulemaking workshop in May,
6 2024, early discussions and ongoing discussions with the
7 CPUC, DWR, and the ISO on interpreting the statute and how
8 we can implement it. We aligned with the CPUC and DWR on
9 what constitutes the Reserve being triggered, the period of
10 performance to align with the CPUC's RA program, and the
11 unit cost calculation.

12 We drafted the regulations and worked with our
13 partner agencies on refining and clarifying the language.
14 And then most importantly, we met with the affected POUs
15 and the representatives throughout the process to provide
16 feedback on the draft regulations.

17 Next slide, please.

18 So the 45-day language was posted on February
19 27th, 2026. The comment period closed April 14th. No
20 comments were received, which we attribute to our extensive
21 pre-rulemaking coordination. And if adopted today, these
22 regulations will go into effect in October.

23 Next slide, please.

24 So this slide provides high-level detail on what
25 the capacity payment process will look like. The process

1 starts if the California ISO experiences emergency
2 conditions. This is defined as an EEA 1, 2, or 3. DWR
3 would then notify the CEC if ESSRRP is triggered in a given
4 month under those emergency conditions. If there are not
5 emergency conditions or if ESSRRP is not triggered during
6 emergency conditions, there will not be capacity payments
7 assessed.

8 If ESSRRP is triggered under emergency
9 conditions, CEC will then determine whether any POU's in the
10 California ISO have resource adequacy deficiencies. CEC
11 will request RA showing data from the California ISO and
12 cost information for the Reserve from DWR. If a POU met
13 their resource adequacy requirements, there is no capacity
14 payment for that POU.

15 However, if a POU is deficient, CEC will notify
16 the POU within 14 days with supporting data and the payment
17 estimate. The POU then has 30 days to provide additional
18 information for the CEC to consider. An example of that
19 would be if the POU had procured a resource that came
20 online after the deadline for submitting their RA showing,
21 but that resource was online and supported the grid during
22 the emergency event.

23 If they are still determined to be deficient, the
24 Executive Director will assess the capacity payment and the
25 POU will have 30 days to remit payment.

1 Next slide, please.

2 And so with that, I'd like to thank our
3 incredible team that's been working on this for a long time
4 amongst their other workload, Kristen Widdifield, Chie Hong
5 Yang, Elise Ersoy, as well as CCO.

6 I'd also like to thank our partners at the CPC,
7 DWR, and the ISO for their collaboration, as well as our
8 partners at CMUA and SCPPA for helping us refine and make
9 sure that the regulations were as clear as possible.

10 And with that, staff recommend that CEC approve
11 the regulation to, or approve the resolution to adopt the
12 POU capacity payment regulations. Thank you.

13 CHAIR HOCHSCHILD: Thank you.

14 Let's take public comment on Item 5.

15 MR. YOUNG: Thank you.

16 The CEC now welcomes public comment on Item 5.
17 As a reminder, please use the raised-hand feature on Zoom.
18 Comments will be limited to two minutes or less. Please
19 state and spell your name for the record.

20 Tony Braun?

21 MR. BRAUN: Hi. Good morning. Tony Braun, last
22 name B-R-A-U-N, with the law firm of Braun Blaising &
23 Wynne, and here today on behalf of the California Municipal
24 Utilities Association.

25 We just wanted to make quick comments to support

1 the regulations, and also the process that led to them. It
2 was fairly complicated, not evident in the -- when the
3 statute was written, I think, some of the permutations on
4 what's in the language could actually mean. So with Liz
5 and her staff, we had multiple sit-downs to discuss, well,
6 virtual sit-downs mostly, to discuss, you know, the
7 formulas and how it fit into the regime and the triggers
8 and all the items that Liz just described. And so we
9 greatly appreciate the process and the collaboration that
10 led to the regulatory language.

11 And I'd really like to say, can we use that as a
12 springboard? I mean, there is -- it obviously worked. I'm
13 the only POU here today, so that's positive, I think. And
14 there's a whole host of things that we can partner on with
15 the CEC and staff associated with whether it's data
16 production or the reliability issues, which, you know,
17 don't go away from year to year. So I just have that as an
18 open invitation and take on some of that burden ourselves
19 to figure out how do we use this momentum that created from
20 this process to come up with a work product that we all
21 could live with and use that on our other challenges that
22 we had before us.

23 So thank you very much.

24 CHAIR HOCHSCHILD: Thank you.

25 MR. YOUNG: Thank you for your comments.

1 And I'll now turn to Zoom. Seeing none, back to
2 you, Chair.

3 CHAIR HOCHSCHILD: All right, let's go to
4 Commissioner discussions, starting with the Vice Chair.

5 VICE CHAIR GUNDA: Yeah, thank you.

6 I just wanted to react to, Tony, your comment.
7 First of all, thank you for making that comment. And also
8 really appreciate the conversations we've been having with
9 the POUs, both the Commissioner's office and the Executive
10 Office. We've been having a lot of conversations on
11 figuring out, creating a good process for enhancing our
12 collaboration and aligning the regulatory structure. So I
13 appreciate you continuing to dabble down on the request,
14 but also encouraging us to do so.

15 I wanted to thank Liz on a really good
16 presentation, as well as her leadership, not just on this
17 issue, but many issues over the last three years. Just
18 wanted to take a second to say, Liz, you've been in the
19 middle of the energy crisis. You know, you've been doing a
20 tremendous job. Oh, doing a tremendous job, doing a
21 tremendous job on just, you know, I think what Tony just
22 mentioned, developing really good collaborative processes
23 and trust amongst stakeholders. So I appreciate the way
24 you approach things and everything you've been able to do.

25 The broader team, Aleecia, David, and the entire

1 group that you just mentioned, I think you, many of the
2 comments I had, you've already said it even better, but I
3 think I just wanted to uplift the process, importance of
4 ensuring that this is very clear and supportive and I'm
5 here to support it.

6 And I want to thank CMUA and SCPPA for your
7 continued leadership in coordinating with us, so thank you.

8 CHAIR HOCHSCHILD: Great. Unless there are any
9 other comments, I'd welcome motion on Item 5 from the Vice
10 Chair.

11 VICE CHAIR GUNDA: Move Item 5.

12 CHAIR HOCHSCHILD: Is there a second from
13 Commissioner Gallardo?

14 COMMISSIONER GALLARDO: I second.

15 CHAIR HOCHSCHILD: All in favor, say aye.

16 Vice Chair Gunda?

17 VICE CHAIR GUNDA: Aye.

18 CHAIR HOCHSCHILD: Commissioner Gallardo?

19 COMMISSIONER GALLARDO: Aye.

20 CHAIR HOCHSCHILD: Commissioner McAllister?

21 COMMISSIONER MCALLISTER: Aye.

22 CHAIR HOCHSCHILD: Commissioner Skinner?

23 COMMISSIONER SKINNER: Aye.

24 CHAIR HOCHSCHILD: And I vote aye as well. Item
25 5 passes unanimously.

1 We'll turn now to Item 6, Mojave Solar Project
2 Petition to Amend.

3 Welcome Ashley Gutierrez.

4 MR. GUTIERREZ: Good morning, Chair, Vice Chair
5 and the Commissioners. My name is Ashley Gutierrez. I'm a
6 Compliance Project Manager in the Safety and Reliability
7 Branch at the Siting, Transmission, and Environmental
8 Protection Division, or STEP Division.

9 I'm here to present for your approval a petition
10 that would allow the Mojave Solar Project, also referred to
11 as MSP, to construct two new evaporation ponds and make an
12 administrative update to their CEC license to reflect a 25
13 megawatt increase due to an amendment to the Facilities
14 California Independent System Operator Large Generator
15 Interconnection Agreement, or Cal ISO LGIA.

16 Next slide, please.

17 MSP is a 250 megawatt solar electric generating
18 facility located near Harper Dry Lake in an unincorporated
19 area of San Bernardino County, near the town of Hinkley.
20 The project was certified by the CEC in September, 2010,
21 and began commercial operation in December, 2014. Pursuant
22 to California Code of Regulations Title 20, Section 1769,
23 CEC staff conducted an environmental analysis of the two
24 new evaporation ponds and nameplate capacity increase is in
25 conformance with CEQA and applicable laws, ordinances,

1 regulations and standards, or LORS. The CEC published the
2 staff's analysis to the project docket log webpage on April
3 9th for a 30-day public comment period.

4 Next slide, please.

5 The proposed project changes included in the
6 petition would ensure continued grid reliability, a benefit
7 to all Californians by enhancing the water evaporation rate
8 at the facility, as well as updating the CEC license to
9 align with the Cal ISO's LGIA updates.

10 Next slide, please.

11 The petition requests to construct and operate
12 two new permanent evaporation ponds at the facility, which
13 would be replicas of the existing ponds, one at Alpha and
14 one at Beta Power Blocks, adjacent to where the existing
15 power -- the existing ponds are located to enhance water
16 storage capacity and facilitate the maintenance of the four
17 existing evaporation ponds.

18 Over the years, the wastewater increased steadily
19 and the evaporation rate gradually decreased. The
20 decreased evaporation rate is a result of the normal water
21 evaporation process, which increases the salt concentration
22 in the pond water, slowing the evaporation rate. In
23 addition, wildlife netting has also slowed the evaporation
24 rate, strengthening the need to add additional evaporation
25 ponds.

1 An addendum to the petition was filed requesting
2 to update the CEC decision to reflect a 2015 revision to
3 the facility's LGIA, which increased power output to the
4 facility from 250 megawatts to 275 megawatts, an increase
5 of 25 megawatts. No physical changes to the facility have
6 occurred as a result of this megawatt increase.

7 Next slide, please.

8 The addition of the two new evaporation ponds
9 require modifications to existing conditions of
10 certification, or COCs, in the technical areas of
11 biological resources, soil and water resources, and waste
12 management.

13 For biological resources, since the project was
14 originally licensed, the Western burrowing owl has been
15 designated as a candidate species for listing under the
16 California Endangered Species Act, or CESA, initiating the
17 need to revise three bio-COCs and add a new COC to align
18 with this change in LORS for consistency with CESA.

19 For soil and water resources, staff recommended
20 modification to two existing COCs to better monitor the
21 water balance between water treatment plant intake and
22 discharge to all evaporation ponds and align existing Waste
23 Discharge Requirements, or WDRs, with the Water Board's
24 current format.

25 Lastly, for waste management, staff recommended

1 modification to two existing COCs to ensure the Lahontan
2 Regional Water Quality Control Board staff is included in
3 the notification submittal for hazardous material
4 reporting, as well as an update to the US EPA testing
5 method for consistency with revised WDRs.

6 No LORS associated with the soil and water
7 resources and waste management have changed.

8 Next slide, please.

9 Staff recommends approval and adoption of the
10 order for the construction of the two new evaporation ponds
11 and administrative change to the CEC license to update the
12 megawatt output, including the corresponding modifications
13 of the biological resources, soil and water resources, and
14 waste management conditions of certifications in the CEC
15 license. This includes staff's determination that the
16 proposed modifications do not meet any of the criteria
17 requiring subsequent or supplemental environmental review.

18 In closing, from the STEP Division, our Safety
19 and Reliability Branch Manager, Brett Fooks, and Hurshbir
20 Shahi, Ann Crisp, and Kareem Abulaban, supervisors for the
21 Compliance, Monitoring, and Enforcement Unit, Biological
22 Resources Unit, and Geosciences Unit. We also have James
23 Ackerman, a CEC Engineering Geologist, present. And
24 lastly, Lead Attorney Alex Mayer to address any questions
25 you may have.

1 Thank you for your consideration. This concludes
2 my presentation. Staff is available to address any
3 questions you may have.

4 CHAIR HOCHSCHILD: Thank you, Ashley.

5 Let's turn to public comment on Item 6.

6 MR. YOUNG: Thank you.

7 The Commission now welcomes public comment.
8 Seeing none in the room, I'm going to check on Zoom.

9 There are none, so back to you, Chair.

10 CHAIR HOCHSCHILD: All right, let's turn to
11 Commissioner discussions, starting with Commissioner
12 Gallardo.

13 COMMISSIONER GALLARDO: Thank you, Chair.

14 So this amendment is an example of modifications
15 made to an existing power plant to ensure the project
16 continues to provide a source of reliable, clean energy
17 during the summer months when power is needed most. And I
18 want to uplift this work because we often focus on the
19 action taken to certify new facilities, especially these
20 past couple of years due to Opt-In. And so we must
21 continue to build out new clean energy facilities, but it
22 is equally important to keep our existing energy facilities
23 working efficiently as we're doing with this petition to
24 amend.

25 I want to recognize the STEP Division's work on

1 this project because the same STEP Team that processes the
2 applications also does the monitoring work of existing
3 facilities after the certification, and they also process
4 petitions to amend, like these. So it is an immense amount
5 of work. It requires expertise and dedication, and our
6 STEP Team is always up to the task. So thank you so much
7 for all of your work and to our Compliance and Monitoring
8 Team in particular this round.

9 And Ashley, thank you for your informative
10 presentation, the briefings, and all your work on this
11 project.

12 And a big thank you to Brett Fooks, also to
13 Hurshi (phonetic) Shahi who leads the Safety and
14 Reliability Branch and Compliance and Monitoring Unit.

15 I also know that petitions to end require a lot
16 of coordination, including with other entities. So in this
17 case, James Ackerman and Kareem Abulaban from STEP's
18 Geosciences Unit who worked closely with the Lahontan
19 Regional Water Quality Control Board on the amendment for
20 the Waste Discharge Requirements to protect water quality.
21 Very important actions that need to be taken.

22 And in addition, this petition had to account for
23 the Western burrowing owl. Hopefully you all appreciated
24 that cute picture of that burrowing owl. So they were
25 added as a candidate species for listing under the CESA

1 Act. And this underscores the need to update rules as
2 well. And Chris Benalik-Single (phonetic) from STEP's
3 Biological Resources Unit collaborated with CDFW to update
4 biological conditions to ensure consistency with the CESA
5 Act. Again, very important. It's really appreciated.

6 And last but not least, I want to give a big
7 thank you to our legal team, including Alex Mayer who
8 provided invaluable guidance on this matter.

9 So with that, I'll encourage my fellow
10 Commissioners to support this item.

11 CHAIR HOCHSCHILD: Thank you.

12 Vice Chair?

13 VICE CHAIR GUNDA: Thank you, Chair.

14 Thanks, Commissioner Gallardo. I wanted to also
15 uplift your leadership on all things permitting. It's been
16 a lot of work.

17 Thanks, Ashley, for the presentation.

18 I wanted to also thank the Executive Office, the
19 CCO, and many others who support these important items.
20 And I wanted to congratulate the team on a timely and well-
21 coordinated work. And just put a plug in, I think more
22 resources would definitely be helpful for the STEP Team, so
23 continue to support your work.

24 I wanted to recognize that the evaporation ponds
25 will increase the megawatts on the grid, which would be

1 really helpful as we move forward. And wanted to really
2 reiterate the point that Commissioner Gallardo mentioned.
3 Pretty much every analysis shows that out of the 40 gigs of
4 thermal power plants we have on the system today, most of
5 them will be retained in the long run. While their
6 capacity factors reduces, the importance of having that
7 dispatchable capacity and ramping capacity becomes really
8 important. So safety, reliability, efficiency of these
9 units is extremely helpful as we move forward.

10 So I wanted to, again, say thank you for all the
11 work and the diligence, and looking forward to supporting
12 the item.

13 CHAIR HOCHSCHILD: Great. Are there any other
14 comments? If not, I would welcome a motion on Item 6 from
15 Commissioner Gallardo.

16 COMMISSIONER GALLARDO: I move to approve Item 6.

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: Commissioner McAllister?

1 COMMISSIONER MCALLISTER: Aye.

2 CHAIR HOCHSCHILD: Commissioner Skinner?

3 COMMISSIONER SKINNER: Aye.

4 CHAIR HOCHSCHILD: And I vote aye as well. Item
5 6 passed unanimously. Thank you, Ashley.

6 We'll turn next to Item 7, Opt-In Certification
7 Potentia-Viridi Battery Energy Storage System.

8 And I welcome Eric to present.

9 MR. BOHAN: Well, as Eric comes up,
10 Commissioners, I wanted to say good morning and give a very
11 brief introduction of this item, which is our
12 recommendation to approve the Potentia-Viridi battery
13 project. This, if you agree with staff's recommendation to
14 approve the project, we will be at over 1.4 gigawatts of
15 solar under the Opt-In Program and over 1.8 gigawatts of
16 storage.

17 We are currently also evaluating five other Opt-
18 In projects that have been filed, along with another 15
19 projects where we're working with the developers and having
20 conversations with them about those. We also have four
21 SPPE, Small Power Plant Exemption, applications filed, and
22 we're expecting nine more of those as well. So we're very
23 busy, but pleased to be bringing these before you with a
24 steady stream.

25 For Potentia-Viridi, as you will hear from Eric,

1 we looked at all impacts, which is what we do for every
2 single project. We only found one that was significant and
3 one that we judged could not be mitigated to less than
4 significant, and that was for visual. We are recommending,
5 however, that because of the great contribution this
6 project will have to the grid's needs that unbalance the
7 benefits of the project to outweigh the impacts to the
8 visual resources. And on that basis, we recommend you
9 approve.

10 Eric will now get into more detail on the
11 project. Thank you.

12 CHAIR HOCHSCHILD: Thank you, Drew.

13 MR. VEERKAMP: Good morning, Chair, Vice Chair,
14 Commissioners. My name is Eric Veerkamp, and I'm a Project
15 Manager with the Siting, Transmission, and Environmental
16 Protection Division. And I'm here to present staff's
17 recommendation on the Potentia-Viridi Battery Energy
18 Storage System Opt-In application based on our updated
19 staff assessment findings.

20 Next slide, please.

21 In 2022, Assembly Bill 205 was signed into law by
22 Governor Newsom, creating a new optional permitting pathway
23 under the authority of the CEC to reduce permitting delays
24 and cut permitting timelines. Under the Opt-In Program, a
25 maximum of 270 days is allotted for permitting clean and

1 renewable energy projects to support long-term grid
2 reliability.

3 The CEC is the lead agency under the California
4 Environmental Quality Act, or CEQA. Staff is required to
5 prepare an environmental document as part of our staff
6 assessment for any project that elects to Opt-In to the
7 CEC's jurisdiction. For this project, staff has prepared
8 an Environmental Impact Report.

9 With limited exceptions, the CEC issues a
10 certification to construct and operate an eligible facility
11 in lieu of any permit, certificate, or similar document
12 required by any state, local, or regional agency, or
13 federal agency to the extent permitted by federal law.

14 Our work does not conclude if a project is
15 granted a CEC certificate. As the chief building official
16 for the state, the construction and operation phases of a
17 project are regulated by the STEP Division's Compliance,
18 Monitoring, and Enforcement Unit, and Inspections Unit.
19 These units ensure that any facility certified by the CEC
20 complies with all conditions of their certificate.

21 Next slide, please.

22 The proposed Potentia-Viridi Battery Energy
23 Storage System is on approximately 102 acres of a larger,
24 approximately 236-acre parcel. The project site is in
25 rural eastern Alameda County in what is known as the Tri-

1 Valley Subregion, as shown in the figure here.

2 Power stored by the project would be conveyed to
3 the regional electrical grid via the generation intertie
4 line, or gen-tie, which extends across Patterson Pass Road
5 and Patterson Run Stream to the Tesla Substation at the
6 southwest corner. The project would include a 400-
7 megawatt, 3,200-megawatt-hour BESS, a high-voltage project
8 substation, 34.5 to 500 kV, 500 kV gen-tie, a power
9 conversion system, medium-voltage collection system, and
10 control building, enclosures containing the BESS units.

11 This project would have CEC jurisdictional and
12 non-jurisdictional project components, both of which were
13 analyzed as part of the whole of the action, as required by
14 CEQA. Other agencies would use this document for their
15 decisions.

16 Next slide, please.

17 As shown in detail on this slide, the project
18 application was filed in August 2024. After obtaining the
19 required environmental assessment documents and the
20 proposed facility design, CEC staff filed a Determination
21 of Complete Application in August of 2025, beginning the
22 staff assessment preparation phase. The Draft EIR is
23 within the staff assessment and underwent all required
24 public meetings, review, and comment periods.

25 During the public comment period on the Draft

1 EIR, we received one comment during the public meeting in
2 March of 2026 and eight comments filed to the docket.
3 Commenters included state and local government agencies,
4 the applicant, non-governmental organizations, and the
5 public.

6 The Final EIR within the updated staff assessment
7 was filed in the project docket on April 24th, 2026. An
8 errata to the updated staff assessment was filed by CEC
9 staff in the project docket on May 22nd in response to
10 applicant comments filed in the docket on May 12th, 2026.
11 Staff have met the required 270-day timeline for an Opt-In
12 project proceeding.

13 Next slide, please.

14 Under California Code of Regulations, Title 20,
15 Section 1881, for the CEC to issue a certificate for any
16 proposed Opt-In project, CEC staff must find that the
17 developer has met all specified Opt-In project
18 requirements.

19 These Opt-In mandatory requirements were met by
20 Levy Alameda, LLC, who certified that all construction
21 workers employed on the project will be paid at least the
22 general prevailing rate of per diem wages for the type of
23 work and geographic area. They will also comply with the
24 statutory requirements, like ensuring the prevailing wage
25 requirement is included in all contracts. The updated

1 staff assessment proposes a condition of certification that
2 the project owner shall implement the construction labor
3 requirements as described in the Public Resources Code.

4 There is a rebuttable presumption of net-positive
5 economic benefit to Alameda County, and to date, there has
6 been no evidence presented in the record that rebuts this
7 presumption.

8 For the requirement that the applicant enter into
9 one or more legally binding and enforceable agreements with
10 or that benefit a community-based organization, the
11 applicant submitted an executed agreement with Tri-Valley
12 Haven. Tri-Valley Haven is an organization that provides
13 services and other forms of assistance to survivors of
14 sexual assault, victims of domestic violence, and homeless
15 individuals and families. On May 20th of 2026, the
16 applicant filed to the CEC docket a second Community
17 Benefits Agreement with Tri-Valley NonProfit Alliance.

18 Next slide, please.

19 As part of the updated staff assessment, CEC
20 staff prepared a Final EIR in compliance with CEQA. CEC
21 technical and engineering staff determined that where
22 potential significant impacts would be created by the
23 Potentia-Viridi BESS, mitigation measures are required to
24 avoid or substantially lessen any identified significant
25 impacts except provisional resources. The proposed

1 conditions of certification and associated verifications in
2 the updated staff assessment would serve as the mitigation
3 monitoring or reporting program required by CEQA.

4 With the imposition and implementation of these
5 conditions of certification, all of the potentially
6 significant impacts would be mitigated to a level of less
7 than significant with the exception of impacts on visual
8 resources, as Drew mentioned, which would remain
9 significant and unavoidable.

10 While CEC staff concludes there is a significant
11 and unavoidable impact to visual resources, staff concludes
12 there is substantial and compelling evidence in the record
13 to support a decision to approve the project by issuing a
14 Statement of Overriding Considerations.

15 Next slide, please.

16 Staff filed an errata to the updated staff
17 assessment on May 22nd for Condition BIO-10. The applicant
18 requested clarification that vegetation management and
19 routine mowing conducted for wildfire prevention within the
20 fenced operational area would not be delayed by survey
21 requirements. Staff added a dedicated mowing plan and
22 added a survey exemption for a wildfire-related emergency.

23 For BIO-26, staff modified language to clarify
24 minimum requirements of compensation lands considered for
25 purchase related to presence of California red-legged frog

1 and also breeding for California tiger salamander.

2 For LAND-2, Condition LAND-2, staff revised
3 language to modify the terms and verification to facilitate
4 partial cancellation of a Williamson Act contract or
5 contracts.

6 Additionally, the errata makes minor corrections
7 and clarifications to other portions of Biological
8 Resources.

9 Next slide, please.

10 In conclusion, the CEC staff recommends, based on
11 the entire record, that there is compelling evidence in
12 said record to support a CEC decision to adopt the proposed
13 order where the CEC would certify the Final EIR, certify
14 completeness of the record of proceedings, adopt staff's
15 proposed findings and conditions of certification, adopt a
16 Statement of Overriding Considerations, and lastly, issue
17 the applicant a certificate to construct and operate the
18 facility.

19 Next slide, please.

20 At this time, I'll close my presentation by
21 acknowledging and thanking the many staff team members who,
22 over the course of many hours, helped us get to today's
23 meeting. Their hard work on the environmental document and
24 throughout the Opt-In proceeding is another outstanding
25 achievement. And staff is here available to answer any

1 questions you might have.

2 At this time, I now pass the microphone to the
3 applicant representative, Julia Zuckerman, for a few
4 comments about the project.

5 MS. ZUCKERMAN: Thank you. Good morning, Chair,
6 Vice Chair, and Commissioners. Thank you for the
7 opportunity to speak today about the Potential Diverted
8 Battery Storage Project. I'm Julia Zuckerman with Clearway
9 Energy Group, the developer and long-term owner operator of
10 this project. I'm here with our Alameda County-based
11 project team, including our project development, permitting
12 and engineering leads, and we are happy to be bringing you
13 a project that's close to home for us.

14 Clearway is a California-based company and one of
15 the largest clean energy companies in the United States.
16 Our projects have been producing clean energy in California
17 for more than 15 years, and we now have six and a half
18 gigawatts of generation and storage capacity in-state,
19 which is enough to power 1.2 million homes. We have more
20 than 200 full-time employees in-state, in addition to the
21 thousands of union construction jobs created by our
22 projects. We have completed and are now operating 10
23 large-scale battery storage projects across the country,
24 including four here in California.

25 First, on behalf of the Clearway team, I want to

1 thank the CEC staff for all of their hard work and
2 constructive engagement with us throughout the process. We
3 especially appreciate all of the work from staff to meet
4 the fixed timeline that is unique to the Opt-In Permitting
5 Program. We know that that's a lot of work for staff, but
6 it made an enormous difference to us as the project
7 developer to know that, in this case, there was a known
8 timeline from the project's application being deemed
9 complete to today.

10 This project took an unusual path to the Opt-In
11 Permitting Program, so I just want to briefly explain how
12 we got here.

13 The project is located in Alameda County in an
14 area that's targeted for energy infrastructure, but the
15 county does not yet have an ordinance governing siting of
16 energy storage projects. So for that reason, when the
17 Potentia-Viridi Project was first introduced to the county,
18 they recommended going to the Commission under the Opt-In
19 Program. And so we really appreciate the collaboration
20 with Alameda County leaders and staff as this project has
21 moved through the Opt-In process here at the Commission.

22 This project is going to bring environmental,
23 economic, and community benefits to the state and to the
24 local community. It's situated in an ideal location
25 adjacent to existing energy infrastructure within the

1 Altamont Pass Wind Energy Area and directly across the
2 street from the substation where it will connect to the
3 grid, as you've heard.

4 This project will improve grid reliability and
5 support California's clean energy goals by storing energy
6 during off-peak times when our clean energy projects are
7 generating and dispatching that energy when the grid needs
8 it most. The project name, Potentia-Viridi, means green
9 power because of the role that it can play in helping to
10 bring more clean energy onto our grid.

11 It will provide economic benefits, including
12 paying more than \$50 million in state and local taxes over
13 its operating life. And those taxes will support schools,
14 fire prevention, public works, libraries, and other
15 essential services. It will create approximately 150 union
16 construction jobs in addition to permanent jobs for our
17 local operations and maintenance team.

18 And in addition to these benefits, the community
19 benefit package for this project totals \$1.1 million. That
20 includes two community benefit agreements totaling
21 \$925,000. One agreement is with Tri-Valley Haven, which
22 serves victims of domestic violence and other community
23 members in need, as Eric said. The other is with the Tri-
24 Valley NonProfit Alliance, which supports the work of many
25 smaller community-based organizations throughout the area

1 through regular re-granting opportunities.

2 The community benefit package also includes
3 \$200,000 budgeted for future donations through the locally-
4 centered Community Engagement Program that Clearway runs at
5 our operating sites across the country. So our local site
6 team will take the lead in identifying where Clearway's
7 donations can make the biggest difference in the community
8 every year. The site will also participate in Clearway's
9 Adopt-a-School Program, which is also going to be led by
10 the local site team.

11 So our team is happy to help answer any
12 questions, and thank you again for the opportunity to be
13 here, and thank you again for all the work by staff to help
14 us reach this milestone.

15 CHAIR HOCHSCHILD: Oh, sorry, were you --

16 MR. VEERKAMP: I stand ready to answer any
17 questions you might have.

18 CHAIR HOCHSCHILD: Okay, no more additional
19 comments? Okay. Great. Thank you.

20 So let's begin with public comment for Item 7.

21 MR. YOUNG: Thank you, Chair.

22 The Commission now welcomes public comment on
23 Item 7. If you're in the room and you'd like to make a
24 public comment, please visit the Public Advisor's table and
25 use the QR code. If you are on Zoom, please use the

1 raised-hand feature to let us know you'd like to make a
2 comment, and if you're joining by phone, please press star
3 nine.

4 All right, in the room we have Jeremy Smith.
5 Please approach, state and spell your name for the record,
6 and we welcome your comments.

7 MR. SMITH: Thank you, Mr. Chair and members of
8 the Commission. Jeremy Smith here on behalf of the -- oh,
9 sorry, J-E-R-E-M-Y S-M-I-T-H, here on behalf of the State
10 Building and Construction Trades Council of California,
11 urging you to support this project today. It sounds like
12 the staff recommendation is to support that, or it is the
13 staff recommendation to support that, so I'll be very
14 brief. I can only make things worse by being up here
15 longer.

16 I just wanted to weigh in and say that the AB 205
17 process that this project is part of is very critical to
18 the building trades. We worked very hard on it in the
19 California legislature. We appreciate you guys
20 implementing it, overseeing it. This is exactly the type
21 of project that we envisioned when that bill passed.

22 And I think you should know that we recently
23 entered into a letter of agreement with the applicant
24 establishing the framework for a future project labor
25 agreement, which will be in addition to the very numerous

1 community benefits that the applicant spoke of a moment
2 ago.

3 So this is a great project that's going to lead
4 to many, many, many hundreds, maybe thousands of
5 construction trade worker jobs, and it's going to help our
6 state's grid reliability, so I urge your support.

7 Thank you.

8 CHAIR HOCHSCHILD: Thank you.

9 MR. YOUNG: Hi. Please approach the podium, state
10 and spell your name for the record. Comments will be two
11 minutes or less.

12 MR. GRIFFITH: All right, Lucas Griffith,
13 L-U-C-A-S G-R-I-F-F-I-T-H. I am a family member and one of
14 five managing directors for McQueeney Ranch Properties.
15 And the little parcel noted is where our family ranch has
16 been since the early 1870s. So my great, great grandfather
17 began his time there. Historically, we ran sheep in the
18 early 1920s, kind of transitioned into cattle. So I'm
19 pleased to be with you today here.

20 We are, you know, a family extremely proud of our
21 cattle ranch culture and the 70-acre BESS project will help
22 us actually sustain our family's grazing operation for
23 decades to come. The BESS project aligns perfectly with
24 our long-term business objectives of renewable energy,
25 cattle ranching, and the conservation of natural resources.

1 The family shareholders voted unanimously to
2 pursue the BESS project, that it is well cited on the ranch
3 in close proximity to existing energy infrastructure and
4 aligns well with MRP's existing wind farm project. The
5 family strongly supports renewable energy projects and
6 continually underscores our goals to sustainably manage the
7 ranch for generations to come.

8 So my family and I strongly encourage you to
9 approve the Tentia Viridi Project. Thank you.

10 CHAIR HOCHSCHILD: Thank you.

11 MR. YOUNG: Thank you for your comments.

12 One last call in the room. All right, I'm going
13 to transition to Zoom. We have our first caller ending in
14 248. I'm going to unmute your line. Please unmute on your
15 end, state and spell your name for the record, and we
16 welcome your comments. Again, that's phone number ending
17 in 248. We see that you're unmuted. Go ahead.

18 MR. WILSON: Hello, can you hear me?

19 MR. YOUNG: Yes.

20 MR. WILSON: Good morning, Commissioners. My
21 name is Shawn Wilson, S-H-A-W-N W-I-L-S-O-N. I'm calling
22 from the Office of Alameda County Supervisor David Haubert,
23 who can't be here on this call today, but did send a letter
24 through the portal, and I hope you received it.

25 We support this project for four reasons. For

1 us, it's very simple. It's a great tax generator for the
2 county, the location is perfect, union jobs, and it's going
3 to be much needed. And I'll add a fifth, since the
4 family's there, we're in favor of this project, again, for
5 those four reasons, and the fifth is that we support the
6 family in this endeavor.

7 I will take a page out of Jeremy Smith's book and
8 end my comments briefly. Just wanted to say we support
9 this, and we hope you all support it as well.

10 Thank you, Commissioners.

11 MR. YOUNG: Thank you for your comments.

12 Christine Dillman, I'm going to unmute your line.
13 Please unmute on your end, and we welcome your comments.

14 MS. DILLMAN: Good morning. My name is Christine
15 Dillman, C-H-R-I-S-T-I-N-E D-I-L-L-M-A-N. I'm the
16 Executive Director for Tri-Valley Haven, a nonprofit that
17 serves survivors of domestic violence, sexual assault,
18 homelessness, and those impacted by poverty.

19 I want to express my sincere appreciation for the
20 community benefit funding associated with this battery
21 energy storage system project. Through this commitment,
22 Clearway Energy Group is investing directly in the
23 wellbeing and safety of our community. Over the next 15
24 years, this funding will help Tri-Valley Haven sustain and
25 strengthen critical services for vulnerable individuals and

1 families throughout Alameda County and the Tri-Valley
2 region. These resources will support our Shiloh Shelter,
3 which provides safe refuge for families fleeing domestic
4 violence. The funding will also help to continue and
5 expand essential services, including counseling, food and
6 basic needs assistance, and legal advocacy for survivors
7 and their children.

8 Every day, we see the growing need for safe
9 shelter, mental health support, and basic necessities.
10 Community partnerships like this one make it possible for
11 us to respond to those needs with compassion, stability,
12 and long-term support. We're extremely grateful for this
13 investment in our mission and in the people we serve.

14 Thank you for your consideration and for
15 supporting efforts that strengthen our community and
16 provide hope and safety to families in crisis.

17 Thank you.

18 MR. YOUNG: Thank you.

19 Kathy Young, I'm going to unmute your line.
20 Please unmute on your end. Comments will be two minutes or
21 less, and we welcome your public comments.

22 MS. YOUNG: Thank you for having me. My name is
23 Kathy Young, K -- I'll spell it, K-A-T-H-Y Y-O-U-N-G, and I
24 am here. I'm the CEO and President of the Tri-Valley
25 NonProfit Alliance, and I'm here to express our support for

1 the Potentia-Viridi Project.

2 Tri-Valley NonProfit Alliance is a nonprofit
3 organization dedicated to strengthening the nonprofit
4 sector and supporting the organizations that serve our
5 local communities. One of the ways we do this is through
6 the Tri-Valley NonProfit Fund, which provides grants to
7 nonprofits working directly to meet community needs.

8 The support connected to this project will allow
9 us to provide additional grant funding to local nonprofit
10 organizations serving residents throughout the Tri-Valley.
11 These funds will have a meaningful impact by helping
12 strengthen the safety net, support vital programs, and
13 invest in organizations doing important work every day in
14 our community. We're grateful for this partnership and for
15 the opportunity to see this project benefit the broader
16 community in such a tangible way.

17 On behalf of Tri-Valley Nonprofit Alliance, I am
18 happy to offer our support.

19 Thank you.

20 MR. YOUNG: Thank you so much.

21 I'd like to make one last call online for any
22 public comments. Please use the raised-hand feature for
23 star nine.

24 Thank you, Chair. That concludes public comment
25 for this item. Back to you.

1 CHAIR HOCHSCHILD: All right, thank you to all
2 the members of the public and stakeholders for those
3 comments.

4 We'll turn now to Commissioner discussions,
5 starting with Commissioner Gallardo.

6 COMMISSIONER GALLARDO: Thank you, Chair.

7 As we've been on our Opt-In journey, we've seen
8 that no siting projects are easy. All applications require
9 a really robust analysis and close consideration because
10 every development project will have some type of impact.
11 And it takes an immense amount of work to analyze all of
12 the potential impacts and to balance them against the
13 benefits of any given project.

14 However, this project thus far may be considered
15 one of the easier ones because as the executive director,
16 Bowen indicated earlier and Eric pointed out in his
17 presentation, staff found that the Potentia-Viridi Project
18 will solely have a significant impact that cannot be
19 mitigated in only one CEQA area, visual resources.

20 It's also great to hear the support from the
21 public, including the trades, the county, the community
22 organizations, and the family, also, who owns the land. We
23 appreciate you participating and voicing your insight and
24 your opinions.

25 Something else I want to note for the benefit of

1 my fellow Commissioners is that you may have heard the
2 mention of Williamson Act issues arise. And I want to
3 clarify that it does not impede our ability to vote on this
4 application. And on that note, the applicant will work
5 with the landowner and the County of Alameda to resolve
6 that issue.

7 I also want to highlight the benefits of the
8 Potentia-Viridi Project, 3,200 megawatt-hours of battery
9 storage to support the grid, employment for over a hundred
10 construction workers for several months and being paid
11 prevailing wages or more, and the project will employ 18
12 permanent full-time employees through the life of the
13 project. The project will also provide more than \$440
14 million of net positive economic value to Alameda County,
15 as we heard from them, and this is over the project's
16 estimated 35-year operational life.

17 Finally, I want to highlight that the applicant
18 has entered into two Community Benefits Agreements, which
19 we heard in more detail earlier. We calculated and found
20 that that will be over \$2,300 per megawatt going to local
21 community-based organizations, which I'm really excited
22 about. These Community Benefits Agreements show a
23 meaningful commitment by the applicant, Clearway Energy, to
24 be a good neighbor, which is an important consideration in
25 power plant facilities that come before the Energy

1 Commission because the benefits of these projects should be
2 felt across the community.

3 And before I conclude, I would like to share some
4 gratitude as well. First, our STEP Team, Eric Veerkamp,
5 thank you for your excellent presentation and leading this
6 project.

7 And a big thank you to the entire Siting Team
8 from STEP for all of the rigor that you have applied and
9 the incredible amount of time that you have invested to
10 accomplish this application in 270 days. In fact, today is
11 day 270. This process also entails coordinating with
12 several other entities, including the California Department
13 of Fish and Wildlife, Department of Conservation, and local
14 agencies, such as Alameda County, to ensure that staff has
15 all of the information necessary to complete the review.
16 And we really value that because it makes our job much
17 easier to have that collaboration.

18 I'd like to also thank our Executive Director,
19 Drew, our STEP Director, Regina Galer, our Deputy Director,
20 Diane Vorters, Eric Knight, Kaycee Chang, and everyone in
21 STEP I may have missed who has worked on this application.
22 I know it's a true team effort, and I'm really proud to
23 serve as Commissioner working with this team on all of
24 these efforts.

25 I'd also like to thank our Chief Counsel's

1 Office, which is a critical part of our team. Thanks to
2 our Chief Counsel, Sanjay, Acting Assistant Chief Counsel,
3 Alex Mayer, and the Legal Team that worked on this project,
4 including Erica Giorgi, Jared Babula, Barbara Borkowski,
5 and Susan Cochran.

6 I would also like to thank Julia and the entire
7 Clearway team for your responsiveness and collaboration
8 throughout the proceeding. And thanks for joining us today
9 as well.

10 I'd also like to thank Tim Duffy, who is the
11 landowner at ranch, at McQueeney Ranch Properties, who
12 personally met with us and gave us a tour of the property,
13 which was really helpful to see the site firsthand. And we
14 always try to do that. Executive Director and I go out
15 there with staff to see the sites and that helps us while
16 we're evaluating.

17 Finally, I'd like to thank everyone who took the
18 time to attend our public meetings in Tracy, and also just
19 participate in the proceeding.

20 And with that, I want to express my support and
21 encourage my fellow Commissioners to approve the
22 certification of the Environmental Impact Report, the
23 override of the visual resource impacts, and the project.

24 Back to you, Chair.

25 CHAIR HOCHSCHILD: Thank you so much,

1 Commissioner.

2 Vice Chair.

3 VICE CHAIR GUNDA: Thank you, Chair. Thanks,
4 Commissioner Gallardo. I had a question on the issue on
5 the Williams Act. So thanks for flagging that. And so I
6 have a few comments and I have maybe one question for Drew
7 Bohan at the end.

8 So first of all, thanks, Eric, for the excellent
9 presentation. I want to also, you know, reiterate thanks
10 to Regina, Diane, the other Eric, and Kaycee. So all the
11 good people who worked on this project.

12 From my vantage point, the storage as we move
13 forward is a very important part of the California clean
14 energy transition. And as we move from two hours -- two
15 hours to four to like eight hours, it becomes really
16 important. So really looking forward to it.

17 Really want to commend the developer. I mean,
18 as, you know, Commissioner Gallardo mentioned, we've been
19 in a few of these votes. Regardless of, you know, two
20 points of observation, regardless of how difficult the
21 votes are, the staff work is the same. So I want to just
22 recognize the incredible effort that staff put in,
23 regardless of how the project ultimately shapes.

24 And then second, some projects are easy to vote
25 on, and it's great when you have a lot of support. And

1 that support happens because of the coordination, you know,
2 the landowner, the developer, the, you know, county. So
3 thanks for all the great work that you've done to bring
4 people together and really appreciate the Community
5 Benefits Agreement. And I think, you know, work on this
6 could be a model on how we do things moving forward. And
7 really appreciative that you're thinking about future
8 projects with the labor and how to kind of structure them
9 are wonderful. And so STEP Team at large and Executive
10 Office and CCO, thank you for all the work.

11 So, Drew, just wanted to ask you, you know,
12 you've now been a part of a number of these projects,
13 what's working well and what are we learning as a team?
14 What can we do better?

15 MR. BOHAN: There you go. Thank you. What's
16 working, I think, is that we try to go to every project, as
17 Commissioner Gallardo pointed out, and go see it. That's
18 really the start, because you can look over visuals and
19 maps and that sort of thing, but there's really no
20 replacement for actually being there physically.

21 In addition, as the statute requires, we meet
22 with the local community before we get going, we meet after
23 we deem the project complete, and we hear from people. And
24 some people say, this is great, we can't wait for it, and
25 sometimes they say, we have very serious reservations about

1 this project. It doesn't matter to us. We listen to
2 everybody. And sometimes you get information from an
3 unlikely source. Local government, of course, is very
4 important, the developer is important, the local groups
5 that are paying attention. But if you listen closely, you
6 can find areas that need to probe deeper. So I think just
7 listening and keeping an open mind has been our special
8 sauce.

9 VICE CHAIR GUNDA: Great. Thank you.

10 And Commissioner Gallardo, it's awesome that you
11 get to do this work. You know, there's a lot of
12 complicated stuff we work on, but siting projects, the Opt-
13 In, is probably one of the most challenging parts of work
14 that we do. And it requires a lot of competence,
15 commitment, but grace and ability to bring people together
16 and can't think of a better Commissioner to kind of lead
17 that, so thank you.

18 CHAIR HOCHSCHILD: Commissioner McAllister.

19 COMMISSIONER MCALLISTER: Great. Well, just
20 would double click on those comments and the
21 congratulations or the gratitude to Commissioner Gallardo.
22 And, yeah, every project has an impact for sure.

23 I mean, I think having the family here endorsing
24 this, and kind of, it's great to hear that context of how
25 you, you know, you actually manage the land and have an

1 integrated view of everything and really see this as part
2 of your overall plan, and I think that's a super powerful
3 testament. So thanks for being here and articulating that.

4 And so, yes, every project has an impact, but I
5 think just the site and the existing infrastructure and the
6 various stakeholders and kind of the overall profile of
7 this project is about as sort of straightforward as it
8 gets. And I think that's a blessing, really, in today's
9 day and age where we just have so much conflict and rightly
10 so, because these are big complicated issues, and we need
11 every tool in our toolbox to be able to address the
12 challenges that we face and get to the grid we want and
13 need in the future.

14 So I'm really happy to support this project
15 robustly and thanks, so thanks.

16 CHAIR HOCHSCHILD: Thank you.

17 Commissioner Skinner.

18 COMMISSIONER SKINNER: Thank you, Chair. As a
19 resident of Alameda County, I'm very much supportive of
20 this project. And I think this is a very good example of,
21 we have many good examples, but how the Opt-In -- we can
22 think of Opt-In primarily as being a way to cause a project
23 to go faster or perhaps to, by not going through the
24 locality, avoid some of the controversies that opposition
25 of a project can bring, especially very focused to a local

1 government. But in this case, I think Alameda County would
2 have been very, very supportive had they been the ones
3 issuing the permit.

4 However, as has been pointed out, Alameda County
5 didn't yet have an ordinance that potentially would have
6 enabled them to act quickly. So our Opt-In Program has
7 really benefited or really assisted this because Alameda
8 County wasn't yet in the position. I hope that Alameda
9 County does adopt, puts itself in a position where an
10 applicant wouldn't necessarily need to go into the Opt-In
11 because, I think as evidenced by the wind power
12 installations in Alameda County, Alameda County has in
13 general been very supportive.

14 But I would also bring up that I also served on
15 the East Bay Regional Park District Board and some of the
16 first wind installations were on land under the
17 jurisdiction of the East Bay Regional Park District. And
18 through that, we learned a lot over time because we had
19 first-generation wind that was positioned such that we're
20 in the Pacific Flyway for the hawk and other migration, and
21 unfortunately, some of that original wind turbines were
22 designed such and placed such that it did in effect have a
23 lot of bird kill. But much of that has been remedied now.
24 And anyway, so this is a great project.

25 But the other thing I wanted to say is that while

1 it is a battery storage project, 400 megawatts, incredible,
2 in a particular locale, it will feed our grid. It is not
3 just going to serve the PG&E customers, say, in the
4 immediate Alameda County area. It will be a grid asset for
5 the entire state to help us avoid blackouts during our --
6 well, not only blackouts, just to make our grid just, you
7 know, more smooth and reliable because there are legitimate
8 times when our power generation needs to be offline for
9 repairs for whatever reasons. And these type of battery
10 storage projects, as we know, are incredible grid assets.

11 So this is kudos to everybody who both supported
12 it and to all of our staff who worked on it and got it
13 through in an efficient manner.

14 And thank you, Commissioner Gallardo for your
15 lead on it additionally.

16 CHAIR HOCHSCHILD: All right. Well, I want to
17 say, first of all, I support the project, and I'll just
18 share a few words about the project and then a little bit
19 more generally about battery storage.

20 So we personally visit every project that we're
21 considering for approval, went out to your land, beautiful
22 parcel land. And I really was encouraged to hear your
23 comments. I think it's really important to recognize, you
24 know, farmers and ranchers, not just in California, but
25 across the country are really suffering now. The high fuel

1 prices related to the Iran war and a number of other
2 pressures, tariffs, and so on. And we're seeing, you know,
3 just an unprecedented number of family farms go out of
4 business.

5 And I really believe renewable energy and battery
6 storage actually can be part of the solution. You have
7 other revenue streams. We see this with wind projects
8 across the country, solar. And so co-locating these things
9 is really strategic, I think, for our country. So I
10 appreciate you being here and I just appreciate the
11 opportunity to go with Commissioner Gallardo to go visit
12 the site.

13 And I want to take us back for a moment to 2010,
14 which was when a visionary hotshot legislator in the
15 California Assembly authored the first battery storage bill
16 in the nation, AB 2514, which set us on this path. And
17 that was now Commissioner Nancy Skinner. That got signed
18 into law. That has changed the game, okay? Yes, so we
19 should give a round of applause.

20 (Applause)

21 CHAIR HOCHSCHILD: We basically have built almost
22 20 gigs of capacity, battery energy storage capacity in
23 California since Gavin Newsom became governor, okay? And
24 so to observe this, first of all, the speed of deployment
25 is amazing; right? You want to build a new combined cycle

1 natural gas plant, that is seven years. You want to do a
2 new nuclear plant, the last nuclear plant, you know, Vogtle
3 2 and 3 in Georgia, it took 17 years, cost \$37 billion,
4 single most expensive electricity in the nation; right?
5 This stuff is coming online.

6 And what is it doing? It's decarbonizing the
7 grid. We're at, you know, nearly 70 percent clean energy
8 on the grid. It's been a great facilitator for renewables
9 and allowing us to hit these milestones we've never hit.
10 So last year we hit on 279 days out of 365, we hit 100
11 percent clean energy on the CAISO's system for a period of
12 the day. Some days it was nine hours a day, some days it
13 was four, some days it was two, but that has never happened
14 before.

15 And it's helping us with reliability, okay? So
16 we haven't had a Flex Alert in this state in almost four
17 years. And we're going through some of the highest
18 temperatures and the highest loads in the history of the
19 state because air conditioning loads are going up. We're
20 adding 1,200 EVs a day. We've got two and a half million
21 electric vehicles on the road. We've moved to, you know,
22 80 percent of new construction going all-electric and we're
23 sustaining that. And storage has been fundamental to that.

24 So really, thank you, Commissioner, for leading
25 us and starting this journey. It wouldn't have happened

1 without that authorizing legislation. Let's give her
2 another round of applause.

3 (Applause)

4 CHAIR HOCHSCHILD: So long way of saying --

5 COMMISSIONER SKINNER: Thank you. Thank you very
6 much, Chair.

7 CHAIR HOCHSCHILD: Yes.

8 COMMISSIONER SKINNER: I would note the thing
9 that I find most amazing about it is that there, other than
10 pumped hydro (phonetic), there was no utility grade storage
11 installed anywhere in the world at the time. So it was
12 even a leap of faith for me.

13 CHAIR HOCHSCHILD: Yeah, exactly so, and more to
14 come.

15 So with that, we'd welcome a motion on Item 7
16 from Commissioner Gallardo.

17 COMMISSIONER GALLARDO: I move to approve Item 7.

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

20 VICE CHAIR GUNDA: Second.

21 CHAIR HOCHSCHILD: All in favor, say aye.

22 Commissioner Gallardo?

23 COMMISSIONER GALLARDO: Aye.

24 CHAIR HOCHSCHILD: Vice Chair Gunda?

25 VICE CHAIR GUNDA: Aye.

1 CHAIR HOCHSCHILD: Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Aye.

3 CHAIR HOCHSCHILD: Commissioner Skinner?

4 COMMISSIONER SKINNER: Aye.

5 CHAIR HOCHSCHILD: And I vote aye as well. Item
6 7 passes unanimously. All right. Thanks, everybody.

7 With that, we'll turn to Item 8, Lead
8 Commissioner and Presiding Member Reports, starting with
9 Commissioner Gallardo.

10 COMMISSIONER GALLARDO: I will defer to the next
11 meeting, Chair.

12 CHAIR HOCHSCHILD: Okay, Vice Chair?

13 VICE CHAIR GUNDA: Just one, maybe a quick thing,
14 Chair.

15 You know, we have -- petroleum is something that
16 we are carefully tracking. There have been a lot of
17 conversations on the fuel supply for California. Staff
18 have been able to, on a rolling basis, you know, watch six
19 weeks ahead. We're looking good, again, for six weeks and
20 further. There was conversations. I think the piece here
21 is not about whether we'll run out of supply, it's just
22 about watching the pricing and what happens. So I'm happy
23 to report that we're continuing to see stable imports
24 coming into the state.

25 Thanks.

1 CHAIR HOCHSCHILD: Commissioner McAllister.

2 COMMISSIONER MCALLISTER: Great, just very, very
3 quickly, so congrats again to Vice Chair Gunda. Really
4 just couldn't be happier for you.

5 And I mentioned the Electrification Summit on the
6 10th, but please, you know, sign up and we'll see you here.
7 It's going to be great.

8 And then lastly, just wanted to give everyone a
9 heads up, kind of a milestone. Tomorrow, the Equitable
10 Building Decarbonization Program is doing its first ribbon
11 cuttings of its first project down in San Diego. You know,
12 it's been a long time coming and it's great to see the
13 pipeline getting full of projects.

14 And we're really grateful to have the County of
15 Los Angeles as the Southern California administrator of
16 that program, which is pretty unique. We have a county
17 government that's administering for a footprint that's far
18 beyond its borders. And so I think that's, you know, kudos
19 to them for that innovation and just being willing to sort
20 of carry that program across Southern California. And they
21 have the bulk, have more than half the program money
22 because they have more than half of the state's eligible
23 population in that footprint. So really indebted to them.
24 Really, I think we're having a great time working with them
25 and they're doing all the details.

1 As all of you know, it's really hard to stand up
2 a big program with hundreds of millions of dollars in it
3 and use that money to greatest effect and also do it
4 accountably and transparently and responsibly. And, you
5 know, we have big goals for that program, far beyond the
6 sort of budget that we have in the near term, because it
7 really is a key element of our decarbonization strategy
8 across the state by mid-century.

9 So I just wanted to say thanks to Deana and the
10 team, Jen and Miriam Joffe-Block and Diana Maneta and a
11 whole huge team of great staff that's just been working so
12 hard to get that program stood up. And we'll be down there
13 to hopefully get a little press and engage our legislators
14 and let them know that we're delivering on what they asked
15 us to do.

16 And by the way, that is the state-funded element
17 of our Building Decarbonization Programs. And it's even
18 more important today that the state money is there and that
19 we're implementing it because the Department of Energy is
20 really sandbagging on moving forward the IRA programs that
21 will slot into these same program structures, but is really
22 taking a long time to materialize. We still think it will,
23 but they're looking like they're going to tweak the
24 requirements and might cramp our style a little bit. So
25 hopefully we'll work that out with the department, but just

1 ever more important to have the state dedicating
2 significant resources to this effort. And again, grateful
3 to the team.

4 CHAIR HOCHSCHILD: Thank you.

5 Commissioner Skinner.

6 COMMISSIONER SKINNER: Thanks. There will be a
7 port electrification sort of not summit but gathering in
8 Long Beach in about two weeks and looking forward to that,
9 but along our themes today of how we are, the state as a
10 whole, we are moving much more rapidly towards
11 electrification everywhere. But it's especially important
12 at our ports because our ports are some of the most
13 concentrated areas of diesel use, and diesel being one of
14 our most polluting fossil fuels. So it's great to see Long
15 Beach really taking the lead in that and we'll be there to
16 support them.

17 The other thing I want to mention, I think I
18 mentioned this in my comments at the last business meeting,
19 but FTD now has a new grant solicitation that's open and
20 with the deadline for applications in August. That is new
21 for us, which is a grant application that will support
22 community-based organizations doing outreach to households
23 in low-income and disadvantaged communities to, in effect,
24 you know, help them see the different incentives that are
25 available for acquiring an EV and then, of course, for

1 supporting their installation at or near home. And our
2 funding will also provide some support for the charging
3 installation.

4 So what we're really -- you know, there's a lot
5 of criticism that EVs, as they've rolled out, that EVs
6 initially were expensive, they were only available to
7 certain households with certain types of income, and that
8 programs have not been as catered to or designed to really
9 help our communities that are more low-income. And so this
10 program really is for that purpose. And I'm very excited
11 that FTD has it on the street now and just wanted to bring
12 it up to everyone again.

13 CHAIR HOCHSCHILD: Great. Thank you. I'll just
14 give a quick readout.

15 I spent most of last week in Los Angeles, did a
16 round table with cleantech leaders at the LA Cleantech
17 Incubator, which was, you know, started with a \$5 million
18 grant from the Energy Commission back in the day. It was a
19 big effort to green Southern California and to green Los
20 Angeles as we approach the 2028 Olympics. And LACI has
21 been leading that effort, so about 70,000 EV chargers in
22 Los Angeles. It's a lot of good stuff happening there.

23 Also met with the CEO of that, their CCA down
24 there, the Clean Power Alliance. I've invited him, Ted
25 Bardacke, to be a guest speaker to us in the coming months.

1 They're just doing some really interesting stuff, just
2 giving cash to all these small cities to help them buy EV
3 fleets. They're just pushing out, you know, a quarter
4 million dollars at a time to various cities and having
5 great success at that.

6 And I spoke at the Offshore Wind and Port Summit.
7 We had almost 350 people there, which is quite a turnout,
8 you know, given present circumstances, but a lot of good
9 momentum and engagement there.

10 And then I visited, together with Drew, the site
11 for Prairie Song, which is the proposed BESS down there in
12 Acton, California. The project we just approved is 3.2
13 gigawatt hours. This is, I think, 9.2 as it's proposed.

14 So you always learn things going to the site that
15 you just won't learn otherwise. So I really appreciate the
16 opportunity to do this and really appreciate, Drew, you and
17 the whole STEP Team's diligence.

18 And let me just thank, again, Commissioner
19 Gallardo for leading us through this really complex and
20 really important process on Opt-In. You've been, you know,
21 giving that an incredible amount of your time, energy, and
22 we're all better off for it. So my gratitude to you for
23 that.

24 With that, let's turn to Item 9, Executive
25 Director's Report.

1 MR. BOHAN: Thank you, Chair. No report today,
2 thank you.

3 CHAIR HOCHSCHILD: Okay, item 10, Public
4 Advisor's Report.

5 MR. YOUNG: Thank you, Chair. I wanted to
6 announce that Jessica Bonitz of Sacramento, California, has
7 been appointed Deputy Public Advisor. She comes to us from
8 the California DOJ where she was Deputy Attorney General in
9 the Land Use and Conservation Section. She's also served
10 as an intern at California Air Resources Board, the
11 California Coastal Commission, and she's held multiple
12 positions right here at the CEC. So we're happy to welcome
13 her back.

14 Jessica, if you're listening, congratulations,
15 and we look forward to welcoming you.

16 CHAIR HOCHSCHILD: Thank you. Yeah,
17 congratulations, Jessica. Really thrilled to --

18 MR. YOUNG: Thank you, Chair. Back to you.

19 CHAIR HOCHSCHILD: Yep. Let's turn next to item
20 11, Chief Counsel's Report.

21 MR. RANCHOD: Thank you.

22 CHAIR HOCHSCHILD: Yeah. Yeah.

23 MR. RANCHOD: Thank you, Chair, Commissioners. A
24 brief report today.

25 As you know, the Chief Counsel's Office includes

1 four units of attorneys, one of which is the Advocacy and
2 Compliance Unit, and attorneys in this unit advise CEC
3 staff and Commissioners on permitting proceedings for
4 projects under the Opt-In Certification Program, including
5 compliance with the requirements of CEQA, advise staff that
6 serve as an independent party in thermal power plant
7 license certification proceedings. They also advise on
8 post-certification amendments, the exemption process for
9 eligible small power plants, relevant rulemakings, and
10 compliance and enforcement matters.

11 Today's business meeting included two significant
12 items on which ACU attorneys played a key role in that you
13 voted to approve, the Potentia-Viridi Opt-In Project
14 application for certification, which was timely approved
15 within the 270-day timeline, and the rulemaking adopting
16 amendments to the definition of related facility in our
17 regulations and adding a definition of a pertinent
18 facility.

19 The attorneys of this unit have been stretched
20 very thin over the past 18 months, working tirelessly along
21 with staff in the STEP Division through numerous sprints to
22 help launch the Opt-In Certification Program, implement
23 streamlining opportunities authorized by legislation that
24 was passed last year, and, of course, process multiple
25 project applications, all of which have entailed 1,000-

1 plus-page staff assessments and EIRs, while also providing
2 support on the many other parts of this unit's portfolio.
3 This work would not have been possible without effective
4 leadership of this unit of attorneys.

5 And so I want to take the opportunity to thank a
6 couple of our senior attorneys who each stepped up to serve
7 as Acting Chief Counsel of ACU over the past four months,
8 and since Matt Pinkerton, who led the unit for more than
9 two years, shifted over to lead our Hearing and Advisory
10 Unit, which also does critical work.

11 So Erica Giorgi, Jared Babula, and Alex Mayer, I
12 believe you're all here in the room, thank you so much for
13 your dedication and your hard work during your turn as
14 Acting Assistant Chief Counsel, and for bringing a
15 pragmatic, solutions-oriented approach to the leadership of
16 ACU during this important and intense time for CEC's work
17 on these issues that are so important for making the clean
18 energy transition.

19 Thank you. That concludes my report.

20 CHAIR HOCHSCHILD: Thank you so much. Appreciate
21 it. Congrats.

22 And then, Commissioners, as you recall, at the
23 request of any Commissioner or senior staff, we are always
24 open to adjourning our meeting in memory of someone. And
25 we got a suggestion from our Chief Counsel to adjourn

1 today's meeting in memory of Rafe Pomerantz, who was known
2 as the sort of Paul Revere of climate, and really bringing
3 attention to the urgency of this crisis at a time when it
4 was not on the map at all. And Commissioner Skinner knew
5 him and is willing to share a little bit about him.

6 COMMISSIONER SKINNER: Thank you, Chair.

7 Yes, Rafe was really a remarkable person. He was
8 a lobbyist initially for Friends of the Earth. And while I
9 didn't know him in that capacity, he, as the *New York Times*
10 obit points out, he brought, during that time, he
11 brought -- there was an EPA report that said, burning coal
12 is releasing CO2, and the quantities of CO2 are going to
13 create a sizable amount of warming in the atmosphere. So
14 the report said that.

15 So he found it, and he started rattling the cages
16 in Washington, D.C., and bringing it to the attention, to
17 the point where, in the 1980 presidential election, a
18 president, or candidate then, George H.W. Bush, was --
19 basically embraced climate change and global warming as a
20 real threat and a real environmental issue. And so did --
21 it was basically talked about. And there's a quote in the
22 *New York Times* from Dan Quayle, where Dan Quayle even
23 described the threat to the planet as real. So one of the
24 things that Rafe always regretted is that we had this
25 window where there seemed to be real bipartisan attention

1 to the issue, and of course, that we've lost a great deal.

2 But where I knew Rafe was in the Clinton
3 administration. He was one of the negotiators for the
4 Kyoto Protocol at the Conference of the Parties, the COP
5 meeting that was in Kyoto. And at that time, I was leading
6 ICLEI, Local Governments for Sustainability, and I was
7 director of the Climate Protection Campaign. And we had
8 organized mayors from all over the world to come to Kyoto,
9 too, and these are mayors of cities, again, from all over
10 the world, who had already made commitments to reduce
11 greenhouse gases and to get to have their cities take
12 policies that would protect our climate. And so we wanted
13 those mayors to be able to interact with the negotiators
14 and influence the Conference of Parties.

15 Now we had no standing. And anybody who
16 understands how those things work, you don't have any
17 standing just as a group of mayors. It's changed a little
18 bit, but basically you didn't. And Rafe arranged for our
19 mayors to be able to participate in a briefing of the U.S.
20 delegation that was literally going to be at the table on
21 the negotiations. And if you recall, ultimately the U.S.
22 did not adopt the Kyoto Protocols, while the Clinton
23 administration played a very productive role in the
24 negotiations.

25 Meanwhile, at home, the fossil fuel industry was

1 working, the Senate and Congress, and while the COP was
2 underway, they basically passed something denouncing the
3 protocols, so -- or denouncing, you know, any agreement,
4 which, you know, unfortunately even our, at the time, U.S.
5 senators, at the time, California's U.S. senators voted
6 for.

7 But anyway, Rafe was -- he was just passionate,
8 and he was -- he understood that, for example, the role of
9 the mayors and other, all the work that was being done
10 outside of the federal government would help bring the
11 appropriate, he hoped, the appropriate attention to this
12 issue that, you know, he was so passionate about.

13 And the other thing that was very remarkable
14 about him is he is the person that brought James Hansen.
15 Up to that point, James Hansen does -- at Goddard, he had
16 done all the research, he's one of the key people that knew
17 how real the science was, but he had never played a public
18 role, and he had never interacted with government and such.
19 And Rafe is the one who pushed James Hansen to the fore.

20 So he deserves to be -- have our meeting adjourn
21 him in memory because we are, State of California, the
22 Energy Commission, all of us are trying to make what he
23 knew was real. We're trying to address that and reverse
24 this terrible crisis of the climate, so thank you.

25 CHAIR HOCHSCHILD: Well said. With that, we're

1 adjourned. Thanks, everybody.

2 (The meeting adjourned at 11:52 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 22nd day of June, 2026.



MARTHA L. NELSON, CERT**367

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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 22, 2026

MARTHA L. NELSON, CERT**367