

DOCKETED

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Joshua Croft	8

Others Present (* Via WebEx)

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Scott A. Galati, DayZen LLC representing Vantage Data Centers	2
Spencer Myers, Vantage Data Centers	2
Eric Poff, Sacramento Municipal Utility	3

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Interested Parties (Cont.)

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- a. Pursuant to Government Code Section 11126(e), the Energy Commission may adjourn to closed session with its legal counsel to discuss any of the following matters to which the Energy Commission is a party:
- i. *In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)*
 - ii. *Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)*
 - iii. *State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court #34-2016-00204586)*
 - iv. *Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, #17-cv03404).*
 - v. *City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477).*
 - vi. *State Energy Resources Conservation and Development Commission v. City of San Jose, JUM Global, L.L.C. (Sacramento Superior Court, Case No. 34-2018-00230652).*

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b. Pursuant to Government Code section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the Commission.	
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P R O C E E D I N G S

JANUARY 9, 2019 10:03 a.m.

CHAIRMAN WEISENMILLER: Good morning. Let's start the Business Meeting with the Pledge of Allegiance.

(Whereupon the Pledge is recited)

CHAIRMAN WEISENMILLER: I was just going to start with a couple of brief items. I think first, all of us want to welcome the new Governor. It's exciting times. Obviously, Governor Brown will always be in our history, in our hearts, but we wish he and Anne well and Colusa.

I was also going to just announce generally that we haven't finished this IEPR but the next IEPR, Commissioner Scott will be the lead on that. She's working on the scoping of it. It will probably focus primarily on transportation and equity issues. But just so everyone knows that part.

I'm going to make a slight adjustment to the schedule. Looking at sort of the number of attendees and time, I'm going to shift Item 2 to after Item 5. I think we have probably more people here for 4 and 5 than for 2, and 2 will take a fair bit of time given a closed session. So anyway, just giving people a heads up on the timing.

So let's start with the disclosures and then we'll go on to Consent.

COMMISSIONER DOUGLAS: Great. Thank you, Chair

1 Weisenmiller. So I have two disclosures. It is this time
2 of year again and I'm teaching a renewable energy law class
3 at King Hall at UC Davis. So on Item 1b on the agenda UC
4 Davis is a prime contractor. On Item 7d UC Davis is a
5 subcontractor on that item. And neither of those items
6 pertain to the law school or the King Hall, but
7 nevertheless I wanted to make this disclosure. Thank you.

8 COMMISSIONER MCALLISTER: On Item 1a I'm going to
9 recuse myself. I'm on the Board of the Alliance to Save
10 Energy. And that item is directly related to that entity
11 and our membership there.

12 CHAIRMAN WEISENMILLER: Good. So let's take up
13 on the Consent Calendar everything but Item a, everything
14 but a, yeah so.

15 COMMISSIONER DOUGLAS: I move Consent Calendar
16 except for item A.

17 COMMISSIONER SCOTT: Second.

18 COMMISSIONER MCALLISTER: Second.

19 CHAIRMAN WEISENMILLER: All those in favor?

20 (Ayes.)

21 CHAIRMAN WEISENMILLER: So the Consent Calendar,
22 except for Item a is passed 5-0.

23 So Commissioner McAlister is leaving the room.

24 (Commissioner McAllister left the room.)

25 CHAIRMAN WEISENMILLER: So now, let's go to Item

1 a.

2 COMMISSIONER DOUGLAS: Move Consent Calendar Item

3 1a.

4 COMMISSIONER SCOTT: Second.

5 CHAIRMAN WEISENMILLER: All those in favor?

6 (Ayes.)

7 CHAIRMAN WEISENMILLER: This passes 4-0, with one
8 recusal.

9 So now again we're going to skip Item 2 and go
10 directly to Item 3.

11 MS. DYAS: Good morning, Commissioners. My name
12 is Mary Dyas. I'm with the Compliance Office of the
13 Siting, Transmission, and Environmental Protection
14 Division.

15 I'm the Energy Commission Staff Compliance
16 Project Manager for the Sacramento Power Authority's
17 Campbell Cogeneration Project. And with me this morning is
18 Staff Counsel Lisa DeCarlo and staff is also in attendance.

19 Today, staff is requesting approval of a petition
20 to amend the Commission Final Decision for the Campbell
21 Cogeneration Facility to install a wet compression system
22 upgrade to replace and upgrade existing burners and to
23 increase the startup carbon monoxide emission limit to
24 reflect actual startup emissions.

25 The 158-megawatt cogeneration project was

1 certified by the Energy Commission in 1994 and the project
2 began commercial operation in 1997. The facility is
3 located at 3215 47th Avenue in an unincorporated area of
4 Sacramento County. The project is on approximately 5.8
5 acres adjacent to the former Campbell Soup facility, in
6 which cogeneration ceased in 2016.

7 On November 2nd, 2018 the Sacramento Power
8 Authority filed a Petition to Amend with the Energy
9 Commission requesting to modify the Campbell Cogeneration
10 Project to install a Siemens wet compression system upgrade
11 in order to reclaim electrical production typically lost
12 during high ambient temperature conditions, to replace the
13 existing burners with upgraded Siemens HR3 burners, and to
14 increase the startup carbon monoxide emission limit to
15 reflect actual startup emissions. The modifications will
16 not increase either electrical generation or fuel
17 consumption beyond the existing license limits.

18 Staff determined that the technical area of air
19 quality will be affected by the proposed project changes
20 and has proposed Revised Conditions of Certification in
21 order to ensure compliance with laws, ordinances,
22 regulations and standards.

23 Staff recommends that four existing Energy
24 Commission Conditions of Certification be modified to
25 reflect the changes in the carbon monoxide limit. Staff

1 also recommends that 42 other Conditions of Certifications
2 be modified with administrative changes to align them with
3 the current permit with the Sacramento Metropolitan Air
4 Quality Management District.

5 These revisions including the modifications of
6 the carbon monoxide limit would not cause any additional
7 air quality impacts or adversely affect the ability of the
8 project to comply with laws, ordinances, regulations and
9 standards.

10 On January 3rd, 2019 the Sacramento Power
11 Authority submitted comments on staff's analysis and staff
12 is in agreement with the comments.

13 On January 8th, 2019 an information request
14 letter was docketed by the Union Pacific Railroad Real
15 Estate Division. Staff contacted a representative of the
16 Real Estate Division and confirmed that the response to the
17 letter is only required if proposed work affects the rail
18 road. In this particular case, the proposed Petition to
19 Amend does not involve the railroad and therefore no
20 response is needed.

21 Staff has determined that the changes proposed in
22 the Petition to Amend comply with the requirements of Title
23 20 Section 1769(a) of the California Code of Regulations
24 and recommends approval the project modification and
25 associated revisions of the Air Quality Conditions of

1 Certification.

2 CHAIRMAN WEISENMILLER: Thank you.

3 Let's go to Applicant.

4 MR. POFF: Good morning. My name is Eric Poff.
5 I am the Manager for the Thermal Generation Assets for
6 SMUD. Beside me is Joe Schofield, the Deputy General
7 Counsel for SMUD. And on SMUD's behalf, we would just like
8 to thank the Commissioners for hearing the petition this
9 morning. We would also like to thank the CEC staff,
10 California Energy Commission staff for review and approval
11 of the petition. And we also would like thank the
12 Sacramento Metropolitan Air Quality Management District
13 staff for their review and approval of the petition.

14 Finally, I'd like to address the letter that we
15 received late yesterday from Union Pacific. I also reached
16 out to the point of contact with Union Pacific earlier this
17 morning and was informed, as CEC staff was, that the letter
18 is a form letter that is sent out whenever they receive a
19 notification. They receive approximately 5,000
20 notifications a year and this is their standard process.

21 I informed her that our project is specifically
22 related to the combustion turbine building. It would have
23 no impact on the railroad's right-of-way. And she informed
24 me that no further action was needed.

25 We are open for any question that the Commission

13

1 may have. Thank you.

2 CHAIRMAN WEISENMILLER: Thank you.

3 Let's start with are there any comments from
4 anyone in the room? Any comments from anyone on the line?

5 (No audible response.)

6 CHAIRMAN WEISENMILLER: Then let's transition
7 over to the Commission, to the full Commission.
8 Commissioner Douglas?

9 COMMISSIONER DOUGLAS: Well, just some brief
10 comments. I've reviewed the materials on this proposed
11 amendment and I support it. I think it obviously is
12 important to be able to generate power that's needed during
13 times when air temperatures are hot and the power's really
14 needed. And so I think it's a valuable proposed change. I
15 appreciate staff's rigorous review of the air quality and
16 the update of the conditions to reflect that.

17 So I don't know if there are any other questions.
18 In that case I'll approval of this item.

19 COMMISSIONER SCOTT: Second.

20 CHAIRMAN WEISENMILLER: Okay. All those in
21 favor?

22 (Ayes.)

23 CHAIRMAN WEISENMILLER: This item passes 5-0.
24 Thank you.

25 MR. POFF: Thank you.

1 CHAIRMAN WEISENMILLER: Let's go on to Item 4.

2 MR. GALDAMEZ: Okay. Good morning,

3 Commissioners. My name I'm Alejandro Galdamez. I work for
4 the Efficiency Division under the Appliances Office. I'm
5 here seeking adoption of the regulation for air compressors
6 and the negative declaration under CEQA.

7 I'm going to talk about what we concluded in
8 regards to the requirements of the California Environmental
9 Quality Act, CEQA.

10 The proposed standard will reduce electricity
11 consumption, criteria pollutants and other particulates.
12 The materials used for the manufacturer as well as the
13 lifetime of the covered appliances will not change due to
14 the proposed regulation.

15 We also did not receive any comments challenging
16 our determination under CEQA where we determined that the
17 proposed regulation has no significant adverse effect to
18 the environment.

19 We therefore recommend for the Commission to
20 adopt the proposed negative declaration under CEQA.

21 Going back to the proposed standard let me first
22 give you some background for the regulation. The US
23 Department of Energy published a final rule notice on
24 December 5th, 2016. Unfortunately, DOE did not finalize
25 the process and published the proposed regulation into the

15

1 Code of Federal Regulations Title 10. And since the rule
2 was not published and therefore not finalized, California
3 was not and is not preempted for setting the standard as a
4 state efficiency standard.

5 The scope of the proposed regulation is
6 compressors, air compressors that will -- for commercial
7 and industrial air compressors that are rotary, lubricated,
8 liquid or air cooled and have a fixed variable speed
9 brushless electric motor, with nominal horsepower between
10 10 and 200 horsepower. In addition, the air compressor is
11 only for those that operate under gauge pressure of 75 and
12 200 pounds per square inch.

13 The test procedure under the proposed regulation
14 was finalized by the Department of Energy and therefore is
15 incorporated by reference. It's located in the Code of
16 Federal Regulations Title 10, subpart T, of Appendix A.

17 In addition, and in order to reduce test burden
18 to manufacturers, we are proposing to allow for the use of
19 alternative efficiency determination methods, or better
20 known as AEDMs for compressors. This method is also
21 incorporated by reference and is in the Code of Federal
22 Regulations, Title 10, sections 429.63 and 429.470 to be
23 exact.

24 The Energy Commission staff is proposing the same
25 efficiency level as the one proposed under DOE. This graph

1 depicts that. It's the green line right here. Any
2 compressor that performs on or above this green line is
3 basically compliant. Any compressor under the line will
4 have to be reengineered and cannot be offered or sold in
5 California.

6 We determined or concluded that the proposed
7 regulation is technically feasible since there are
8 compressors that currently operate above or at the
9 efficiency level of the previous slide.

10 In addition, there are technologies available for
11 redesign. Some of examples of this are multi-staging, air-
12 end improvements and auxiliary components improvement.

13 The Energy Commission agrees with DOE's
14 determination that this and other technologies are
15 currently available to achieve compliance to the proposed
16 regulation.

17 To better illustrate the technical feasibility I
18 am including this slide for one of the four different types
19 of compressors that DOE studied. The graph is for a rotary
20 fixed-speed lubricated air cooled air compressor.

21 As it can be seen here, the majority of available
22 compressors under the scope are above the Efficiency Level
23 2, the blue line on the graph. I only included one graph
24 since all the other three compressors are similar on the
25 number of compressors that are already compliant to the

1 proposed regulation.

2 Energy Commission staff concluded, after
3 receiving some comments, that the first year electricity
4 savings calculated are for about 17 gigawatt hours, which
5 equates to \$2.4 million in savings for California.

6 The lifecycle annual electricity savings for
7 California were concluded to be around 217 gigawatt hours
8 per year. The annual net benefit was calculated to be
9 approximately 22 million with a 3 percent discount rate.

10 This is a net benefit to cost ratio that varies
11 from 2:1 to 6:1 depending on the type of compressor.

12 We received in total 11 comments. Three of them
13 were in total support. Six of the comments supported the
14 regulation, but wanted some changes. We also received two
15 comments in opposition for the proposed regulation.

16 Energy Commission staff has concluded, after
17 considering all the comments, that the proposed standard is
18 technically feasible and cost effective. And recommends
19 the adoption of the proposed regulation by the California
20 Energy Commission, with a compliance date of January 1st,
21 2022.

22 With that, I have finished my presentation and
23 I'm here to answer any questions.

24 CHAIRMAN WEISENMILLER: Thank you.

25 Let's start with public comments. Michelle

1 Chester.

2 MS. CHESTER: Good morning, Commissioners. My
3 name is Michelle Chester. I am with firm of Somach Simmons
4 & Dunn. And I'm here today on behalf of Atlas Copco North
5 America.

6 We have been an active participant in the ongoing
7 appliance energy rulemaking for the air compressors and
8 appreciate the opportunity to comment on and discuss with
9 staff the proposed rulemaking.

10 We are asking today that you postpone the vote on
11 this item or deny moving forward with this rulemaking as
12 written. We do support proposed requirements for air
13 compressors, but as we've commented this support is
14 contingent on revisions to the proposed regulatory language
15 to allow for the use of historical ISO 1217 test data to
16 certify compliance with the Energy Efficiency Standards.

17 The Commission's proposed rule intends to follow
18 federal efficiency and testing procedures, but
19 implementation of DOE's testing standard was suspended
20 before manufacturers received the clarity they needed
21 regarding procedures for compliance certification.

22 In order to provide manufacturers that certainty
23 to certify compliance of their products for sale in the
24 California market, and to provide certainty for consumers
25 in the California market, we are asking that you explicitly

1 allow for use of historical ISO 1217 test data for
2 compliance certification. We do not believe this approach
3 would result in the sacrifice to the Commission's desire to
4 energy efficiency goals.

5 The ISO 1217 test method is widely used by
6 manufacturers and is proven to provide accurate readings of
7 a unit's energy efficiency. While the DOE test method is
8 based on the ISO 1217 test method, DOE test procedures
9 differ most significantly in that it requires testing of
10 two units of the same model, while the ISO 1217 test method
11 requires testing of just one unit.

12 There are differences between the two test
13 methods. But the differences do not result in significant
14 differences between the data. Requiring use of DOE's test
15 procedures would invalidate almost all historical ISO 1217
16 data since older tests were run on one machine, not two of
17 the same model.

18 Additionally, the delayed operative date of
19 January 1st, 2022 does not provide relief to manufacturers.
20 Atlas Copco units manufactured before 2022 have already
21 achieved the desired energy efficiency levels, as shown by
22 prior ISO 1217 test data and methods.

23 Those same models with the same level of energy
24 efficiency supported by ISO 1217 test methods and data
25 cannot be certified for sale on the California market

1 without the expensive and time-consuming task of retesting
2 those models to the federal standard without any additional
3 improvements in energy efficiency.

4 Additionally, we are concerned that staff had not
5 responded to Atlas Copco's comments that an important
6 reference to the Code of Federal Regulations has been
7 omitted from the proposed regulatory language. This is
8 specifically Section 431.343 under Title 10, concerning the
9 federal test methods upon which the Commission's rules
10 rely. Additionally, because today's vote on this item was
11 noticed before the close of the 45-day comment period and
12 before the January 3rd hearing on this matter, we're asking
13 that you take the time to consider any comments. And we
14 believe that it prematurely foreclosed any possibility of
15 providing 15-day language responding to these comments and
16 revising the language.

17 CHAIRMAN WEISENMILLER: Okay. Thank you.

18 MS. CHESTER: Thank you.

19 CHAIRMAN WEISENMILLER: Charles Kim?

20 MR. KIM: Thank you, Chair. Thank you,
21 Commissioners. I'm Charles Kim of the Southern California
22 Edison company.

23 The proposed adoption is another example of the
24 CEC's leadership on energy efficiency. CEC's leadership,
25 therefore California's leadership on energy efficiency does

1 not just put regulation on a book. But it acts like a
2 force for market transformation.

3 Southern California Edison, like many other
4 utilities, has been incentivized in technologies including
5 air compressors, so that our customer has a choice of
6 purchasing more energy efficiency that brings savings and
7 that uses the energy wisely. And the proposed regulation
8 is going to bring more clarity to the baseline of our
9 incentive programs that we don't have right now. And then
10 it will continue act like a force for the market
11 transformation. The market transformation, working with
12 the regulatory folks with the incentive program, can
13 clearly bring benefits to Californians.

14 And the second thing that I want to mention is
15 that the proposed regulation is very, very cost effective.
16 The cost/benefit ratio is ranging from 2:1 to 6:1. That
17 gives an assurance that the proposed regulation will bring
18 benefits to our customers, therefore Californians, greatly.
19 That gives us assurance.

20 The other thing is that the proposed language is
21 technically feasible. If you look at the existing
22 compressors on the chart that your staff analyzed very
23 diligently, not just one or two products meet those
24 standards, existing products that I'm talking about, a
25 majority. Some of them is like 5 percent of the market,

1 existing data, existing products already meet those
2 proposed regulations.

3 California's (indiscernible) used proposal, which
4 proposed a high level efficiency. That is also cost
5 effective. But knowing the sensible approach the CEC is
6 taking, and then knowing that there's an effort that has
7 been taken at the DOE, and then (indiscernible) therefore
8 in California to bring and save the opportunities to
9 California that shows our leadership once again and we care
10 about those opportunities. And I'm very, very appreciative
11 for the CEC taking those leads to make this one happen.

12 So my commend goes to all the staff: Alex, Leah,
13 Chris, Kristen, and Pat Saxton to make this proposal
14 possible. So once again, I'm very thankful for this
15 opportunity. Thank you.

16 CHAIRMAN WEISENMILLER: Thank you.

17 Is there anyone else in the room with comments?
18 Then let's go on the line. Please, Mr. Kuffman, (phonetic)
19 go forward.

20 MR. KNUFFMAN: Knuffman. Good morning,
21 Commissioners. Chris Knuffman, Quincy Compressor. We
22 appreciate the opportunity to comment. Quincy Compressor
23 makes rotary screw air compressors at our factory in Bay
24 Minette, Alabama. These machines are subject to the
25 Commission's proposed efficiency rule.

1 Quincy supports the adoption of the rule,
2 provided it is amended to allow the use of accurate data
3 from prior testing, in order to certify compliance with the
4 efficiency rule. Right now, such data cannot be used.

5 Quincy has conducted costly tests of its rotary
6 screw air compressors using the federal DOE method this
7 proposal would use to certify the compliance with the
8 California standard.

9 Since the January 4th, 2017 DOE test method was
10 published in the *Federal Register*, but primarily in the
11 past 12 months with a very high priority in our R&D lab,
12 Quincy has tested in excess of 60 different basic models
13 and has published DOE data on Quincy Compressor's website.
14 As many as 220 models must be shown to comply either with
15 testing or mathematical methods validated with test data.

16 Testing work to date would cost around \$240,000
17 at third-party lab rates. Even though Quincy has used the
18 correct tests and procedures, adoption of the proposed rule
19 as written would preclude the use of these tests results to
20 certify compliance. This is because no laboratory anywhere
21 has been certified by California to conduct this federal
22 test. Under current rules, it appears that no laboratory
23 can be certified until early 2020. Nor does it appear that
24 certification retroactively validates earlier test results,
25 even though there is no question about the accuracy of the

1 results.

2 Quincy Compressor asks that the Commission direct
3 the issuance of a proposed amendment to fix this problem.
4 Quincy asks that the Commission seek comment on the
5 proposed revised language presented with Atlas Copco's
6 December 21st, 2018 comments. Language which would
7 include, and allow the use of prior DOE tests or prior
8 industry test data from ISO 1217, on which DOE's methods
9 are based. That revision would add language to Section
10 1606 of the rule to authorize such use as accurate prior
11 test data for certification and validation.

12 Quincy understands that the adoption of such
13 requested language would be subject to a 15-day notice and
14 comment procedural requirement before the Commission can
15 act and make the final action on such relief.

16 Thank you for your time.

17 CHAIRMAN WEISENMILLER: Thank you.

18 Is there anyone else?

19 MR. BOYCE: Good morning. My name is Brian
20 Boyce. I'm with Energy Solutions on behalf of the
21 California Investor Owned Utilities. Thank you very much
22 for the opportunity to speak.

23 The IOUs strongly support the proposed commercial
24 and industrial rotary air compressor standard before the
25 Commissioners. The compressor standard will be a

1 significant achievement as it will be one of the first
2 standards in the world for this equipment. The standard is
3 technical feasible and cost effective. The Energy
4 Commission estimates that the standard will save 217
5 gigawatt hours of energy annually by 2035, the year of
6 stock turnover.

7 The Energy Commission should require the DOE test
8 procedure for compressors. The test procedure was approved
9 through a notice and comment (phonetic) rulemaking at DOE.
10 DOE made significant concessions to manufacturers between
11 the notice and proposed rule and final rule stages. The
12 changes brought the test procedure in closer alignment with
13 the industry standard test procedure, ISO 1217. Areas
14 where DOE continued to deviate from ISO 1217 included more
15 stringent sampling requirements and tighter tolerances.
16 This ensures accurate ratings.

17 The Energy Commission also made several
18 significant accommodations to manufacturers during this
19 rulemaking process. First, the effective date was extended
20 from one year after adoption to nearly three years, which
21 is much longer than the statutory requirements of the
22 Warren-Alquist Act.

23 Second, the Energy Commission is allowing AEDMs,
24 which reduces the physical lab test burden for
25 manufacturers, a practice typically employed at the federal

1 level, but unusual for California.

2 Third, manufacturers can use old test data if
3 they can prove that the tests were conducted in accordance
4 with the newer DOE requirements. Allowing older test data
5 that is not DOE compliant is a risky move that could run
6 afoul of preemption laws at the federal level.

7 Regarding the efficiency standard itself, the
8 Energy Commission has elected to require a scope of
9 products and efficiency levels equivalent to what DOE
10 chose, known as Efficiency Level 2.

11 While the IOUs recommended EL3 due to its saving
12 more energy, while still being cost effective, we
13 understand that as this is the first energy standard for
14 rotary compressors there is wisdom in choosing the lower
15 efficiency level to allow the marketplace to transition to
16 this new paradigm.

17 In summary, the Energy Commission has proposed a
18 technically feasible energy standard for compressors based
19 on the consensus-based DOE test procedure. California's
20 standard is based on DOE's pre-published standard, which
21 itself was mere days away from finalization in early 2017.
22 The standard will be cost effective and would result
23 insignificant benefits for Californians. Thank you.

24 CHAIRMAN WEISENMILLER: Okay. Anyone else?

25 Okay. So staff, do you have any comments or any

1 responses to any of the comments?

2 MR. GALDAMEZ: Just that DOE test, oh sorry, I'm
3 Alejandro again. The DOE test data that is currently
4 happening right now under the DOE test procedure will be
5 accepted for certification of the appliance. Just to
6 clarify, because I think there's a little confusion if DOE
7 test data that is -- I mean, DOE test procedure data that
8 is currently being analyzed, because if they're following
9 the DOE test procedure if that will be accepted by us. And
10 the answer is basically yes.

11 COMMISSIONER MCALLISTER: Can I ask for sort of a
12 deeper explanation of why Quincy's concerns that will allay
13 concerns that were expressed by Quincy. Because I think
14 there's some misunderstanding about what a certified lab
15 actually is, so it would be good to have some deeper
16 clarity on that.

17 MR. GALDAMEZ: You mean the process of how we go
18 by certifying the lab?

19 COMMISSIONER MCALLISTER: Yeah. I mean, in the
20 common -- I mean, maybe Kristen can explain, but in the
21 common understanding of what a certified test lab is it's
22 more like a nationally certified test laboratory, which is
23 a much more complicated thing than what we're talking about
24 here. So can one of you kind of dig into that a little
25 bit?

1 MS. DRISKELL: Sure. This is Kristen Driskell.
2 I'm the Deputy Director of the Efficiency Division.

3 We require test labs to come into our database as
4 approved test labs. That is a different process from
5 industry certification as Commission McAllister noted.
6 What we require, among other things, is that the test labs
7 have conducted the applicable test procedure within the 12
8 months before they come in for approval. So that's the 12-
9 month window that Quincy is talking about if they can't use
10 the test results 12 months before that, what do they do?

11 That just says that they've run the test
12 procedures sometime in the last year. We're trying to
13 emphasize that they know how to run the test, they've done
14 it before. Any test results that are done according to the
15 test procedure, whether they occur before the test lab is
16 approved or after the test lab is approved, is fine for
17 certification to our database. And our regulations are
18 pretty clear on this and this is across all appliances, not
19 specific to compressors.

20 Does that answer, help elaborate on that issue?

21 COMMISSIONER MCALLISTER: Yeah. And I guess the
22 -- what does certification mean from our perspective in
23 terms of it allows them to do what?

24 MS. DRISKELL: To be clear we don't certify test
25 labs. We simply approve test labs. The requirements for

1 approval, I think there's five or six requirements. I
2 mentioned the one about having conducted the tests in the
3 last 12 months. They also have to certify that their test
4 labs are calibrated according to the appropriate test
5 methods and I forget all of the other requirements. I
6 apologize, but it's a pretty simple process. It's a simple
7 application to the Commission. You submit it through our
8 database. And then within easily one to two business days
9 we approve the application, unless we we're aware of an
10 issue with that test lab.

11 COMMISSIONER MCALLISTER: So I guess what I'm
12 trying to get at is that an industry -- an in-house testing
13 lab is perfectly fine, right?

14 MS. DRISKELL: Yes. It's pretty common,
15 actually.

16 COMMISSIONER MCALLISTER: Yeah. So I think
17 hopefully you can get on same page with Quincy and allay
18 those fears, because it sounds like they're doing the right
19 thing and testing to the right procedure and will have the
20 right data for us.

21 MS. DRISKELL: Yes. If I can briefly follow up
22 on a couple of other comments that were made and make sure
23 we respond to them here. So thank you for bringing up
24 Quincy. That was a good response.

25 Atlas Copco also raised a few issues that I think

1 we should just touch on. They mentioned historical test
2 data under ISO 1217. And I just want to be clear that
3 manufacturers are required to submit data under penalty of
4 perjury to our database. And that the data that they're
5 submitting is based on testing that has been done in
6 accordance with the test procedures in Section 1604, which
7 is in this case the federal test procedure which we are
8 preempted from having a different test procedure, so that's
9 why we have that one in there.

10 If they are willing to certify that their test
11 data is in accordance with that test procedure in Section
12 1604 then we have no objection. If on the other hand, they
13 feel they need to retest in order to make that
14 certification, then that's what they will have to do. But
15 the burden is really on the manufacturer to make sure that
16 the test data they submit is in accordance with the DOE
17 test procedure.

18 They mentioned needing to test two units of the
19 same model. That may be true if they use an alternative
20 efficiency determination method. Sometimes that requires
21 sampling and using multiple tests of the same model or even
22 two different models tested. However, for our regulations
23 we only require testing of a single unit in order to
24 certify that test data to the database, for that model.

25 They mentioned incorporation by reference of 10

1 CFR Section 431.343. We don't feel it's necessary to
2 incorporate that specific section. That section says DOE
3 incorporates by reference ISO 1217. However, we
4 incorporated the actual test procedure in Section 431.344,
5 which in turn incorporates ISO 1217. So to incorporate 343
6 would be duplicative, so we didn't do it here. And we
7 haven't done it traditionally in our regulations.

8 And last, Ms. Chester just touched on this at the
9 end about having noticed this business meeting before the
10 end of the comment period. This is not unusual and it's
11 not a violation of either the APA or any due process
12 requirements, unless Jackie Moore tells me otherwise, but I
13 don't think she will.

14 And it's really something that we do as a matter
15 of course. Had we decided as staff to propose 15-day
16 language we could have either recommended to our Executive
17 Director to pull the item before the business meeting, or
18 come to you today and recommend that you send us back to
19 the 15-day language, neither of which is our
20 recommendation. We recommend moving forward with this
21 proceeding.

22 CHAIRMAN WEISENMILLER: Okay. So let's
23 transition to the discussion by the Commissioners.
24 Commissioner McAllister?

25 COMMISSIONER MCALLISTER: So thanks for that last

1 point. I was going to make it as well, and we'll just I
2 think reiterate for emphasis that if we don't make any
3 changes to what's already out there for 45-day then we
4 don't need that extra time. It doesn't mean we haven't
5 listened, right? We have listened and we've considered and
6 that will be reflected in all the forthcoming
7 documentation.

8 But if we're going to make changes then we have
9 to extend. And so I guess really the question is whether
10 these two test procedures are or are not equivalent. And
11 it sounds like we, even Atlas doesn't think they are, and
12 so it's pretty clear we have to use a new one. So I don't
13 really see what if anything would change with more time.
14 Industry has not put that sort of information in the
15 record. And it seems that based on the statement they
16 would not. So given that I think we should move forward,
17 because this is the way it will end up. Any comments on
18 this?

19 COMMISSIONER DOUGLAS: No. I found the
20 discussion helpful though and appreciated staff's responses
21 to the issues raised.

22 COMMISSIONER MCALLISTER: Yeah. And I want to
23 just emphasize before the vote, the process is the
24 lifeblood of this. And so I want to emphasize again that
25 all the information that industry has at its disposal ought

1 to be put into the record if industry thinks that it's
2 going to affect -- or anybody, any stakeholder -- that it's
3 going to affect the outcome.

4 So I just seem to do this every time we vote on
5 an appliance standard, but it all gets listened to and it
6 all gets read and it all gets treated. So whether
7 everybody doesn't have to agree and sing Kumbaya at the
8 end, but that is the process. And so if folks want a
9 different outcome they'd argue persuasively for it.

10 So with that, I'll move Item 4.

11 COMMISSIONER HOCHSCHILD: Second.

12 CHAIRMAN WEISENMILLER: All those in favor?

13 (Ayes.)

14 CHAIRMAN WEISENMILLER: Item 4 passes 5-0. Thank you.
15 Let's go on to Item 5.

16 MR. FUGATE: I believe I have a presentation. So
17 good morning, Commissioners. My name is Nick Fugate. I'm
18 with the Energy Assessments Division and I'm here today to
19 propose adoption of an update to the California Energy
20 Demand Forecast for 2018 to 2030. The forecast was
21 originally adopted in February of 2018, and the update I'm
22 presenting here reflects changes we have observed in the
23 past year. Because our forecast is a biennial process, and
24 because it is used by many agencies in annual planning, we
25 provide these updates to ensure that planners are working