

DOCKETED

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BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY COMMISSION

In the Matter of:)
) 20-BUSMTG-01
)
Business Meeting)

CALIFORNIA ENERGY COMMISSION
THE WARREN-ALQUIST STATE ENERGY BUILDING
ART ROSENFELD HEARING ROOM - FIRST FLOOR
1516 NINTH STREET
SACRAMENTO, CALIFORNIA 95814

WEDNESDAY, MARCH 11, 2020
10:00 A.M.

Reported by:
Martha Nelson

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APPEARANCES

Commissioners

David Hochschild, Chair
Janea Scott, Vice Chair
Karen Douglas
Andrew McAllister
Patricia Monahan

Staff Present: (* Via WebEx)

Drew Bohan, Executive Director
Darcie Houck, Chief Counsel
Noemi Gallardo, Public Advisor
Cody Goldthrite, Secretariat

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Others Present (* Via WebEx)

Interested Parties

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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. | <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)</i> |
| | ii. | <i>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)</i> |
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 - ix. *State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc.* (Sacramento County Superior Court, Case No. 34-2019-00252543)
 - x. *National Electrical Manufacturers Association, et al. v. CEC, et al.* (U.S. Eastern District Court of California Case No. 2:19-cv-02504)
 - x. *Olson-Ecologic Testing Laboratories, LLC v. CEC.* (Orange County Superior Court Case No. 30-2019-01115513).
- 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, which might include.

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1 MARCH 11, 2020

10:02 a.m.

2 (Whereupon the Pledge of Allegiance is recited)

3 CHAIR HOCHSCHILD: Well, good morning everybody.
4 Before we get into the Consent Calendar, I just wanted to
5 observe this is a very challenging time we're going through
6 right now in our state and our world, particularly with
7 this virus going around. And I just really wanted to
8 remind all of us the way we get through tough times is by
9 supporting each other and being the best colleagues and
10 friends and family members that we can be to one another.
11 And obviously at the Energy Commission we're taking all the
12 precautions. And we have extra cleaning going on for door
13 handles and that sort of thing. And monitoring information
14 very closely and working very closely with the Resources
15 Agency and the Governor's Office on this.

16 We will get through this, but it is impacting all
17 of our work. And I just wanted to ask everyone to really
18 make every extra effort you can to support each other and
19 be as prudent as we possibly can. And we'll be in touch if
20 there's more specific guidance going forward.

21 So with that, let's get into the agenda. Is
22 there a motion for the Consent Calendar?

23 VICE CHAIR SCOTT: Move approval of Consent.

24 COMMISSIONER MCALLISTER: Second.

25 CHAIR HOCHSCHILD: All in favor say aye.

7

1 (Ayes.)

2 CHAIR HOCHSCHILD: That motion passes
3 unanimously. Let's to go Item 2, Discussion of the Energy
4 Commission Progress on Joint Agency Report, Charting a Path
5 to 100 Percent Clean Electricity Future.

6 MS. WEEKS: Good morning Chair Hochschild and
7 Commissioners. As requested, this is a status update on
8 the SB 100 Joint Agency Report.

9 Last month, the joint agency team held our first
10 workshop of the year on Modeling Inputs and Assumptions for
11 the analytical portion of the report. And thank you to
12 Chair Hochschild, Commissioner McAllister and Commissioner
13 Douglas for your attendance.

14 We had a strong count for the workshop. We had
15 over 225 people on WebEx and close to 100 in the room,
16 including an overflow room. So we're really happy with the
17 level of engagement.

18 At the workshop, CEC staff and our Consultant, E3
19 outlined our analytical approach for the report, which
20 includes using the PATHWAYS and RESOLVE models to compare
21 various scenarios to achieve the SB 100 target.

22 Most of the scenarios we are planning to complete
23 are based on what we are calling the RPS+ proposed criteria
24 for zero-carbon resources, which includes technologies that
25 are RPS-eligible or are considered zero carbon under CARB's

1 greenhouse gas accounting framework. To date, we have
2 received considerable feedback in favor of this approach.
3 And the interagency team is working to fine tune this
4 proposed criteria.

5 We are also modeling a no-combustion scenario in
6 response to concerns around local air pollution.

7 Some of the sensitivities we are planning to
8 explore include both demand-side assumptions around
9 electrification as well as supply-side assumptions, such as
10 in-state vs. out of state resource availability. We are
11 currently finalizing the list of scenarios and will be
12 completing the modeling work over the next couple months.

13 In addition to the analytical overview, the
14 workshop also included two stakeholder panels.

15 The first was on reliability with the five
16 California Balancing Authorities. Some of the key
17 considerations raised during the panel were ensuring that
18 our modeling supports a diverse resource portfolio, which
19 is not necessarily the same as a least-cost portfolio; a
20 call for more dynamic transmission planning that includes
21 forecasted resource retirements; concerns around stranded
22 assets and cost recovery and a recommendation to address
23 the transition of the natural gas fleet and associated
24 infrastructure; and a need for significant research and
25 investments in storage and smart grid technologies.

1 The second panel addressed additional
2 perspectives for SB 100 and included speakers on the topics
3 of equity, affordability, land use, resilience, and
4 workforce transition. This was a lively discussion that
5 highlighted tensions between many of the key facets we are
6 working to address in this report, including balancing grid
7 hardening costs while maintaining an affordable electricity
8 supply; allowing flexibility in resource eligibility while
9 addressing community concerns such as air pollution; and
10 the costs and benefits of distributed versus large
11 centralized projects.

12 The panel also discussed specific recommendations
13 for future SB 100 modeling and reports. And these included
14 adding land use and conservation screens to our modeling,
15 which we are exploring in this report; moving to hourly
16 greenhouse gas accounting; ensuring that we account for the
17 downward pressure of electrification on rates, as well as
18 system benefits and cost savings from load flexibility;
19 adding recommendations for workforce development
20 partnerships and programs; and planning robust engagement
21 with disadvantaged communities in the implementation of SB
22 100.

23 So we really appreciate the input we received
24 during the workshop and in written comments, which we are
25 still reviewing in detail.

1 I also wanted to mention that CEC staff presented
2 an update on SB 100 at the January meeting of the
3 Disadvantaged Communities Advisory Group or DACAG. And the
4 group voted to make SB 100 a priority item, meaning they
5 will dedicate a subcommittee to work on the effort, so we
6 really look forward to their continued engagement.

7 As next steps, we are finalizing our scope of
8 work with E3 and starting our modeling. We have heard
9 interest from stakeholders in a webinar to present our
10 final list of scenarios, so we're exploring holding one at
11 the end of the month. Then we plan to hold a draft
12 modeling results workshop in late spring and then a draft
13 report workshop in late summer.

14 And that is it for my update. Thank you.

15 CHAIR HOCHSCHILD: Thank you.

16 Any questions, Commissioner Monahan?

17 COMMISSIONER MONAHAN: I'm wondering, is E3 doing
18 all of the modeling or are the agencies also participating
19 in the modeling?

20 MS. WEEKS: So we are working very
21 collaboratively. So we've already had a number of meetings
22 with E3. And we're kind of working together to fine tune
23 the assumptions and the scenarios. But they'll be the ones
24 actually executing the modeling work. I don't know, Mark,
25 (phonetic) if you have anything to add?

1 UNIDENTIFIED SPEAKER: No, I don't.

2 CHAIR HOCHSCHILD: Other comments or questions?

3 Okay, thank you, Terra.

4 MS. WEEKS: Thanks.

5 CHAIR HOCHSCHILD: Let's move on to Item 3, Order
6 Instituting Informational Proceeding.

7 MS. KRAVITZ: I'm Raquel Kravitz covering for
8 Heather Raitt who is out sick today. I am the Project
9 Manager for the 2020 Integrated Energy Policy Report Update
10 or the 2020 IEPR Update for short.

11 Staff is asking for the Commission's approval of
12 an order instituting informational proceeding to gather and
13 assess information needed for the 2020 IEPR Update. The
14 Commission is required to prepare an IEPR every two years
15 that provides an overview of major energy trends and issues
16 facing California, with an update in the intervening year.

17 Commissioner Patty Monahan is the Lead
18 Commissioner for the report this year. She issued the
19 Scoping Order for the 2020 IEPR Update on February 24th,
20 identifying the topics and general schedule for this
21 proceeding.

22 The 2020 IEPR Update will consist of three
23 products. A report on transportation trends, challenges,
24 and opportunities. The second one is the update to the
25 demand forecast and the third is the assessment of

1 microgrids. Commissioner Patty Monahan will Lead the
2 transportation analysis and the Lead for the Commission for
3 the overall 2020 IEPR Update, while Commissioner Andrew
4 McAllister will lead the demand forecast and Chair David
5 Hochschild will lead the assessment of microgrids.

6 Adoption of this order will allow the Commission
7 to collect information that is needed to complete the 2020
8 IEPR Update, but is not identified in the Commission's data
9 collection regulations. Thank you for your consideration
10 of this order.

11 CHAIR HOCHSCHILD: Yes, I'm doing the micro grids
12 in collaboration with the Vice Chair.

13 MS. KRAVITZ: Thank you.

14 CHAIR HOCHSCHILD: Yeah. Thank you.

15 Yeah, Commissioner Monahan? Do we have any
16 public comments on this? No, okay Commissioner Monahan?

17 COMMISSIONER MONAHAN: Yes, so this will be my
18 first IEPR process. I'm excited to embark on it, also
19 excited that we're doing a special focus on transportation,
20 which helps me. Over the entire IEPR I've got to say is
21 really an impressive document when we do the every other
22 year one. So this is going to give me a little warm up for
23 the bigger one maybe to come in the future.

24 I'm calling the Transportation IEPR the one
25 report to rule them all -- for any Lord of the Rings fans -

1 - because we're having two reports that are coming out
2 around the same -- well this year. One is a Vehicle Grid
3 Integration Roadmap. The other is the Charging Analysis to
4 meet our 2030 target of 5 million electric vehicles on the
5 road. And what we'd like to do is use the -- distill some
6 of the key finding from those other reports into the IEPR,
7 so that the IEPR becomes a place where you could have a
8 comprehensive view of transportation.

9 Also taking a look at the three revolutions:
10 automation, electrification, mobility as a service, and how
11 they can interplay and linking that to the demand forecast.
12 You know, we like to do an analysis of what does it mean if
13 we do EV charging right? What does it do if we do EV
14 charging wrong in meeting our goals?

15 So I'm really excited to embark on this. Staff
16 is busily planning a lot of IEPR workshops. And it's great
17 to have Heather and her team working on that, so just
18 really excited to embark on this process.

19 CHAIR HOCHSCHILD: Yeah, Commissioner McAllister
20 do you want to say anything?

21 COMMISSIONER MCALLISTER: Sure. I guess it
22 really dovetails nicely with the forecast work. In often
23 in the even years we don't do the full forecast as
24 everybody knows. And it's sort of a time for trying to
25 open up some space in that intervening year to think about

1 long-term methodologies and really sort of optimize the
2 process for getting localization of the analysis and
3 figuring out sort of what tools are going to serve us for
4 the long term. And since transportation is so integral to
5 that long-term thinking I think it's really opportune that
6 you're leading it. And it enables and opens up across
7 Commissioner discussion, to sort through some of those
8 issues. So I'm really excited to link arms on that.

9 CHAIR HOCHSCHILD: And the micro grid section was
10 a late addition to the IEPR, but it does as we're seeing
11 increasingly electrification and transportation,
12 reliability is more paramount than ever. And we've done
13 now micro grids on 38 different sites throughout the state.
14 And so the Vice Chair will be looking into best practices,
15 lessons learned from that. And as we've had a lot of PSP
16 (phonetic) incidents last year we want to get ahead of
17 that.

18 And any comments you wanted to add?

19 VICE CHAIR SCOTT: Well, I'm excited about this.
20 I think you'll have a fun time leading the IEPR. It's a
21 great opportunity to listen to experts from all around the
22 world really talk to us about some of these key cutting
23 edge issues that the Commission is working on.

24 I'm excited for the transportation focus as well.
25 I think the electrification of transportation, especially

1 at scale and what does that look like and what does that
2 mean for the grid. And to your point if we do it right it
3 will be great and if we do it wrong it might be so good.
4 And really kind of looking into that and try to get out
5 ahead of it become we become Norway with 50 percent sales
6 in heavy-duty and medium-duty. Electrified I think will be
7 fantastic, so I'm looking forward to it and
8 congratulations.

9 CHAIR HOCHSCHILD: All right.

10 Okay. Is there a motion for Item 3?

11 COMMISSIONER MONAHAN: I move to approve Item 3.

12 CHAIR HOCHSCHILD: Second?

13 COMMISSIONER MCALLISTER: I'll second.

14 CHAIR HOCHSCHILD: Second by Commissioner
15 McAllister. All in favor say aye.

16 (Ayes.)

17 CHAIR HOCHSCHILD: That motion passes
18 unanimously. Let's move on to Item 4, Revisions to the
19 Charter of the Disadvantaged Communities Advisory Group.

20 MS. CHEW: Good morning Chair and Commissioners.
21 My name is Kristy Chew. And I'm the current Staff Liaison
22 to the Disadvantaged Communities Advisory Group. You have
23 already been provided with the proposed resolution for this
24 item.

25 The proposed resolution would approve changes to

1 the existing charter for the Disadvantaged Communities
2 Advisory Group. The Disadvantaged Communities Advisory
3 Group is an advisory body to the Energy Commission and to
4 the California Public Utilities Commission. It advises the
5 Commissions on the effects of clean energy and pollution
6 reduction programs in disadvantaged communities pursuant to
7 Senate Bill 350.

8 The Energy Commission approved an initial charter
9 for the Advisory Group on December 13th, 2017. The
10 Advisory Group is comprised of 10 members of the public
11 with expertise or experience with disadvantaged communities
12 and were appointed jointly by the Commissions in early
13 2018.

14 The first Advisory Group meeting was held on
15 April 4th, 2018 and has been meeting regularly ever since.
16 While implementing the initial charter since 2018, the
17 Advisory Group members and agency staff that assist the
18 Advisory Group have found that revisions to the initial
19 charter should be made to improve the functionality and
20 administrative efficiency of the Advisory Group, such as
21 staggering the terms of the members for the purpose of
22 maintaining continuity of the group.

23 Currently the charter states that members are
24 appointed for two-year terms. And all the teams were
25 appointed in March of 2018. Therefore most terms will be

1 ending very soon. To maintain continuity and institutional
2 memory within the group, staff is recommending revising the
3 charter to stagger the terms of the Advisory Group Members.

4 Other proposed revisions include clarification of
5 the appointment process, the qualifications of members, the
6 resignation and removal processes, the duties and
7 responsibilities of members and when per diem is allowed.
8 Over a period of several months, agency staff have reviewed
9 the proposed changes of the charter with the Advisory Group
10 Members during the publicly noticed meetings and with
11 Commissioners Scott and Douglas and with Commissioners
12 Rechtschaffen and Guzman Aceves of the CPUC. The CPUC is
13 scheduled to hear the same item tomorrow at their March
14 12th Board meeting.

15 With that Energy Commission staff recommend
16 adoption of the revised charter for the Disadvantaged
17 Communities Advisory Group.

18 CHAIR HOCHSCHILD: Thank you.

19 Are there any public comment on this item?

20 Well, commence Vice Chair Scott.

21 VICE CHAIR SCOTT: Well that was an excellent and
22 succinct summary, Kristy. Thank you very much. I will
23 just add that I do think that I do think that the set of
24 revisions that are proposed before us now is a set of
25 sensible clarifications and some updates. And so if there

1 are no questions, I will move approval of Item 4.

2 COMMISSIONER DOUGLAS: And I second it.

3 CHAIR HOCHSCHILD: All in favor say aye.

4 (Ayes.)

5 CHAIR HOCHSCHILD: That motion passes
6 unanimously.

7 In addition, I just wanted to particularly
8 recognize and thank Kristy for her good work to date. We
9 are going to be making a transition and going forward our
10 Public Advisor Noemi Gallardo will be on point for the
11 DACAG for the Energy Commission. And I want to thank Noemi
12 for stepping up to handle that. And Kristy, thank you for
13 all your work on this.

14 All right, let's move on to Item 5,
15 Reappointments of and Term Extension for Existing Members
16 of the DACAG.

17 MS. CHEW: So as discussed and approved in a
18 previous item, the proposed resolution before you now would
19 extend the terms of the following existing Disadvantaged
20 Communities Advisory Group members by one year: Jana
21 Ganion, Phoebe Seaton, Stan Greschner, Stephanie Chen and
22 Tyrone Roderick Williams.

23 Therefore the end of their first two-year term
24 would be March 31st, 2021. The resolution would also
25 reappoint the following existing Advisory Group Members to

1 a new two-year term: Andriano Martinez, Andres Ramirez,
2 Angela Islas, Proctor Lan (phonetic) and Fred Gaine. Their
3 new two-year terms would begin April 1st, 2020 and end
4 March 31st, 2022. The staggering of terms will allow for
5 continuity on the Advisory Group.

6 Thank you for your consideration on this item and
7 I'm available to answer any questions you may have. In
8 addition there may be members of the Advisory Group on the
9 phone now.

10 CHAIR HOCHSCHILD: Let's to go Tyrone Roderick
11 Williams, Sacramento Housing and Redevelopment Agency.

12 MR. RODERICK WILLIAMS: This is Tyrone Roderick
13 Williams. And I have the privilege of serving on the
14 Advisory Board and it has been a great learning experience.
15 And I have (indecipherable) understanding of the numerous
16 issues (indecipherable) across the state. And I am honored
17 to serve and welcome the opportunity to continue to serve
18 for one more year.

19 I do have been acknowledged, as has been
20 acknowledge Kristy for her incredible job of supporting us.
21 At times it's like herding cats and she's the most
22 professional cat herder. We really do appreciate her
23 skills and her patience as well as Gaylen (phonetic)
24 keeping us on track and always in the balance of what is
25 legal and correct. So I look forward to serving for one

1 more year on the Board with your approval. And thank you
2 for the opportunity to serve.

3 CHAIR HOCHSCHILD: Well, thank you Mr. Rodrick
4 Williams and thank you for your service. I very much
5 appreciate that.

6 Is there anyone else in the room or on the phone
7 wishing to comment on this? All right, Vice Chair Scott.

8 VICE CHAIR SCOTT: All Right, well I just wanted
9 to take a minute to thank the Advisory Group for their time
10 and their expertise, their enthusiasm and the constructive
11 feedback that they bring to us on all these topics. As you
12 all know, all the energy-related topics on which we work,
13 as you all know the Commission is serious about ensuring
14 that the benefits of the clean energy economy go to low-
15 income and disadvantaged communities. And also that these
16 communities are a part of meaningfully helping shape what
17 that looks like.

18 And so our Advisory Group I think has done a
19 great job again with constructive feedback, excellent
20 suggestions, looking through much of the work that our
21 Commission does. And so I really want to just say thank
22 you to them for that.

23 I also want to thank the CPUC for being an
24 excellent partner with us on this. It's been a ton of fun
25 working with Commissioner Rechtschaffen and Commissioner

1 Guzman Aceves and their teams on putting this together.

2 And I just also want to echo the thanks so much
3 to Kristy for her laudable work. She keeps the ship
4 running on time. As Tyrone mentioned, she's herding a
5 bunch of cats and she always does it with a smile and on
6 time and just gets all the logistics done and sometimes
7 when everything's going smoothly you don't always notice.
8 You definitely notice sometimes when they're not and she
9 just always keeps things running smoothly. So I want to
10 say thank you so much to Kristy for her work there.

11 COMMISSIONER DOUGLAS: and I'll just add one
12 thing. I completely agree with all of Commissioner Scott's
13 comments and I want to thank Kristy. She's done great work
14 on this. And particularly on this item, the DACAG members
15 themselves working with Kristy were able to find a way of
16 adjusting the terms of members on this body in a way that
17 had a lot of internal support and consensus. And that's
18 not necessarily easy to do either. So it's just another
19 demonstration of how well this group is functioning. So I
20 support this item.

21 CHAIR HOCHSCHILD: Would you support it enough to
22 make a motion?

23 COMMISSIONER DOUGLAS: I do. I will move
24 approval of this item.

25 VICE CHAIR SCOTT: I will second.

1 CHAIR HOCHSCHILD: All in favor say aye.

2 (Ayes.)

3 CHAIR HOCHSCHILD: That motion passes
4 unanimately.

5 Let's move on to Item 6, a Proposed Resolution
6 Approving ECAA Loans to the City of Campbell, City of
7 Ontario and the City of Amador.

8 MR. PENA: Good morning Chair and Commissioners,
9 my name is Nelson Peña of the Local Assistance and
10 Financing Office in the Efficiency Division.

11 Today, I am here to request your approval for
12 three proposed resolutions for Energy Conservation
13 Assistance Act loans, also known as ECAA loans.

14 Number one, we are requesting approximately \$1.6
15 million to the City of Campbell. The measures will be
16 installed at various existing City facilities and will
17 include HVAC testing and sealing existing ducts; upgrading
18 1,788 streetlights with LEDs; and upgrading the city's
19 Energy Management System with new hardware and software.

20 The proposed project is estimated to save
21 approximately 0.4 Gigawatt-hours and \$112,000 dollars
22 annually.

23 Number two, we are also requesting \$2.9 million
24 for the City of Ontario for upgrades to both the interior
25 and exterior lighting at various City facilities.

1 The proposed project is estimated to save
2 approximately 2.5 Gigawatt-hours and \$335,000 dollars
3 annually.

4 Finally, we are requesting \$3 Million to the
5 County of Amador. The measures are installed at various
6 existing County facilities and will include: replacing 34
7 HVACs units; replacing two transformers; and installing
8 four separate photovoltaic systems totaling 740 Kilowatts
9 DC.

10 The proposed project is estimated to save
11 approximately 1.2 Gigawatt-hours and \$180,000 dollars
12 annually.

13 We request your approval of the three proposed
14 loans and I am happy to answer any questions you may have.

15 Thank you.

16 CHAIR HOCHSCHILD: Thank you. Are there any
17 public comments on this item? If not, let's go to
18 Commissioner discussion. Commissioner McAllister.

19 COMMISSIONER MCALLISTER: Thanks very much,
20 Nelson.

21 MR. PENA: Thank you.

22 COMMISSIONER MONAHAN: I love these diverse
23 multi-measure energy efficiency projects, because they're
24 just so needed and the local governments, the
25 jurisdictions, can look to us for the support 1 percent

1 loan. It's not a grant. It's a loan. They pay it back.
2 They always pay it back. And I think if you look at these
3 measures of \$7.5 million that is just going to incredibly
4 good use for our public sector partners.

5 CHAIR HOCHSCHILD: Yeah, I would just second that
6 to the Vice Chair's comments about when things to well you
7 don't notice. We have had this program going for 40 years
8 and we have not had -- I think we're approaching 1,000
9 projects through ECAA and we've not had a single default,
10 which is a real tribute to the vetting process up front.

11 And I just want to, Nelson for you and your
12 colleagues, to take in that appreciation. That is a real
13 sign is diligence and I really appreciate all the hard work
14 you and your team do.

15 COMMISSIONER MCALLISTER: And these -- the long
16 simple paybacks are actually a good thing. I mean you
17 think how you want this high rate of return, but actually
18 for these infrastructure -- for these capital intensive
19 upgrades you want to go as far as you can and invest in all
20 the energy efficiency you can. So a long payback is kind
21 of a good thing in that respect. It means they're really
22 digging deep for the savings.

23 CHAIR HOCHSCHILD: By the way, in the discussion
24 with the Governor's Office this year about the climate
25 budget and the concept of the catalyst fund, which is a

1 revolving loan. The ECAA program was a sort of a model for
2 that and so the Governor's proposed a billion dollar fund
3 for the next five years, 250 million to start with. We'll
4 see where that ends up in the legislative process, but this
5 was in those discussions talked about a lot.

6 COMMISSIONER MCALLISTER: Yeah and the funds keep
7 getting paid back and they get hundreds and hundreds of
8 millions of dollars just out there circulating in the right
9 places. So it's really quite a tremendous story.

10 CHAIR HOCHSCHILD: Good, other points?

11 COMMISSIONER MCALLISTER: Also did you want to
12 say anything?

13 UNIDENTIFIED SPEAKER: No, I'm good.

14 COMMISSIONER MCALLISTER: Thanks a lot, Nelson.
15 I thought you were going to ask me another question.

16 UNIDENTIFIED SPEAKER: We're just singing your
17 praises, that's all.

18 (Overlapping colloquy from multiple people.)

19 CHAIR HOCHSCHILD: Would you like to sing your
20 praises?

21 MR. PENA: I appreciate everything, thank you.

22 COMMISSIONER MCALLISTER: Well, you can
23 definitely soak it up because it's very well deserved.

24 MR. PENA: Thank you, sir.

25 COMMISSIONER MCALLISTER: So I will move Item 6.

1 CHAIR HOCHSCHILD: Is there a second?

2 COMMISSIONER DOUGLAS: Second.

3 CHAIR HOCHSCHILD: Second by Commissioner
4 Douglas. All in favor say aye.

5 (Ayes.)

6 CHAIR HOCHSCHILD: That motion passes
7 unanimously. Let's move on to Item 7, Zero Net Energy
8 Alliance.

9 MS. SALAZAR: Good Morning Commissioners. My
10 name is Rachel Salazar and I work in the Energy Research
11 and Development Division. I am here requesting approval
12 for a \$5 million grant agreement with the Zero Net Energy
13 Alliance to build an Advanced Energy Community in the City
14 of Richmond.

15 The Energy Commission issued a solicitation in
16 2016, called, "The EPIC Challenge: Accelerating the
17 Deployment of Advanced Energy Communities."

18 This two-phased competition challenged multi-
19 disciplinary project teams in partnership with local
20 governments, to develop innovative and replicable
21 approaches that accelerates deployment of Advanced Energy
22 Communities throughout California. Phase 1 of the
23 competition focused on the planning and design, while Phase
24 2 funds the build-out and demonstration.

25 Out of 13 projects awarded in Phase 1, four

1 projects were selected for build-out under Phase 2,
2 including two projects located in disadvantaged
3 communities. And I will be presenting on the Richmond
4 project today.

5 Under Phase 1, the project team worked with the
6 City of Richmond and community partners to design and adopt
7 a comprehensive and integrated policy and financing
8 framework that overcomes the common issues that many
9 disadvantaged and low-income communities face when looking
10 to deploy clean energy projects.

11 The plans aimed to help the City advance its
12 Climate Action Plan and decarbonization goals, as well as
13 to address issues surrounding the hundreds of abandoned and
14 blighted properties left remaining after the 2008
15 recession.

16 A Community Program based on Olivine's DER
17 Community model was developed and shows how community-based
18 DER aggregations can increase the value of individual
19 advanced energy technologies, while providing numerous
20 benefits to the community itself. It was specifically
21 designed to: enhance local energy resiliency; lower
22 customer energy costs; and provide flexible load management
23 and grid-balancing services.

24 For the Zero Net Energy Homes program, the team
25 designed approaches to technically and economically allow

1 for Zero Net Energy features to be incorporated into the
2 City's existing Housing Renovation Program which turns
3 blighted properties into affordable housing.

4 The City's existing program uses special funding
5 from a Social Impact Bond to acquire and rehabilitate the
6 properties.

7 As part of the design, the project team worked
8 with the City to develop forward-thinking policies to
9 enable more green-building practices and projects to be
10 deployed.

11 This slide provides a nice "Before" and "After"
12 for one of the properties that was redeveloped under the
13 City's existing Housing Renovation Program.

14 The Richmond Community Foundation manages the
15 program and helps qualified first-time homebuyers purchase
16 the homes once rehabilitation is complete.

17 As you can see on the left, this property was an
18 abandoned lot, causing an eye sore and potential hazards to
19 the surrounding residents, as well as increased costs to
20 the City for maintenance and clean-up.

21 The photo on the right shows the proud new
22 homeowners, a school teacher who is a Richmond native, and
23 her fiancé.

24 Under phase 2, the team will work collaboratively
25 with the City as well as local community organizations to

1 implement and expand upon the programs designed in Phase 1.

2 For the Zero Net Carbon-Ready or ZNCR homes
3 program, the team will demonstrate the feasibility of
4 incorporating advanced, all-electric technology packages
5 into 20 retrofit or newly constructed homes that are being
6 rehabilitated through the City's existing program.

7 Additionally, the team will deploy the DER
8 Community Program, expanding participation to include more
9 commercial and industrial facilities and residents.

10 These resources will be optimally managed by
11 Olivine, to achieve cost savings and increased energy
12 resiliency that were planned. Additionally, new revenue
13 streams from participation in the wholesale market and
14 utility programs will be used for participant incentives
15 and equipment purchases. This will enable the program to
16 continue to increase aggregation and become self-
17 sustaining.

18 Here's a closer look at the design elements for
19 the Richmond DER Community. Some of the features include
20 an online community store offering incentives such as grid-
21 enabled devices; a mobile app allowing for automated
22 program enrollment, energy monitoring and behavioral demand
23 management notifications; as well as a DER management
24 platform to help optimize the aggregated assets.

25 Participation includes: Commercial and Industrial

1 facilities; Small-to-Medium sized businesses; municipal
2 buildings; and residential properties, including of all of
3 the ZNCR homes.

4 Technologies will include heat pump water heaters
5 and space conditioning, grid-integrated electric vehicle
6 charging stations, building management controls, solar PV,
7 and energy storage.

8 Some of the additional benefits include improved
9 air quality and green jobs.

10 Other work includes performing measurement and
11 verification, as well as developing a marketing plan for
12 recruiting and educating customer participants and a case
13 study to share with other local governments interested in
14 adopting energy communities in their areas.

15 This concludes my presentation. I am happy to
16 answer any questions you may have.

17 CHAIR HOCHSCHILD: Thank you.

18 Any public comments on this item?

19 MS. SALAZAR: Richard, from the ZNE Alliance is
20 here.

21 CHAIR HOCHSCHILD: Okay, great. Welcome.

22 MS. SALAZAR: Thank you so much, Rachael and
23 hello Commissioners. I want to express my thanks in person
24 for the continued support on this project and through the
25 planning and the implementation phases. I also have a

1 companion project in Lancaster that does somewhat similar
2 things.

3 But I wanted to actually focus my remarks on the
4 scale up phase of this project which actually is underway.
5 I know it was one of the main goals of the AEC program that
6 in fact these programs scale beyond the grant periods and
7 beyond the localities in which they're originally focused.
8 We've just had some really great success with that even in
9 the last couple of months that are consequential and
10 involved CCA engagement specifically.

11 So as you know Richmond is served by MCE, which
12 serves four counties throughout the Bay Area now. And they
13 had just recently issued a solicitation to deploy 15
14 megawatt hours of customer sited energy storage. We were
15 fortunate to win that solicitation with several other
16 partners and really to apply many of the AEC learnings to
17 that broader area. So that includes deployment of storage
18 and also we hope an electric bus grid integration project
19 whereby electric school buses in the area will be deployed
20 as mobile storage assets during grid outages.

21 And this is a pet project that we've been working
22 on for some time. Our California E-bus to Grid Integration
23 Project also funded by the Commission and Lancaster and
24 Antelope Valley will be applying learnings from that
25 project to this effort.

1 Also CalChoice, which is the CCA in LA County,
2 actually beyond LA County, now 10 cities, almost a million
3 population. They're also looking at these same kind
4 resilience and DER aggregation solutions. We're in the
5 early planning stages with them on a scaled project.

6 And then finally on the ZNZR homes we were
7 advised by the Commission to continue to focus in Richmond,
8 but we had some developers in Oakland that are using the
9 ZNCR wrapper, as we call it, package for both rehabilitated
10 and new homes. And so there's a variety of sites in
11 Oakland that are proceeding based on some of the
12 technologies and tools that our partners, including Energy
13 Solutions helped develop during the Phase 1 project.

14 And then last but not least in terms of
15 leveraging local resources you may be aware of the \$100
16 billion so-called mega measure, the Faster Bay Area
17 Coalition is putting forward, hopefully on the ballot in
18 November. Senator Beall is carrying the enabling
19 legislation. And we are working with other climate
20 advocates and experts to try and build in a VGI and an
21 electrification emphasis and frankly a GHG reduction
22 emphasis throughout that program. And again, we're
23 bringing forward some of the learnings from our e-bus to
24 grid integration project in advocating for those solutions.

25 So I just wanted to inform the Commission that

1 the intent of piloting and demonstrating and early
2 commercialization of course is to provide scale up. And
3 we're so pleased that CCAs and other local public agencies
4 are really starting to put some serious dollars behind these
5 very same solutions. So much appreciate the support.

6 CHAIR HOCHSCHILD: Great. Thank you.

7 Any other members of the public wishing to
8 comment on this item? Vice Chair Scott.

9 VICE CHAIR SCOTT: Yeah. Well, I don't have too
10 much to add from what you heard from Rachel and Richard on
11 this. These are really exciting projects. I don't know if
12 you guys remember, maybe four or five years ago when we
13 first came at the Advanced Energy Communities, the EPIC
14 Challenge, I said, "That's so exciting. I want to do that
15 in the transportation team."

16 And we put together a charging challenge that's
17 sort of modeled on the same idea where you take the first
18 phase and you plan what is this Advanced Energy Community
19 really going to like? Then you get a chance to come back
20 and compete at the Energy Commission for dollars to
21 implement your plan for your Advanced Energy Community.

22 So I'm just really excited to see this next phase
23 and have this project going forward. It's exciting to be
24 able to deploy some of these clean energy projects and
25 watch the communities become Advanced Energy Communities.

1 So the other thing that I think is really
2 interesting and exciting about this project, Richard
3 mentioned it and so did Rachael, is the ability to
4 potentially scale up and to be replicable because of the
5 way that it's designed and the way that we're working so
6 closely with the City of Richmond.

7 And I think it's interesting, and I'm not sure
8 which way you'd say it, maybe we say the EPIC funds are
9 leveraging the city bond and the city bond is leveraging
10 the EPIC funds. But it's a great way for local government,
11 state government to really be working together to lead the
12 way in the state.

13 And what's exciting about it as you heard Richard
14 say is there's other communities that are already
15 interested in picking this up and seeing how it goes. So I
16 want to thank them both. I'm excited about the -- like I'm
17 ready for it to be done already. But I'm very excited
18 about the project and highly recommend it to you all.

19 CHAIR HOCHSCHILD: Yeah. I was just going to add
20 to that. I think this is kind of
21 the poster child of what the program ought to be doing,
22 because it really -- we for a long time are investments
23 were just in the next whiz bang device. And we're still
24 doing a lot of that on next generation air conditioners and
25 high efficiency windows and such. But this really about

1 tying up all together and doing it in a disadvantaged
2 community. And I think that really exemplifies the spirit
3 and the heart and soul of the EPIC Program. And I just
4 wanted to point that out.

5 Are there any other comments. Vice Chair Scott,
6 did you want to make a --

7 VICE CHAIR SCOTT: All right. I will move Item
8 7.

9 COMMISSIONER DOUGLAS: Second.

10 CHAIR HOCHSCHILD: Second by Commissioner
11 Douglas. All in favor say aye.

12 (Ayes.)

13 CHAIR HOCHSCHILD: That motion passes
14 unanimously. Thank you.

15 Let's move on to Item 8, Food Production
16 Investment Program.

17 MR. GHANDI: Hi. Good morning Chair, Vice Chair
18 and Commissioners. My name is Cyrus Ghandi. I'm with the
19 Energy Research and Development Division. Staff is seeking
20 approval for 8 out of 16 recommended projects from the
21 latest food production investment programs competitive
22 grant solicitation for a total amount of \$19.4 million.
23 The remaining eight projects will be recommended at a later
24 business meeting.

25 The purpose of the Food Production Investment

1 Program is to fund dropping and emerging energy efficiency
2 technologies, renewable energy and fuel switching
3 technologies to reduce energy, to reduce energy use and
4 greenhouse gas emissions at food processing facilities in
5 California.

6 Previously we have administered two funding
7 opportunities and awarded a combined \$31 million across 17
8 projects. In addition, we issued a fourth and final round
9 of funding with \$25 million in equitable funds with
10 applications that were due on February 28th, 2020. And
11 resulting projects will be recommended at a later business
12 meeting later this year.

13 Funding for the Food Production Investment
14 Program is provided through California Climate Investments,
15 a statewide initiative that puts billions of Cap and Trade
16 dollars to work reducing greenhouse gas emissions,
17 strengthening the economy and improving public health and
18 the environment, particularly in disadvantaged communities.

19 Staff is recommending approval of the following
20 eight projects:

21 The first project is with Amy's Kitchen, an
22 industrial frozen food processing facility in Santa Rosa.
23 The existing conventional refrigeration system uses high
24 global warming refrigerants with up to 4,000 times the
25 potency of carbon dioxide. This project would replace the

1 existing refrigeration systems with high efficiency trans-
2 critical carbon dioxide refrigeration systems.

3 The second project is with Hilmar Cheese Company,
4 a cheese processing facility in Hilmar. This project will
5 implement energy efficiency upgrades to the existing steam
6 refrigeration and compressed air systems to optimize the
7 performance of mechanical systems used in its cheese and
8 specialty protein powder production process.

9 The third and fourth project is with Pacific
10 Coast Producers at its tomato processing plant in Woodland.
11 The first project with Pacific Coast Producers will replace
12 the existing inefficient hot breaks which are used for
13 preserving tomatoes with highly efficiency upgrades that
14 will use waste steam that will otherwise be wasted to
15 significantly reduce the facility's steam needs.

16 The second project with Pacific Coast Producers
17 will replace an existing conventional aging natural gas
18 boiler with a high efficiency, high pressure boiler to
19 reduce natural gas consumption.

20 The fifth project is with Sun-Maid Growers of
21 California, a raisin production facility in Kingsburg.
22 This project will replace the existing natural gas field
23 dryers with a state-of-the-art fully electric raisin dryer
24 system. This project is an early example of how fossil
25 fuels may significantly reduce or eliminate the use of

1 fossil fuels at food processing facilities in California.

2 The sixth project is with OWB Packers, a meat
3 processing facility in Brawley. This project will install
4 and operate an energy efficiency compressed air
5 refrigeration and hot water system. These efficiency
6 measures will result in reduced natural gas and electricity
7 use.

8 The seventh project is with Sunsweet Growers, a
9 dried fruit and beverage making facility in Yuba City.
10 This project will install high efficiency air compressors,
11 boilers and boiler equipment to reduce natural gas and
12 electricity consumption onsite.

13 And finally the last project is with Bimbo
14 Bakeries USA at its four industrial bakeries: one in
15 Northern California, in Sacramento and three in Southern
16 California sites in Placentia, Montebello and in Scandia.

17 These projects will install a waste heat recovery
18 system, highly efficient motors and replacement boilers.
19 These efficiency measures will result in reduced natural
20 gas and electricity consumption at these industrial
21 bakeries.

22 Staff is recommending approval of these eight
23 projects. And I'm available to answer any questions you
24 may have. I also understand there are representatives from
25 these companies present in the room and they would like to

1 say a few words. And a statement was also sent in from
2 Bimbo Bakeries. And they would like us to read them.

3 CHAIR HOCHSCHILD: Thank you.

4 We have six public comments on this item. So
5 let's start with Paul Schiefer from Amy's Kitchen, Senior
6 Director of Sustainability.

7 MR. SCHIEFER: Hello. Good morning,
8 Commissioners. And thank you for having me. Amy's Kitchen
9 is a family owned business in Petaluma, California. We've
10 been in business since 1987, making organic and vegetarian
11 frozen meals and more recently canned soups. And have
12 always been very proud to call California home.

13 Though we've only started with this inherent
14 sustainability of organic and vegetarian ingredients,
15 recently we've really come to the conclusion that as a
16 business we have to do a whole lot more to help solve these
17 challenges of climate change. And as such we've put
18 forward a pretty bold planet strategy.

19 As we looked at our overall assessment of our
20 impact, we looked at the full scope through a nature of it,
21 but we really found that our California facility was our
22 worst offender, especially given the amount of production
23 going out of it. And a lot of it just had to do with the
24 age of the refrigeration systems, just the general energy
25 efficiency of the building.

1 But being a family-owned company we are somewhat
2 capital constrained. It's been hard enough just to keep up
3 with growth. So when we saw the price tag and the ROI of
4 this project we knew it was going to be nearly impossible
5 or probably was impossible for us to finance and do it
6 alone. So this FPIP program is a game changer. It's
7 allowing us to really do a project that we love that will
8 really make us a better business. And ultimately will
9 reduce the climate impact of our Santa Rosa plant by over a
10 third, which is pretty profound. I wish we had more
11 strategies that could cut a third off our footprint on
12 other facilities, but this one we were lucky to find a
13 strategy to do so.

14 So we just couldn't do so without the FPIP
15 program. And I just want to say how thankful and grateful
16 we are as a company to the Commission and the state for
17 making this possible.

18 CHAIR HOCHSCHILD: Thank you. Keep up the good
19 work.

20 Next, let's go to Jeff Brock, of Hilmar Cheese
21 Company.

22 MR. BROCK: Hi. I just wanted to thank the
23 Commission for this FPIP program and kind of what it's
24 putting back into our community, specifically the food and
25 beverage industry. With Hilmar Cheese, I know our

1 ownership is appreciative of this. And just ask for your
2 support. And it would be great to see this program
3 continue on as well. So thank you.

4 CHAIR HOCHSCHILD: I'd say all these public
5 comments are making me hungry. Thank you being here.

6 Let's move on to Josh O'Bannon, Plant Engineer at
7 Sun-Maid.

8 MR. O'BANNON: Good morning Chair and
9 Commissioners, Josh O'Bannon with Sun-Maid. First I want
10 to thank you on behalf of Sun-Maid. For those of you who
11 don't know, Sun-Maid is a co-op owned by approximately 900
12 grower families in the Central Valley formed in 1912, over
13 100 years ago. We have the privilege of being the largest
14 raisin packer in the world, a position we don't take for
15 granted. As the world leader in the raisin, we strive to
16 live up to the challenge and lead the industry in
17 sustainability and innovation.

18 I want to thank Kevin Ewie (phonetic) for his
19 guidance and leadership as our project manager. His role
20 has been pivotal in our success of all of our projects, so
21 thank you. I also want to thank DC Energy, Jack Tajackimo
22 (phonetic) and Thomas Cochran are here. Thank you very
23 much. Thank you very much for their leadership, their hard
24 work putting together our previous compressed air
25 replacement project, the project before you and the micro

1 grid project that's under your staff's review right now.
2 Also John Laredo of the California League of Food
3 Processors always has our back in supporting us and
4 fighting for us as well.

5 So food processing is a low margin business.
6 Because of that it results in using equipment beyond its
7 service life, which also results inefficient and unreliable
8 equipment. So we began an energy master plan to identify
9 major sources of inefficiency and greenhouse gas emissions.

10 The Compressed Air Project was identified as our
11 most inefficient electrically supplied utility. This
12 Compressed Air Project was tossed around for a few years,
13 but the project economics were unfeasible prior to the
14 grant we received from the Energy Commission. FPIP
15 (indiscernible) for us and allowed that project to proceed
16 which was completed this past August.

17 This freed up CAPEX to allow for additional
18 energy efficiency projects to proceed. Upon completing
19 most electrical energy efficiency upgrades, the focus was
20 changed to reducing natural gas usage and the resultant
21 greenhouse gas emissions.

22 This raisin dryer was identified as responsible
23 for over 80 percent of our facility's natural gas usage.
24 And as you may already know, grapes are dried naturally by
25 the sun before they arrive at our facility as raisins.

1 This dryer though is used for moisture reduction and the
2 reclaim of product that would otherwise be disposed of and
3 sent to our distillery and turned into high-proof alcohol
4 for use in the wine and brandy industry. That facility
5 also employs a methane gas digester to capture methane and
6 fire our boiler there.

7 Electrifying the dryer will provide significant
8 direct greenhouse gas reductions meeting our goal of
9 increasing air quality for local residents.

10 Without this FPIP board, (phonetic)
11 electrification would be unachievable. Without this grant,
12 our natural gas dryer would have been replaced with a new
13 natural gas dryer, not achieving any greenhouse gas
14 emission reductions.

15 Following our master plan, we've submitted a
16 micro grid project for the last FPIP round, which is under
17 review now. We look forward to working with the California
18 Energy Commission to continue our goals of reducing our
19 greenhouse gas emissions and finishing our master plan,
20 which will further exemplify the success of the FPIP.

21 Thank you for the opportunity this morning and
22 Sun-Maid is very appreciative of your support.

23 CHAIR HOCHSCHILD: Well thank you, Mr. O'Bannon.
24 Thanks for being here and for all your good work.

25 And I would just say this is a new program for

1 us. It always is a heavy lift in the early days of a new
2 program to set the rules in place and to do the vetting.
3 I've been really pleased with what I've seen so far. And
4 along with Vice Chair Scott look forward to visiting some
5 of these facilities in person.

6 Let's move on to Armand Nicholi from OWB.

7 MR. NICHOLI: Mr. Chairman and the rest of the
8 Commission, thank you. In 2014, the former owner of this
9 beef processing facility located in Brawley, California
10 shuttered the plant. And we began our journey to acquire
11 this facility, which in Brawley at that time was suffering
12 from the highest unemployment rate in the State of
13 California, at about 23 percent. And losing those 1,300
14 jobs I think significantly increased the pain of that
15 situation for that area.

16 We were able to actually make the acquisition in
17 2016, spent about six months refurbishing the plant and got
18 it up and running in November of that year and have since
19 brought back about 744 jobs to the area.

20 My business partner is a third generation cattle
21 feeder from Brawley. And this has deep seated meaning for
22 him and his family to be able to provide these jobs. And
23 funds like this have gone a long way to making that
24 possible. So we cannot thank you enough for the support.

25 As an example of our commitment to the

1 environment, not only will these funds help us reduce
2 greenhouse gases, but as an example, we acquired 130 acres
3 directly adjacent to the plant, went through the CEQA
4 process. And were able to, through a long series of
5 equipment upgrades in our waste plant, our onsite
6 pretreatment facility, we have gotten the go ahead from the
7 regional water quality control board to land irrigate this
8 130 acres to grow Bermuda grass, which has the highest
9 agronomic uptake of any crop. And which also provides for
10 the secondary beneficial use of what will be hundreds of
11 millions of gallons of water a year.

12 So we have a real commitment to the environment.
13 We have a real commitment to the community in providing
14 jobs. And just to reiterate funds like these make that all
15 possible. And we cannot thank you enough.

16 CHAIR HOCHSCHILD: Great. Thank you.

17 Let's move on to Stella Mentink, Sunsweet
18 Growers.

19 MS. MENTINK: Good morning. I'm Stella Mentink.
20 And I'm honored to be here representing Sunsweet Growers.
21 We are a California food processor in Yuba City, an
22 agricultural coop in business for over 100 years. On
23 behalf of the Board of Directors and the executive team we
24 want to thank you for your investment. Together with our
25 own funding this will help advance reductions in greenhouse

1 gas emissions at our Yuba City facility.

2 We're grateful for the opportunity to partner
3 with the California Energy Commission in this important
4 project. And we'd like to take this opportunity to
5 encourage future funding in continuation of the Food
6 Protection Investment Program.

7 We know that you have limited resources and are
8 supporting a number of worthy programs. But this program
9 has a significant on this critical California industry. It
10 can make a substantial difference in ensuring the viability
11 of the operation, continued employment opportunities,
12 reliability of processing options for our farmers and
13 continued economic sustainability.

14 Again, on behalf of Sunsweet we thank you and
15 appreciate your partnership.

16 CHAIR HOCHSCHILD: Thank you. Then finally we
17 have Public Advisor, Noemi Gallardo on behalf of Bimbo
18 Bakeries.

19 MS. GALLARDO: Bimbo Bakeries, known as BBU,
20 wants to issue an overwhelming thank you to the
21 Commissioners and the staff for this award and for funding
22 such a critical program for California's food industry.
23 Our company is best known through our brands that are in
24 83 percent of households across the United States: Sara
25 Lee, Oroweat, Ball Park, Thomas', Boboli, Nature's Harvest

1 and Entenmann's, just to name a few.

2 We are the world's largest commercial baking
3 company and operate seven large bakeries spanning
4 California from Sacramento to San Diego. This is the first
5 time BBU has participated in a program like the FPIP grant.
6 Your investment is allowing us to make significant impacts
7 to the energy efficiency of our facilities and make real
8 sustainable improvements come to fruition.

9 Your approval today will not only decrease our
10 GHG impact, but keep and add jobs to our facilities and
11 other business within California. This award will directly
12 improve the health and wellbeing of our employees and the
13 priority populations often surrounding our bakeries.

14 We thought the grant application would be a
15 daunting process, but the staff of ERDD were extremely
16 helpful in answering questions and offering guidance and
17 training through the grant process. We'd also like to
18 point out your public outreach on this program was
19 phenomenal. We had members of our maintenance teams as
20 well as top management reaching out to us about pursuing
21 the solicitation.

22 Because of this award, BBU is looking forward to
23 an ongoing partnership with the CEC to further both of our
24 sustainability goals. As a large company operating across
25 the country, we are often challenged by California's

1 stringent regulatory facets. However it's funding like the
2 FPIP, which drastically elevates our businesses, allowing
3 thousands of employees to sustainably live and work in
4 California.

5 CHAIR HOCHSCHILD: Thank you.

6 Before we move on to Vice Chair Scott, I just
7 wanted to thank all the companies that are receiving these
8 grants that are here today and really encourage you to
9 invite legislators, your state Senator, your Assembly
10 Member to your projects to see this because this is a
11 program we love. We're really proud of it. Vice Chair
12 Scott and the whole team have been doing a terrific job on
13 it. This is only possible because of the support of the
14 Legislature. It's something that we love continue.

15 Very often the most effective and important stuff
16 in this field of reducing emissions is also very obscure,
17 right? And we're talking about industrial equipment that's
18 not seen by the public. And so bringing a light to that,
19 helping drive attention to it and particularly with
20 legislators who'd be interested in hearing about it, we
21 really want to encourage you to, as you think about ribbon
22 cutting events and so forth, to include the Legislature as
23 much as you are able.

24 Vice Chair Scott?

25 VICE CHAIR SCOTT: Sure. Well so I'm not sure I

1 can be any more eloquent than the presentation you had or
2 excellent proposed awardees that came up and spoke to you
3 about the program.

4 I did want to highlight one thing that was maybe
5 a little bit buried in what Cyrus said. A lot of this --
6 some of these projects with the refrigeration components,
7 those are global marine pollutants that have really high
8 sometimes -- I'm not saying it right, but they have very
9 high global warming potential, right? And so reducing
10 those refrigerants down to from 1,000 down to 10 or 5 is a
11 really big deal. And that's happening in addition to
12 reducing water, reducing electricity, reducing natural gas.
13 And so I just wanted to underscore that point for you all
14 just a little bit.

15 And I'm excited about this program because it is
16 doing all of that. And it's also keeping an economic
17 driver here in California thriving. It's giving them the
18 ability to reduce greenhouse gasses and also thrive and
19 stay in California with important food production.

20 I also did want to highlight the excellent
21 outreach that I think the team did. Before this, I don't
22 know how often we worked with food producers. And maybe
23 food producers had not heard of the Energy Commission, much
24 less some of the grant potential. So the outreach that
25 they've done going around to key symposiums, key convenings

1 in the state to make sure that folks knew about this
2 program and could apply.

3 I really appreciate what Bimbo Bakery said about
4 how that the staff did a really good job in working with
5 the team. And I had that in my remarks that I wanted to
6 make as well, because the customer service, I think that
7 the Energy Commission and especially the FPIP team provide,
8 is just phenomenal. They spent time listening to food
9 producers do design the program in its most impactful way.
10 They tried to do some appropriate calendaring, because some
11 of the food production, not all of it, is in seasonable.
12 It's in cycles. So there are times when it's better to get
13 a grant out there and have people apply. There are times
14 when it's better for people to be changing out equipment.
15 We tried to set it up with that -- to set up the program
16 with those calendaring kind of things in mind. I think
17 that makes a big difference.

18 And I think they did their best they could to
19 make this easy for the food producers while, of course
20 still meeting all of the things we need to do under the
21 California climate investments.

22 So I really appreciate that. I'm excited about
23 this program. I'm excited about the projects that we're
24 going to see and the reductions that are going to come
25 along with those.

1 And I think folks are the best messengers to
2 other food producers about the program. So I would
3 encourage you, as the Chair did, to talk to folks about the
4 program and that you think it works and that you think it's
5 valuable and useful. I think we can say that, but I think
6 hearing the message from others makes a big difference as
7 well. And thank you so much for taking the time to come up
8 to Sacramento and speak to us today. I appreciate that.

9 COMMISSIONER DOUGLAS: I just wanted to add
10 briefly that there's huge potential here I think. And so I
11 hope this is a partnership that can continue.

12 CHAIR HOCHSCHILD: Go ahead Commissioner
13 McAllister.

14 COMMISSIONER MONAHAN: So just briefly, I
15 remember early days with sort of trying to figure out how
16 we could do programs like this with Secretary Ross. And
17 there was a big convening. And the sort of skepticism that
18 the state could pull something like this off was there,
19 because these are new stakeholders. We hadn't worked in
20 this sector before, the Energy Commission or really the
21 state much in this way. And so I think having gone through
22 the process and built trust and done messaging and sort of
23 built a brand around this.

24 And I think we talk a lot about how the Energy
25 Commission now has a very solid skill set in putting

1 together and administering programs to push funds out into
2 places where the economy can benefit. And that is a skill
3 set. It's proper to see it as something that requires sort
4 of buildable staff and skills and a lot of due diligence
5 and process. And it requires some maturation. And I think
6 we're there as an agency.

7 So I actually see this project, this program,
8 certainly would love to see it expanded, but also broadened
9 to address other parts of our productive economy. You
10 know, more broadly in the industrial sector, for example,
11 look for opportunities to do that. A lot of greenhouse gas
12 emissions out there to be harvested, to be sought and
13 realized much more broadly than the little bit of resources
14 that we have now. So there's a lot of potential to grow
15 this.

16 And then I guess I have to take the opportunity,
17 because nobody said it, but I'm glad we're to have even
18 happier raisins. in California and maybe even happy prunes.
19 (Laughter.) As long as there's no patent infringement
20 hopefully that could happen.

21 But certainly I am hugely supportive of this.
22 And I want to just thank Laurie and Virginia and the team
23 that put together and managed this program, so well done.

24 CHAIR HOCHSCHILD: Thank you and good line.

25 I went to -- you know, yesterday Commissioner

1 Monahan and I were doing a tour of all 17 electric vehicle
2 manufacturer operations in California. And one of the
3 sites we visited was Motive, which is doing electric fleets
4 for live-in. Actually Bimbo Bakeries is one of their
5 partners, so it's nice to see the intersection. So anyway,
6 great work.

7 Thank you for all your work, staff and industry.
8 Thank you for being here. Is there a motion on item eight?

9 VICE CHAIR SCOTT: I'll move approval of Item 8.

10 COMMISSIONER DOUGLAS: Second.

11 CHAIR HOCHSCHILD: All in favor say aye.

12 (Ayes.)

13 CHAIR HOCHSCHILD: That motion passes
14 unanimately. Thank you. Let's move on to Item 9, the
15 minutes. Is there a motion on the minutes?

16 COMMISSIONER MCALLISTER: I'll move the minutes.

17 CHAIR HOCHSCHILD: Is there a second?

18 VICE CHAIR SCOTT: Second.

19 CHAIR HOCHSCHILD: All in favor say aye.

20 (Ayes.)

21 CHAIR HOCHSCHILD: That motion passes
22 unanimately. Lead Commissioner Reports, Commissioner
23 Monahan.

24 COMMISSIONER MONAHAN: Yeah. Well, I want to
25 start off by saying I've been confirmed. So yay, I'm

1 really happy that that's over. (Applause.)

2 COMMISSIONER MCALLISTER: Elbow bumps all around.

3 COMMISSIONER MONAHAN: Just a virtual high five.

4 Yeah, I mean it took a village to get me confirmed. So
5 that was really great so see how much support everybody
6 provided within this, Commissioner Rowe, and the whole
7 organization in that process.

8 I also wanted comment really briefly,
9 International Woman's Day was amazing.

10 CHAIR HOCHSCHILD: Let's give a round of applause
11 for that. (Applause.) That was good, especially the staff
12 and Courtney and Gaylene, Alisha, Lindsay and whoever else.

13 COMMISSIONER MONAHAN: Christine.

14 CHAIR HOCHSCHILD: Christine. Yeah, fantastic.

15 COMMISSIONER MONAHAN: Yeah. It was an amazing
16 and really inspirational. And I've got to say I loved how
17 it was a mix of men and women. And there was just
18 something so wonderful to see how much support there was
19 across the entire organization for recognizing that gender
20 equality is an important issue. And how do we support each
21 other in creating the organization that we want or
22 fostering it, so yeah very inspirational.

23 And the panel was really good too for those.
24 Carla Peterman, the former Commissioner came and the panel
25 was really amazing. So oh what was spectacular.

1 So we have a Draft Investment Plan for the Clean
2 Transportation Program. That's published. We held the
3 first Advisory Committee meeting. And the Fuels and
4 Transportation Division did a great job together with the
5 Public Advisor's Office. We had 35 Advisory Committee
6 Members, which is a very big committee. In fact
7 Commissioner Rechtschaffen was on this tour yesterday and
8 joked to me, "Like why wasn't I on that 35 person?
9 Everybody else was."

10 And what I loved about it was that we had
11 community participation. So community members were there
12 talking about well what does it mean for their community to
13 electrify transportation. So it was a personal experience
14 along with hearing from the fuel providers, hearing from
15 the diversity of NGO interests that were represented. So
16 it was really an interesting process. And I give kudos to
17 the many folks that were involved in pulling that together.

18 Now our challenge is we're going to be reaching
19 out to the DACAG to get their input separately. And we
20 want to bring it to you in late spring-early summer for
21 approval. So we're moving along. And as you might recall
22 it's for the rest of the program.

23 So it's a three-and-a-half year investment plan.
24 We'll be doing annual revisions to that plan, but it really
25 is kind of laying out a vision for what we're anticipating

1 the investments should be for the duration to provide more
2 certainty to the community at large about the direction of
3 the state and what they can count on in terms of Energy
4 Commission support for clean transportation. So we're
5 really looking forward to your feedback as we move down the
6 line on that. And if you want to see the Draft Investment
7 Plan, it's there. So take a look at it.

8 And as the Chair said, and I'm sure he's going to
9 talk more about this EV road trip, which was awesome. And
10 maybe -- I don't know is Bagley-Keene what we're allowed to
11 do, but I'm just saying you all should come because it's
12 really fun, really interesting and fun also to do it in
13 collaboration with other agencies. The Chair's office did
14 a really good job organizing this. So LeQuinn (phonetic)
15 is a rock star organizer and it's really fun. So encourage
16 you to come.

17 MS. YADABO: Chair and Commissioners, apologies
18 to interrupt, this is Juanita Yadabo, the Public Advisor
19 actually did have a public comment to relate on Item Number
20 9.

21 CHAIR HOCHSCHILD: Oh, yeah.

22 MS. YADABO: Can we do that now?

23 CHAIR HOCHSCHILD: Sorry, let's do that. Yeah.

24 MS. YADABO: Thank you. So this is a comment
25 from Steve Uhler, U-H-L-E-R.

1 "Business meeting minutes have not been docketed.
2 If you approve the minutes, please see that they are
3 docketed pursuant to Title 20, Section 1208, prior to
4 approval. Perhaps the Commission staff have overlooked the
5 filing requirements pursuant to Title 20, Section 1208.
6 Business meeting agendas have not been docketed. Business
7 meeting resolutions have not been docketed prior to action
8 being taken. And many have not been docketed at all.

9 "Please see that all documents distributed to the
10 Commissioners for all proceedings are docketed. This
11 includes any presentations given at proceedings. Doing so
12 will reduce records requests. Votes on items taken at the
13 Business Meeting, February 20, 2020, appear to be treated
14 as if they were placed on consent agenda or calendar
15 without stating such.

16 "Agenda items such as each resolution for 6a, 6b,
17 6c, 6d, 6e, 6f, 6g, 6h and 6i as listed below as separate
18 items may have been voted on as a group. Title 20, Section
19 1104(d) defines the use of consent calendars. What defines
20 voting as a group for items not placed on a consent
21 calendar. How does a member remove an item from the group
22 when not on a consent calendar? Perhaps the approval of
23 the minutes should be placed on a consent calendar."

24 That is the end. Thank you so much.

25 CHAIR HOCHSCHILD: Thank you.

1 Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Yeah, just a couple of
3 things. I wanted to just reiterate we got the presentation
4 from Terra. Thanks for that about the SB 100 workshop. I
5 just wanted to point out we had ARB (indiscernible) for
6 Chair Nichols and Commissioner Randolph from the PUC also
7 participating in that. And it was just a really robust
8 discussion and got a lot of stakeholder feedback,
9 tremendous interest in this and just a lot of
10 thoughtfulness I think.

11 And that's at both the staff level across the
12 agencies, but also out there in the stakeholders who really
13 know how important this is. And I think we've done a good
14 job in communicating that. So thanks for quarterbacking
15 all of our effort, because there's a lot of moving parts
16 there. So I appreciate that.

17 And then the only other thing, so you all know
18 that I'm on the Board of the Alliance to Save Energy
19 representing the Commission and California. And that's an
20 entity that's been around for 40 years or so, based in DC,
21 mostly with a federal focus on energy efficiency policy,
22 more policy, less technical. So very kind of DC focused
23 and sort of bipartisan and sometimes kind of painfully so,
24 because bipartisanship has morphed in meaning over time.

25 But there's a new initiative, which I think is

1 timely and I wanted to just mention, which is called the
2 Active Efficiency Collaborative. And basically it's active
3 efficiency really means the updated version of efficiency
4 to include digitization and demand flexibility and all the
5 things that we talk about, electrification overlaps
6 dovetails very nicely with it as well. And so we have a
7 lot of tools, a lot of interests cross private industry and
8 certainly the tech industry, service providers,
9 aggregators, utilities, lots of different stakeholder
10 groups for whom this is I think a nice conversation to help
11 update the conversation about what it means to use energy
12 optimally and cost effectively and cleanly.

13 And so the kickoff happened, the Active
14 Efficiency Collaborative happened a couple of months ago,
15 but we just had the first sort of steering committee
16 meeting last week in Washington. And are going to be
17 pushing forward with some conversations and prioritization
18 of different topics that we might want to emphasize and get
19 our R&D and try to mobilize resources on more broadly.

20 So I think we use terminology in California
21 sometimes that's specific to California and not necessarily
22 in common use more broadly. And so you know we say demand
23 response or load flexibility or different terms, but I
24 think active efficiency has broad appeal in a way that can
25 move even a lot of different states.

1 So the state energy offices actually are involved
2 it as well. And I think I'm optimistic that that'll be an
3 initiative whose time has kind of come. So hopefully that
4 will help us move the needle toward efficiency and
5 optimization in all of its forms.

6 CHAIR HOCHSCHILD: Vice Chair Scott?

7 VICE CHAIR SCOTT: Sure. So I have a few updates
8 for you all about what I've been up to since I saw you
9 last. I was just recently in Washington DC for the
10 Hydrogen and Fuel Cells Technology Advisory Committee,
11 which is with DOE. It's always great to have a chance to
12 go there and represent what California is doing, because we
13 are on the cutting edge of a lot of the roll-out of
14 hydrogen technologies.

15 It was also very interesting to listen to what
16 DOE is thinking about and they're really looking at
17 hydrogen at scale and kind of across all sorts of
18 industries. And so what we talked about a lot was
19 transportation of hydrogen in a liquid form and then you
20 have to dehydrogenate it to get the hydrogen out once you
21 get it there. They were looking at some of the different
22 technologies that can do that, some of the industries that
23 might use that. What is it that we would need to do to
24 scale up to have enough hydrogen if we were wanting to put
25 it into pipelines and use in power plants.

1 We heard some information from GE, which if
2 you're building a brand-new power plant you can set it up
3 so it can use either natural gas or hydrogen. And if you
4 do that in advance then it's much easier to sort of change
5 out the pieces that you need to change out than it is to go
6 back and have to retrofit or rebuild.

7 So some pretty interesting kind of I though real
8 forward looking thoughts on what can we be doing in the
9 hydrogen space. So I always appreciate the opportunity to
10 meet with that advisory committee and also to share with
11 them what California is up to.

12 The EPIC Program as you know has a tone of great
13 projects. And so one of the things we're doing is going
14 around the state to take a look at them. So we had our
15 EPIC innovation tour, which I've updated you on a little
16 bit. This last time we went to Santa Rosa Junior College
17 and looked at the micro grid that they have there. That's
18 been really interesting for them to think through where to
19 put the different components of the micro grid, including
20 the storage.

21 Initially they were like, "Oh, we're just going
22 to set it right here in this parking lot." And then
23 everybody said, "Oh, you can't take more parking places.
24 You have to find somewhere else to put it." And so trying
25 to figure out where to put the components in a very busy

1 kind of already crowded college campus was quite
2 interesting. But the folks there are very excited about
3 that.

4 We also visited Jackson Family Wines. And they
5 have two technologies that they're testing out. One is a
6 reverse osmosis technology. And so the waste water that
7 you get from cleaning out the wine barrels that used to go
8 into a waste pond. Now it can kind of get run through this
9 reverse osmosis machine and they can use that water again.
10 And they're kind of testing -- they're still in the testing
11 phase about how clean is that water? It's probably not
12 drinkable clean, but it's definitely you can use it in
13 other processes around. And they are really appreciating
14 that because before that was just all water that was going
15 to waste. So that's saving them some money. That's saving
16 them some water and some money but not a ton of
17 electricity. It takes a lot of I guess electricity to run
18 those reverse osmosis machines.

19 However, they do have a heat exchanger for their
20 white wine barrels. So basically what happens if you don't
21 produce white wine the right way, it gets crystals in it.
22 So what you have to do is you cool it down and you take out
23 the stuff that makes the crystals and then you warm it back
24 up in order to put it in the bottles. And so they're using
25 a heat exchanger to do that.

1 And they love that because it's basically --
2 maybe instantaneous isn't quite the right phrase, but it's
3 not the "oh it takes hours and hours to cool down this. I
4 mean these barrels I think were a 100,000 gallon barrels.
5 I mean barrels is the wrong word, I mean these were these
6 huge steel industrial looking things. And so would take
7 eight or 10 hours to actually cool that down and then
8 another eight or 10 hours or more to warm it back up.
9 With the heat exchanger it's almost instantaneous. And
10 they love it and they're trying to figure out how to get
11 more of these heat exchangers in their processing. So that
12 was really great to see.

13 I, as you know, am leading up our Ports
14 Collaborative. So we are working with the Ports of
15 Oakland, Stockton, Hueneme, LA, Long
16 Beach and San Diego. I always try to go in order, because
17 I love all the ports just the same. They're all wonderful.

18 The Port of San Diego hosted us this time. It
19 was great to meet with everyone in person again. One of
20 the things that the ports really appreciate about the
21 collaborative is they have had a chance to really exchange
22 information with each other about some of that
23 technologies. And how they're working some of their
24 climate action plans and who's doing what and why they're
25 doing it and how it's working. How did you work with this

1 port tenants association or that port's tenants
2 association? So they've really been able to exchange good
3 information things that are outside of what the Energy
4 Commission is funding.

5 We'll helping fund some infrastructure, charging
6 infrastructures, some cleaner vehicles and also some like
7 micro grids and things like that for resilience. So that
8 was a fantastic meeting. We had already seen all of the
9 equipment at the port as San Diego tenants. So we went to
10 visit they call it a flupsie, F-L-U-P-S-I-E or maybe Y.
11 And basically it's how you grow oysters. And they're
12 getting ready to start growing oysters in San Diego at the
13 Port of San Diego. And so it was really neat to go out and
14 see that technology. To see that they have cleaned up the
15 Bay enough that you can grow oysters out there in that way,
16 so we had a chance to see a different type of port
17 technology while we were there.

18 CHAIR HOCHSCHILD: (Indiscernible.)

19 VICE CHAIR SCOTT: Yep. Absolutely. So that was
20 really interesting.

21 Earlier that week we had done the EPIC Resiliency
22 Forum. Commissioner Douglas joined me at that down in Long
23 Beach. This was an opportunity to kind of talk through
24 some of the projects that the EPIC Program has funded that
25 are helping with resiliency. The public safety power

1 shutoffs have put some of that into very fine, very stark
2 relief, right? We didn't find the technologies with the
3 Division of Public Safety Power Shutoffs coming down the
4 road, but they really help people weather those. And so to
5 hear from some of the communities who have been able to use
6 the technologies in order to weather PSPS in addition to
7 other resilience things was interesting. We had a chance
8 to hear both from some rural communities and also from very
9 populated communities.

10 The rural communities are very interested in
11 resilience. One, the first thing they're thinking about
12 actually is energy access, much less resilience. Once you
13 have that access then you want to add in the resilience.
14 But if you are up like in Humboldt County, we heard from
15 Jana Ganion. And she was talking about so folks who are in
16 a city center may get power restore in three or four or
17 five days. Folks way out at the end of a power line in a
18 very rural community, it might be weeks and weeks. And so
19 the resilience really matters to them. They're very
20 excited about that topic or excited to be thinking about
21 solutions to put in place on the topic.

22 We were joined by Commissioner Rechtschaffen and
23 Commissioner Sharoma from the CPUC. So they've helped us
24 to moderate some panels. So I want to thank them for that.

25 I had a chance to visit the California Energy

1 Storage Alliance had a conference on storage. I think that
2 was just last week, it might have been two weeks ago now.
3 I was on a panel on long duration storage. Commissioner
4 McAlister to your point that there's a lots of different
5 definitions we decided to call for the purposes of this
6 panel long duration storage was anything six hours plus.
7 It was fantastic. There was a person from NYSERDA there.
8 So we got to hear not just what California's doing but what
9 folks all around the country are doing in the long-term
10 storage space.

11 This is another area where we're out a little bit
12 ahead of folks, but not that much. There's lots of other
13 jurisdictions around the country and around the world that
14 are headed towards these 100 percent clean energy
15 standards. And so thinking through long-term storage and
16 where do you put it, right? So how much do you need and
17 where do you put it was pretty interesting.

18 And then last, sadly the EPIC Symposium has been
19 postponed. So I wanted to make sure that you all know
20 that. We sent that announcement out yesterday. We just
21 really want for everyone to be safe and for everyone to be
22 healthy. We were hoping to have 700, 800 maybe even 1,000
23 people at this event. We were seeing a little bit of
24 chilling on the registrations, because I think people are
25 worried about -- I don't think, I know people are worried

1 about the Coronavirus and being together in big mass
2 gatherings. So we thought let's postpone this. We'll do
3 this maybe in June, maybe in September or October. And
4 I'll keep you all posted when we get the date back on, but
5 just wanted folks to know that that has been postponed for
6 the time being with an eye out to making sure that everyone
7 stays as safe and healthy as they can.

8 Those are my updates.

9 CHAIR HOCHSCHILD: Thank you. I had one question
10 for you, Vice Chair Scott. Just on the ports, can you give
11 us an idea of some of the most successful measures that
12 ports are doing now to reduce emissions. And who's sort of
13 gone the furthest and I'm curious of what you're working
14 with.

15 VICE CHAIR SCOTT: Yeah. So there's a lot that
16 the ports are working on. One of the things that's been
17 most impactful I think about the partnership is that it's
18 given the ports the ability to test out the electrification
19 of a lot of this equipment in advance of what we see --
20 maybe the broader maybe not mean we -- but is Air Resources
21 Board regulations that are going to really push that trend
22 farther, faster. So understanding how the technologies
23 work. How do we plug them in?

24 I think you've all been to a port. They're
25 incredibly busy. And so it's tough to figure out where to

1 put the infrastructure, because you have to put a bunch of
2 bollards and all kinds of stuff around there. And as soon
3 as we put something here someone is going to run it over.
4 And they don't want that to happen with these expensive
5 chargers. So really thinking through where you put things,
6 how do you talk to folks about it?

7 And they've been really good at helping us, I
8 kind of call it kicking the tires on the technology. It's
9 really sort of testing out the technology. So there was
10 one where the -- so when you would put the truck in
11 reverse, it would just sort of drift -- maybe drift is the
12 wrong word -- but you know just would roll backwards,
13 because that's how the internal combustion engine works.

14 Well, when you do that with an electric engine,
15 it's trying to recharge. That recharge comes in and so
16 it's not rolling backwards the way that they were used to
17 having it roll backwards. So it's kind of these actually
18 using it and how does it compare with what you were using?
19 It still works. It still does what it's supposed to do,
20 but it feels different. We used to just let them roll
21 backwards, but now you have to actually put your foot in
22 the accelerator to get it to move backwards.

23 And they had one where the placement of one of
24 the pieces of technology was not -- it was blocking the
25 view of folks that were having to look backwards all of the

1 time and so oops, so you don't want to make hundreds of
2 thousands of those like that. You want to have your first
3 few, see how it works and then you know make those tweaks
4 as you go along. So they've really been helping us kind of
5 kick the tires, test out the technologies in that way.

6 And then I think the micro grids they're excited
7 about that because obviously they want to be able to -- the
8 ports are huge -- I don't have to tell you all -- huge
9 economic engines for the state of California. They want to
10 be able to keep up and running not matter what's going on.
11 So that's why they're really interested in micro grids.

12 They're also looking at the capacity of
13 electricity that they have coming into the port. Because
14 if you electrify just like six big trucks that's a lot of
15 electricity. I mean that's megawatts of electricity. If
16 we do all of the port equipment that's a lot of electricity
17 that's going to be coming to the port. It might be above
18 the capacity of the lines that they have right now, or
19 their distribution systems that they have right now. And
20 so what does this look like at scale for the ports is
21 something that we're getting ready to turn to.

22 But they've just been great partners in testing
23 out. The Port of San Diego, the tenants association, we
24 weren't able to fund equipment for literally every port
25 tenant, but what they did is they let everybody borrow it

1 and try it and drive it and see what they thought about it.
2 So then you can get lessons learned back from a whole bunch
3 of different users, even though we were only able to do
4 trucks for a certain number of users.

5 And so I think it's been a lot of lessons learned
6 in that way kind of what is the technology? How does it
7 work? Do we like it? I think they do for the most part.
8 But there's those kind of random things like I said where
9 you take your foot off the accelerator it used to just roll
10 backwards, whereas now you actually have to make the truck
11 go in reverse or put a computer program in that tells it
12 not to do the regenerative braking. So we're kind of
13 working out those kinds of things.

14 COMMISSIONER DOUGLAS: Well I just have one thing
15 to add, which is that yesterday -- well first of all, the
16 EPIC Forum was fantastic and So I really got a lot out of
17 participating.

18 But so yesterday, in partnership with the Bureau
19 of Ocean Energy Management, we held a taskforce on meeting.
20 It was a webinar taskforce meeting. So we had about 11
21 people in the room, mostly Energy Commission. But one
22 representative from Boehm and a couple from other state
23 agencies.

24 We had over 300 people online participating and
25 through WebEx or through remote participation. And we had

1 a really good discussion and dialogue. And so it worked
2 out very well. So I think that's all I've got today.

3 CHAIR HOCHSCHILD: Great. Thank you. Well, I
4 guess one thing I wanted to say, I feel there's a lot of
5 very significant challenges right now, going on, on many
6 levels. But I feel within the Energy Commission we're
7 doing great.

8 And I just wanted to say I feel so proud of all
9 of us as a group, our ability to work well together and
10 just I feel like we're really humming along. And at the
11 senior staff level I just want to say again how grateful I
12 am to have Noemi as Public Advisor and Darcie as Chief
13 Counsel, and LeQuinn as my Chief Staff and Lindsey in her
14 role, Drew. And really across the Commission I feel -- and
15 Lisa is over there as well -- just we have an A Team. And
16 I just want to note that because it's just especially
17 valuable in rough weather to have -- I just feel the drama
18 level within the Commission -- there's always some drama,
19 but it's relatively low. And it's we just actually are
20 overflowing with confidence at the leadership level across
21 the Commission. I'm just very grateful for that. And I
22 just am especially grateful in tough times.

23 But it is tough times. I just want to share a
24 few observations. Monday, the stock market had the
25 steepest decline, points value in history. Okay. It's

1 plunging again today. I think the likelihood we're headed
2 into a recession is high. And this is going to impact all
3 the work. It's going to impact the state. But also the
4 things that we're doing here in many ways represent the
5 future of the economy. And so it is actually more
6 important than ever that we continue to push away, because
7 we will get through this thing.

8 My view is where we're at right now it is going
9 to get worse before it gets better. But it will get
10 better. And we'll make it through this as we every other
11 public health from SARS to Ebola. Even looking back at the
12 history of malaria and how that was eradicated actually
13 through robust -- eradicated in the United States through
14 robust public health programs.

15 And I think it also highlights for me one thing I
16 was thinking about was just if anything needs to be
17 quarantined it's this political philosophy that we
18 shouldn't be all taking care of ourselves. I mean nobody
19 is safe until everybody is safe. That's the whole thing
20 with a pandemic. And it really does reinforce the
21 principal that you want to be having robust public health
22 protections. And just more generally like we have to take
23 care of everyone among us including the least among us,
24 especially in these times. So that's been on my mind a
25 lot.

1 I will say this tour that we're doing to the 17
2 ZEV manufacturing sites, which we kicked off yesterday was
3 terrific. So Commissioner Rechtschaffen and Commissioner
4 Monahan and I did all three sets. We went to Cummins and
5 MOTIV and to Tesla. We had a much larger group including
6 President Batcher and others join us. I invited General
7 Connelly from the Marine Corps and Admiral Bolivar from the
8 Commander of Navy Region Southwest who joined us along with
9 some others for the Tesla portion.

10 But Vice Chair Scott I believe, correct me if I'm
11 wrong, but I believe you were on point on transportation
12 when MOTIV got funded. And just to share that little
13 snippet, so they made very clear in a meeting they would
14 not exist as a company were it not for the Energy
15 Commission support. They have 83 employees. They're
16 growing. We got not only to test ride, but Commissioner
17 Monahan test drove one of these massive trucks, like a big
18 electric semitruck around the block.

19 COMMISSIONER MONAHAN: It was a dream come true.

20 CHAIR HOCHSCHILD: Yeah, I wasn't sure we were
21 going to get her back. But this is what our programs are
22 supposed to do. And they took that money. There were some
23 challenges and they got through it. They used that to
24 leverage private investment. They're growing. They had a
25 very impressive team around the table and working with all

1 these companies on piloting and this is the transportation
2 and delivery vehicles of the future. It was just so great
3 to see that up front.

4 Tesla, itself, is now -- so folks have been
5 following that story, but Tesla as a company is more
6 valuable than the entire rest of the US auto industry
7 combined. It's about five times the value of Ford. And
8 they're making 1,000 electric vehicles a day off the
9 Fremont line.

10 I have been to Tesla eight times. I had started
11 when I was back in the solar industry. My office was
12 across the street when it was the NUMMI plant. And that
13 was a GM and Toyota joint venture. I remember that tour.
14 They took me around and they were saying, "Oh yeah, when we
15 find a problem" -- this is the guy from GM saying -- "When
16 we find a problem we fix it right away because otherwise if
17 you let it go, you let it go, you let it go, then you have
18 a Ford." That was his line.

19 But there were more than twice as many people
20 onsite at the Tesla factory today and there was a GM/Toyota
21 plant. And I think the great victory of Tesla, and I've
22 told them this directly, is it's actually not just the
23 Tesla vehicles, but the pressure that they have applied to
24 the entire global auto industry to go electric. And now
25 everyone is doing that.

1 So GM had a big announcement in Detroit this
2 week, invited all the dealers in, their future is electric.
3 Audi, we actually did this tour in an Audi e-tron, which we
4 used for the day, which is the first all-electric SUV, 220-
5 mile range. And Audi is coming out with another 20 models
6 of electric vehicles in the next four years.

7 These manufacturers around the world, it is
8 because of the California policy environment, which made
9 Tesla possible. I don't think you would have that without
10 all the policies that we put in place. But it's bearing a
11 lot of fruit and tremendous progress there and a great
12 discussion with them about the challenges ahead.

13 So we'll be doing the rest of that tour in the
14 next month or two as we get a calendar to going down to see
15 their motorcycles and be with the Proterra and the rest.

16 So I want to just --

17 COMMISSIONER MONAHAN: If you come to the tour,
18 maybe you guys too will get to ride in one of these
19 vehicles.

20 CHAIR HOCHSCHILD: Yeah. You can even drive it,
21 I know.

22 COMMISSIONER MONAHAN: I mean come on, on an
23 electric motorcycle.

24 CHAIR HOCHSCHILD: It's true, who's in, who's in?

25 VICE CHAIR SCOTT: They'll let you ride the

1 electric motorcycle. We missed it when we went to visit,
2 because it was raining that day.

3 CHAIR HOCHSCHILD: All right. I just also wanted
4 to especially thank Jennifer Martin Gallardo, who has been
5 doing a spectacular job as our ombudsman for the grant
6 recipients. I continue to get fantastic feedback from
7 stakeholders about that and also from staff internally.

8 And this is kind of like painting the Golden Gate
9 Bridge. Like once you do it then you start over and like
10 our process where we're really in a place where we just
11 want to constantly improve and make it as friction free as
12 it can possibly be. And we are here as an agency to serve
13 our grant recipients. And we really want to be as
14 proactive as possible. And she's just really built for
15 job. And I told her how grateful I am and we again got
16 great feedback about her and that function she's providing
17 on these site visits.

18 And then finally we had a really good forum with
19 the Velose last week, about 250 people here in Sacramento,
20 great dialogue all the stakeholders.

21 These forums are getting harder and harder to do
22 right now. I've had just from my own calendar, I think at
23 this point six of seven conferences get cancelled,
24 including one offshore wind visit. And I was going to go
25 to the Berlin Energy Transition Dialogue in Germany and to

1 other countries. That's been cancelled, so I think we can
2 expect more of that upcoming.

3 COMMISSIONER MCALLISTER: Great segue here. I
4 wanted to just bring up. So I had -- we all do conference
5 calls all the time. And video conferencing is something
6 that I think we do with mixed results. I don't know if
7 your experience reflects are similar to mine, but yesterday
8 I had a call with some Japanese executives and policy folks
9 who were in Japan and were awake in their evening. And
10 they were going to come here. They cancelled their trip.
11 Obviously they're having lots of Coronavirus issues.

12 But it actually was happily really seamless and
13 really great. And I guess maybe one if it's still a little
14 bit early to be finding silver linings here, but maybe one
15 thing we could build on -- and I'd love to work with the
16 Executive Office on this and whoever else in IT -- but to
17 sort of up our game a little bit in terms of enabling
18 distance meetings. You know there's nothing like personal
19 interaction and being with somebody when you're getting to
20 know them, establishing relationships, but then maintenance
21 of those relationships become a lot easier to do remotely.
22 But it really helps to have, particularly with groups and
23 stuff, you know and screens and sort of be able to read
24 body language and things like that to some extent.

25 So maybe this is a way that we can -- a moment

1 that we can sort of double our resolve to enable that tool
2 to be much sort of lower transaction costs and more
3 seamless. I think that it kind of seems like it's time for
4 that anyway, but maybe this is our excuse.

5 CHAIR HOCHSCHILD: Okay.

6 Drew, did you want to comment on that or anything
7 to respond on?

8 COMMISSIONER MCALLISTER: I didn't mean to put
9 you on the spot. We didn't talk about that just before the
10 meeting.

11 (Overlapping colloquy.)

12 CHAIR HOCHSCHILD: We have had a talk with Rob
13 Cook about that.

14 MR. BOHAN: Yeah. We're looking at all options
15 and certainly that's a really good idea for if we're
16 thinking about cancelling something, an option is to do it
17 remotely. It's obviously a really good option.

18 CHAIR HOCHSCHILD: Okay, any other comments?
19 Okay. Thank you. Let's move on to Executive Director's
20 Report.

21 MR. BOHAN: Commissioners I have a handful of
22 items but they're all really quick. First, thank you,
23 Commissioner Monahan, for bringing up International Women's
24 Day. This was one of those many hands make light work sort
25 of events. But really Gaylene and Courtney spearheaded it.

1 And as you all know, having done events yourselves, that if
2 there isn't somebody who really focuses on it, it doesn't
3 get done. I think they just did a terrific job. I left
4 with an enormous sense of pride for and optimism for my
5 daughter, who's 12 years old as I watched you guys.

6 FPIP, just wanted to make a comment about today's
7 item and one piece of it. I think the secret sauce here
8 was listening. I attended a meeting very early on that was
9 hosted by the Governor's Office. And there was deep
10 skepticism by not necessarily the folks who were in the
11 audience today, but certainly that industry. And I really
12 want to thank Laurie, her team, including Cyrus for
13 listening and just hearing what the challenges were.

14 There was no shortage of money prior to FPIP to
15 do the sorts of things that got done. But we really
16 listened to figure out how to tool the program in such a
17 way that it was able to be utilized effectively.

18 Survey results, we did an all staff survey. We
19 got 380 responses, which was very good. And I'm really
20 optimistic about the results, a lot of good things.
21 Tremendous pride in people in this organization for the
22 work we do. Also some challenges and so we're doing an
23 offsite with my leadership team. And Darcie has graciously
24 agreed to join us this Friday. We're going to take off a
25 chunk of the day and talk about what some of those concerns

1 were and how we can best address them. I'll be messaging
2 them today.

3 Two other things, Coronavirus, I just wanted to
4 say we'll continue to monitor it. I get a lot of
5 information and try to be choosy about what to share with
6 staff lest we overwhelm folks. I sent out an all staff
7 yesterday and it was a compilation of a number of different
8 pieces that the idea was to try to pull the most relevant
9 ones for folks and send those around.

10 My in-box, in my anonymous suggestion box, I
11 wouldn't say it's getting flooded, but I'm getting quite a
12 number of comments from folks who are concerned. And an
13 email you didn't see was one that went just to managers and
14 supervisors.

15 And what it is asking folks to do is assess our
16 ability to telework. There are two challenges with
17 teleworking. One, there are people who do work in this
18 building who's work isn't really suitable for teleworking.
19 So we want to kind of get a sense of who those folks are.
20 And then second, there are folks for whom it is suitable,
21 but who have technological and other challenges at home.
22 So they want to get ready ahead of time in the event we
23 need to do more teleworking. So it's really just sort of a
24 getting ready situation.

25 And also we asked last night about 10:00 o'clock

1 that we add the COVID-19 link from the California
2 Department of Public Health to our website. I'm pleased to
3 say that our IT shop jumped on it. It's on the website
4 now, on our main page. So we're keeping an eye on that.

5 And then finally I got asked to join a meeting on
6 sea-level rise, hosted by the Secretary Crowfoot. And the
7 team asked that we share with you the Making California's
8 Coast Resilient to Sea Level Rise draft principles
9 document. It's available. I'm happy to share it with you.
10 But I just want to let you know it does a number of things.
11 One, it suggests we work together with folks and
12 collaborate with sister agencies and with local
13 governments.

14 But the big one is for us I think to use in our
15 planning the 3.5 feet sea level rise by 2050 figure. It
16 most impacts Commissioner Douglas and the Siting Division.
17 I think as we looked at siting power plants and related
18 facilities, but it may apply in other instances as well.
19 Thank you.

20 CHAIR HOCHSCHILD: Thank you.

21 VICE CHAIR SCOTT: Drew, are you going to send
22 that around to us? I think it would be super helpful, I
23 think especially to me and Commissioner Douglas for the
24 Fifth Climate Assessment. We're working on that. And also
25 in case there are things that we would like the research

1 team to think about needing to look into so if we could see
2 those that would be fantastic.

3 MR. BOHAN: Sure. I'll send it to the five of
4 you now.

5 VICE CHAIR SCOTT: Okay. Thank you.

6 CHAIR HOCHSCHILD: Madam Public Advisor.

7 MS. GALLARDO: For the record, Noemi Gallardo.
8 Hello Chair and Commissioners. I have two quick things.
9 One speaking of the Coronavirus, my office does talk to the
10 public and so I just wanted to emphasize that we'll work in
11 coordination with Drew in case we do start hearing from the
12 public any concerns. We haven't heard any thus far though.

13 And then second, I wanted to acknowledge the
14 opportunity that you provided me to serve the Commission
15 further by supporting the Disadvantaged Communities
16 Advisory Group, known also as DACAG. I think that aligns
17 really well with the other work that my office is doing to
18 advance inclusion, diversity, equity and access at the
19 Commission. So I wanted to let you know we're looking
20 forward to that. And also emphasize that we'll be
21 advancing the incredible work done by Kristy Chew. So
22 thank you so much.

23 CHAIR HOCHSCHILD: Well thank you so much, Noemi.
24 We're really proud of you.

25 Public comment, is there any public comment in

1 the room or on the phone?

2 Okay. Let's move on the Chief Counsel's Report.

3 MS. HOUCK: No report.

4 CHAIR HOCHSCHILD: All right. We're adjourned.

5 Thank you.

6 (The Business Meeting adjourned at 11:42 a.m.)

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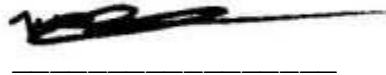
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