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BEFORE THE CALIFORNIA ENERGY COMMISSION
AFC COMMITTEE CONFERENCE

In the Matter of:)
) Docket No. 15-AFC-01
PUENTE POWER PROJECT)
_____)

CALIFORNIA ENERGY COMMISSION
1516 9TH STREET
ARE ROSENFELD HEARING ROOM
SACRAMENTO, CALIFORNIA

THURSDAY, JUNE 8, 2017

8:00 A.M.

Reported by:
Peter Petty

APPEARANCES

COMMISSIONERS

Janea Scott, Presiding Member

ADVISERS

Rhetta DeMesa, Adviser to Commissioner Scott

Matthew Coldwell, Adviser to Commissioner Scott

Jennifer Nelson, Adviser to Commissioner Douglas

Kristy Chew, Special Technical Adviser

HEARING OFFICER

Paul Kramer

STAFF

Shawn Pittard, Project Manager

Kerry Willis, Staff Counsel

Michelle Chester, Staff Counsel

Rosemary Avalos, Public Adviser

PUENTE POWER PROJECT

Michael Carroll (via WebEx), Latham & Watkins, LLP

INTERVENERS

Ellison Folk (via WebEx), City of Oxnard

Lisa Belenky (via WebEx), Center for Biological Diversity

APPEARANCES

ALSO PRESENT

Raj Dixit, WebEx Operator, Counsel for Committee

Jordan Pinjuv (via WebEx), California Independent System Operator

PUBLIC COMMENT

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

Carmen Ramirez (via WebEx), Mayor Pro Tem, City of Oxnard

Susan Jordan (via WebEx), California Coastal Protection Network

P R O C E E D I N G S

8:04 A.M.

SACRAMENTO, CALIFORNIA, THURSDAY, JUNE 8, 2017

HEARING OFFICER KRAMER: This is Paul Kramer. I'm the Hearing Officer for the Committee. With me this morning is Commissioner Janea Scott, who is our Presiding Member.

Why don't I just take roll, and just roll through it?

COMMITTEE MEMBER SCOTT: Okay. That's fine.

HEARING OFFICER KRAMER: Okay. And we have in the room our court reporter, Michelle Chester, Shawn Pittard, and Kerry Willis from Staff, and a gentleman who's going to make a public comment, and that's it.

So let's see who's on the telephone. I saw Ellison Folk for the City of Oxnard; correct?

MS. FOLK: Yes, I'm here.

HEARING OFFICER KRAMER: Okay. Anyone from the Environmental Coalition, Environmental Defense Center, and Sierra Club? Okay.

Robert Sarvey?

Kristy Chew just joined us, one of the Commissioner's Advisers.

CEJA, Ms. Limon or Ms. Lazerow?

Center for Biological Diversity?

1 MS. BELENKY: Yes. Good morning. This is Lisa
2 Belenky with the Center for Biological Diversity.

3 HEARING OFFICER KRAMER: Okay. Your voice is real
4 low, so you'll want to project if you want to say anything
5 else.

6 EFFIERCE, Dr. Chang? Okay.

7 Some other agencies. The California ISO, anyone
8 with us?

9 MR. PINJUV: Yes. Jordon Pinjuv from the California
10 ISO.

11 HEARING OFFICER KRAMER: Thank you.

12 Coastal Commission?

13 Any other state or federal agencies wish to
14 identify themselves?

15 And then we have Rosemary -- well, actually, she
16 went out to run and errand for me, but Rosemary Avalos from
17 the Public Adviser's Office is here to help people if they
18 have any questions about participating in our proceeding.

19 And then finally, the applicant. I think I saw Mr.
20 Carroll on the list.

21 MR. CARROLL: Yes. Mike Carroll with Latham and
22 Watkins for the applicant.

23 HEARING OFFICER KRAMER: Is anyone else with you?

24 MR. CARROLL: I believe that George Piantka,
25 Director of Environmental Services for NRG is on. And I'm

1 not sure if Dawn Gleiter, the Project Director from NRG, is
2 on, but she may join us later if she's not on yet. She's
3 also joined us, Dawn Gleiter, Project Director for the
4 Puente Project with NRG Energy.

5 HEARING OFFICER KRAMER: Okay. Thank you all.
6 Today's meeting is primarily for the purpose of continued
7 Committee deliberations in closed session. But as we do for
8 each of these continued Committee conferences, we take
9 public comment.

10 Go ahead and mute everyone on the phone for the
11 moment.

12 Our first request to speak was from V. John White
13 of CEERT. So if you want to come to the -- have a seat,
14 actually, and turn on one of the microphones. And we will be
15 limiting comments to three minutes today.

16 MR. WHITE: Thank you, Commissioner, and Mr.
17 Officer. My name is John White. I'm with the Center for
18 Energy Efficiency and Renewable Technologies. And I thank
19 you for the opportunity to speak. I realize that the
20 Committee is facing significant challenge in terms of
21 weighing a number of issues.

22 I just wanted to point out a relatively new
23 development that was announced yesterday by -- in Los
24 Angeles. The Department of Water and Power has decided to
25 forego or delay the repowering of a couple of its large in-

1 basin gas plants. This is because of the rapid improvement
2 in technologies that enable them to visualize the
3 possibility of keeping the lights on in the heart of their
4 load center with less combustion of gas than they originally
5 thought they would need.

6 The other thing that is important about that is
7 that even though L.A. has had a relatively strong presence
8 with respect to both in-basin gas, as well as imported coal,
9 they're moving rapidly in a different direction. And they
10 have a very energized, integrated resource plan.

11 They also have adapted some new technologies that
12 I think this Commission has been aware of, because there was
13 a tour of their facilities in Southern California basically
14 illustrated their use of clutches on their power plants to
15 enable them to get voltage support and synchronous
16 condensers without burning gas. This is a very -- it's a
17 standard the that General Electric offers. But this is the
18 kind of thinking that goes into the City of Oxnard's
19 alternative. And we just would urge the Committee to keep
20 its eyes and ears open to all the new developments and new
21 technologies that we have an opportunity to deploy. Thank
22 you.

23 HEARING OFFICER KRAMER: Thank you.

24 Let's go to the two people who had previously said
25 they wanted to make a public comment on the telephone. First

1 was Mayor Pro Tem Carmen Ramirez.

2 MAYOR PRO TEM RAMIREZ: Good morning. I've un-muted
3 myself. Can you hear me now?

4 HEARING OFFICER KRAMER: We can. Thanks.

5 MAYOR PRO TEM RAMIREZ: Okay. I'm out on the water
6 (phonetic) here, so I hope that there's no extra noise. Good
7 morning, and thank you for this opportunity.

8 We're here at a very important time for our City
9 of Oxnard, our people, and actually for California and the
10 world. And I always like to think in the decisions I make as
11 an elected official for our city, how will I be remembered
12 for the decisions I make every day, small and large, for the
13 future of my city, the health of my people, the health of my
14 community and my planet?

15 Yesterday, or a couple days ago, you heard
16 multiple public comments urging the Commission to accept
17 California ISO's offer to evaluate clean energy alternatives
18 to repowering the once-through cooling facility that has
19 long burdened the City of Oxnard with the proposed Puente
20 Project. On the very same day as the Committee -- Commission
21 -- Committee deliberated, the Los Angeles Department of
22 Water and Power took action on its review of its own once-
23 through cooling plant. As set forth in the L.A. Department
24 of Water and Power Board presentation, the city docketed
25 this proceeding on Tuesday, rather than repower these

1 facilities as originally intended, the DWP has now put all
2 planned re-powering projects on hold until additional
3 analysis is conducted to identify all viable alternatives to
4 new gas plant development.

5 We ask the Committee and the Commission to treat
6 the people of Oxnard with the same consideration the LADWP
7 is treating the people of Los Angeles. The time to look past
8 fossil fuels to clean energy alternatives is long overdue.
9 The DWP has recognized this, and the California Energy
10 Commission should, as well. The world is counting on
11 California, our Commission, our leaders in the energy scene
12 which is changing drastically. Our task is simple, very
13 simple, we must consider all alternatives and we must think
14 of the future.

15 Thank you very much.

16 HEARING OFFICER KRAMER: Thank you.

17 Next was Susan Jordan.

18 MS. JORDAN: Yeah. Hi. I un-muted. Can you hear me?

19 HEARING OFFICER KRAMER: Yes.

20 MS. JORDAN: Okay. Great. Susan Jordan. I'm the
21 Executive Director of the California Coastal Protection
22 Network. I have a long history of working with the Oxnard
23 community as part of my statewide work.

24 I want to urge the Committee to accept CAISO's
25 offer to conduct an alternatives study. Far from the delay

1 tactic, this study -- I mean, a mere four weeks is not a
2 long time in the scheme of things. And this study represents
3 a prudent and reasonable step forward.

4 Just as the LADWP announced its decision to put it
5 on hold, its \$2.2 billion plan to rebuild several old
6 natural gas power plants, while it conducts an analysis of
7 clean energy alternatives to meet electricity demands, the
8 CEC, too, has an opportunity here, a very significant
9 opportunity to accept CAISO's offer to do a similar
10 alternatives analysis for the proposed Puente Project.

11 Oxnard has long shouldered an inordinate and
12 unfair burden of polluting infrastructure. And it's time to
13 consider alternatives that may be available that could meet
14 electricity demand while moving closer to the clean energy
15 future we all embrace.

16 So in closing, I would really like to thank the
17 Committee for its due diligence and its serious
18 consideration of CAISO's offer. And I urge the Committee and
19 the CEC to accept it.

20 Thank you so much.

21 HEARING OFFICER KRAMER: Thank you.

22 We have nobody new in the room to make a public
23 comment.

24 Does anyone else on the telephone wish to make a
25 public comment?

1 MR. CARROLL: Mr. Kramer, this is Michael Carroll
2 on behalf of the applicant. It's not a public comment, but I
3 would like to make just a brief comment related to the LADWP
4 presentation at an appropriate time.

5 HEARING OFFICER KRAMER: Okay. Let's see if we've
6 got any more public comments, and then we'll go to you.

7 Does anyone else on the telephone wish to make a
8 public comment? Okay.

9 Mr. Carroll?

10 MR. CARROLL: Just very briefly. I wanted to point
11 out, in light of the docketing of the LADWP presentation and
12 the comments that were made this morning that, and I'm sure
13 this is obvious to the Committee, but the situation within
14 the LADWP territory is obviously very different than the
15 situation in the Oxnard region.

16 I would also point out that the LADWP, just to be
17 clear about they're doing, is that they are undertaking an
18 analysis of their future plans. The options that might come
19 out of that analysis. And at page eight of their
20 presentation they explicitly state that one of the possible
21 outcomes is a repowering of the OTC units as originally
22 planned.

23 So I just want to be clear that there has been no
24 decision on the part of LADWP, whether that's relevant or
25 not. But there's been no decision on the part of LADWP to

1 not move forward with the gas-fired plant as originally
2 planned, only to undertake an analysis of those plans and
3 to look at alternatives. And we certainly agree that
4 alternatives should be evaluated. We think that they have
5 been evaluated in this case.

6 And the last thing that I would point out is that
7 study that LADWP intends to undertake is expected to extend
8 well into next year.

9 So I just wanted to highlight a couple of points,
10 given that some of the parties seem to think that the study
11 on the part of LADWP is relevant to these proceedings, which
12 we don't, but we just wanted to make sure that things were
13 clear.

14 HEARING OFFICER KRAMER: Okay.

15 MR. CARROLL: Thank you.

16 HEARING OFFICER KRAMER: Thank you.

17 With that, we are going to -- hold on a second.
18 I'm going to see if I can get a return time.

19 (Colloquy between Hearing Officer Kramer and
20 Commissioner Scott)

21 HEARING OFFICER KRAMER: Okay. We're going to
22 adjourn to closed session pursuant to Government Code -- I
23 should remember that by now -- 11126(c)(3) which allows a
24 state body, including a delegated Committee, to hold a
25 closed session to deliberate on a decision to be made --

1 reached in a proceeding that we are required by law to
2 conduct.

3 We're going to return no earlier than 9:20. That's
4 our target to report out the results of the closed session.
5 If it ends up going longer, we may just come back to say
6 that we'll be coming back later in the day. But check back
7 with us at 9:20. One of us, well, I'll admit it, it's me,
8 has to go have an offsite commitment, so I have to break at
9 9:30. And we hope to finish by then, but if we don't, you
10 know, we're just going to keep it going in the interest of
11 moving the proceeding forward. And we may have you coming
12 back closer to noon to hear from us.

13 So with that, we're adjourned to a closed session.

14 Thank you.

15 (Off the record at 8:17 a.m.)

16 (On the record at 9:38 a.m.)

17 HEARING OFFICER KRAMER: -- brief interlude. The
18 Committee is continuing its closed session deliberations.
19 And we have a new report-back time which will be no earlier
20 than 10:15 this morning, so about 35 minutes from now,
21 thereabouts.

22 So I'm going to put the WebEx back on hold. And
23 let me ask somebody, though, to confirm that you're actually
24 hearing me.

25 MR. CARROLL: Yes, we are.

1 MS. BELENKY: We hear you.

2 HEARING OFFICER KRAMER: Okay. Thank you. I'm going
3 to put you all back on mute again, and we'll see you at
4 10:15.

5 (Off the record at 9:39 a.m.)

6 (On the record at 10:15 a.m.)

7 COMMISSIONER SCOTT: Okay. Hello everyone. This is
8 Commissioner Janea Scott. I want to let you know that the
9 Committee deliberated. There is no reportable action. And
10 the Committee will issue formal written orders shortly. And
11 we are now adjourned. Thank you.

12 (The meeting adjourned at 10:16 a.m.)

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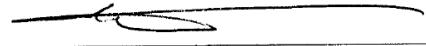
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REPORTER'S CERTIFICATE

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 21st day of June, 2017.



PETER PETTY
CER**D-493
Notary Public

CERTIFICATE OF TRANSCRIBER

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

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

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



June 21, 2017

MARTHA L. NELSON, CERT**367