

**DOCKETED**

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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
- \*Bryan Early
- \*Fritz Foo
- \*Martha Brooks
- \*Siva Gunda
- \*Dee Anne Ross
- \*Lisa DeCarlo
- \*Ralph Lee
- \*Kerry Willis
- \*Matthew Layton

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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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iv. <i>Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, (17-cv03404)</i>	
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viii. <i>State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc.</i> (Sacramento County Superior Court, Case No. 34-2019-00252543)	
xi. <i>Olson-Ecologic Testing Laboratories, LLC v. CEC.</i> (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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APRIL 8, 2020

10:02 a.m.

CHAIR HOCHSCHILD: Okay. Let's gets started.

Good morning everybody, this is David Hochschild along with my colleagues. It's April 8th, and we are beginning our first Commission Business Meeting. On a silver note, this will not be our last, but this is the first time in our 45-year history that we have done this, so please bear with us as we work through any technical issues. I especially want to thank the IT staff and our Public Advisor Noemi Gallardo for all their work to help meet this challenge.

Let's begin with the Pledge of Allegiance.

(Whereupon the Pledge of Allegiance is recited.)

CHAIR HOCHSCHILD: Thank you. Before we get into the agenda I wanted to make a few remarks about this extraordinary and challenging moment that we are all and together as we deal with the COVID-19 Pandemic. And just to say this presents a major challenge to our state, to our country and the world, but we are stepping up. And I really want to commend Governor Newsom for his incredible leadership. We are a science-based agency, and this is an administration that believes in science. And really I'm grateful, especially now for that, because the early leadership has made a big difference.

I think it's pretty clear now that the shelter-

1 in-place order has saved lives. I have myself lost a  
2 friend last Wednesday who died in New York and another  
3 classmate who's in the ICU. And we're seeing this roll out  
4 across the country; 12,000 people have now perished. And  
5 so the action we're taking to shelter in place is very much  
6 the right thing to do. It is also extremely difficult.

7           And I wanted to just urge everybody to dig deep  
8 and find the very best parts of the human spirit within us,  
9 particularly around supporting each other. Because there  
10 actually are pretty significant health impacts from  
11 isolation itself. So "social distancing" isn't really the  
12 quite the right term, it's "physical distancing." But we  
13 actually need social connection now more than ever, and  
14 particularly with the most vulnerable among us. So I just  
15 wanted to urge everyone to the greatest degree possible to  
16 reach out to your colleagues, to your friends, your  
17 neighbors, your family, check in. You can't do too much of  
18 that, people really appreciate it. And we're going to get  
19 through the thing together.

20           Here at the Energy Commission we are working  
21 almost entirely remotely now. My thanks again to the IT  
22 staff for all the work to make that possible. And we're  
23 really focused. I have two immediate priorities, one is  
24 monitoring fuel supplies very closely with the situation  
25 with our refineries and getting critical fuels. And the

1 other is -- I just lost my video connection but hopefully  
2 you can still hear me on the phone -- and the other is  
3 economic stimulus --

4 COMMISSIONER MCALLISTER: Yeah, we can.

5 CHAIR HOCHSCHILD: Thank you -- to the greatest  
6 degree possible. We're looking at every possible way that  
7 we can to accelerate our grant making, so that we can be  
8 part of the solution economically.

9 And I just want to say I'm incredibly proud of  
10 the Energy Commission staff. I've seen a lot of  
11 professionalism and dedication across the board as people  
12 step up to deal with this situation. So we're going to  
13 continue to do physical distancing and remote practice of  
14 all of our work while maintaining our commitment to the  
15 mission. And we'll do that as long as it's medically  
16 indicated and we won't change until it's safe to do so.

17 So at this time what I'd like to do is just ask  
18 we take a moment of silence in recognition of the 12,000  
19 people who have perished in the pandemic.

20 (Whereupon a moment of silence is observed.)

21 CHAIR HOCHSCHILD: Okay, thank you. So this  
22 meeting is going to run a little bit differently and I'm  
23 going to have to read a lot more. And I will be calling  
24 individually on Commissioners as we do this. So Jerome,  
25 just so you know I have no video now, but I think the audio

1 still works so I will just keep proceeding.

2 Today's April 8th, 2020 Business Meeting is being  
3 held remotely without a physical location or any  
4 (indiscernible) --

5 (Audio cuts out for Chair Hochschild)

6 COMMISSIONER MCALLISTER: Did everybody else lose  
7 the Chair as well?

8 UNIDENTIFIED SPEAKER: Yes.

9 UNIDENTIFIED SPEAKER: Yes, we cannot hear the  
10 Chair. Chair, are you muted?

11 COMMISSIONER MCALLISTER: Okay, it seems like a  
12 connection problem. David, are you back?

13 CHAIR HOCHSCHILD: Okay, I think I got it.  
14 Yeah, I'm back on. Sorry. I think the video came back on  
15 and then I lost the -- can you hear me now?

16 COMMISSIONER MCALLISTER: Yeah.

17 UNIDENTIFIED SPEAKER: Yes, now we can.

18 CHAIR HOCHSCHILD: You can? Okay, sorry. Sorry  
19 about that.

20 The public may participate or observe this  
21 meeting consistent with the direction of these executive  
22 orders. Instructions for remote participation can be found  
23 in the notes for this meeting and as set forth on the  
24 agenda posted to the CEC website link to this meeting. In  
25 case WebEx shuts down we will continue the meeting on our

1 Verizon phone line. That number is 888-823-5065, and the  
2 passcode is "business meeting."

3 Pursuant to California Code of Regulations Title  
4 20, any person may make oral comment on any agenda item.  
5 To ensure the orderly conduct of business, such comments  
6 will be limited to three minutes per person with each item  
7 listed in the agenda that will be voted on today. Any  
8 person wishing to comment on information items or reports  
9 or non-voting items shall reserve their comment for the  
10 general public comment portion of the meeting agenda and  
11 shall have three minutes total to state all remaining  
12 comments.

13 So please note you cannot make public comments  
14 through the WebEx system. There are two ways to provide  
15 comments during today's meeting. You can email concise  
16 comments to publicadvisor@energy.ca.gov and have the Public  
17 Advisor orally relay those comments. Or you can call into  
18 the Verizon phone line, again, 888-823-5065, and the  
19 passcode is business meeting. Give your name, and  
20 organization item number to the operator. And then we're  
21 going to ask you to spell your first and last name.

22 Okay, so with that let's turn now to Agenda Item  
23 1, which is the Consent Calendar. Items will be taken up  
24 and voted on as a group. Any Commissioner may request that  
25 any of the items in Consent be moved and discussed later in

1 the meeting. Staff is available on the line now to respond  
2 to questions. Let's see if we have any public comment on  
3 Item 1. Is there anyone on the phone line wishing to  
4 comment on Item 1?

5 And Noemi, do you have anyone you've received on  
6 that?

7 MS. GALLARDO: This is the Public Advisor, Noemi.  
8 I do not have anyone.

9 CHAIR HOCHSCHILD: Okay. Are we getting any  
10 other comments? All right, we're going to do comments  
11 first from the Commissioners. I'm going to just call on  
12 you individually and just see if you have any comments.

13 Any comments from Vice Chair Scott?

14 VICE CHAIR SCOTT: No comments.

15 CHAIR HOCHSCHILD: Any comments from Commissioner  
16 Douglas? Commissioner Douglas we can't hear you if you're  
17 there. Are you -- there we go. Commissioner Douglas do  
18 you have any comments on Item 1?

19 CHAIR HOCHSCHILD: (No audible response.)

20 Okay, I don't think so. Commissioner McAllister?

21 COMMISSIONER MCALLISTER: No comment.

22 CHAIR HOCHSCHILD: And Commissioner Monahan, any  
23 comments?

24 (No audible response.)

25 CHAIR HOCHSCHILD: Okay, hearing none let's see,



1 what do we -- do we have a motion? Vice Chair Scott would  
2 you be willing to make a motion?

3 VICE CHAIR SCOTT: Yes, I move approval of the  
4 Consent Calendar.

5 COMMISSIONER MCALLISTER: I'll second it.

6 CHAIR HOCHSCHILD: Okay, there is a second by  
7 Commissioner McAllister. All in favor, let's -- actually,  
8 we have to vote individually again. Vice Chair Scott?

9 VICE CHAIR SCOTT: Aye.

10 CHAIR HOCHSCHILD: Commissioner McAllister?

11 COMMISSIONER MCALLISTER: Aye.

12 CHAIR HOCHSCHILD: Commissioner Douglas?

13 (No audible response.)

14 CHAIR HOCHSCHILD: Commissioner Douglas, can you  
15 just do a thumbs-up if you can't -- we can't hear you.  
16 Okay. Thank you.

17 Commissioner Monahan?

18 (No audible response.)

19 CHAIR HOCHSCHILD: We can't hear from  
20 Commissioner Monaghan so pending phone issues and I vote  
21 yes, so that's a 4-0 vote until we hear from Commissioner  
22 Monahan.

23 Let's move on now to Item 2. Let's hold Item 1  
24 open until we get Commissioner Monahan's phone line back  
25 up. Okay, so let's move on to Item 2. This is Martha

1 Brook, correct?

2 COMMISSIONER MCALLISTER: Yes.

3 CHAIR HOCHSCHILD: Terrific. Commissioner  
4 McAllister.

5 COMMISSIONER MCALLISTER: Yeah. So just for this  
6 item I really appreciate everyone's attention on this.  
7 You've all worked with Martha and know how important she's  
8 been and how central really she has been to many of the  
9 activities of the Energy Commission for longer than any of  
10 us Commissioners have been here at the Commission. So I'm  
11 going to read a resolution. And then this is not a voting  
12 item, it's a resolution. But I'll go through it. I'll  
13 read the resolution. And then we'll take some comment from  
14 staff, I think, and then open it up for Commissioner  
15 comment to conclude the item, so we'll move in that  
16 direction.

17 So this is a significant -- there are a lot of  
18 whereases on this resolution. Martha has been at the  
19 Commission for several decades and has accomplished an  
20 incredible amount and worked with many, many of our  
21 signature initiatives over the years. And so obviously  
22 there are a lot of (indiscernible). We've tried to distill  
23 it down, but lots of people I think to applaud Martha for.

24 So hopefully Martha is on the line and can listen  
25 to this because this has, you know, just as a professional,

1 as a person she's incredibly special. And I just want to  
2 acknowledge her fully in her presence, or her virtual  
3 presence I guess now.

4 Okay, "State of California State Energy Resources  
5 Conservation and Development Commission Resolution - Martha  
6 Brook."

7 "Whereas, Martha Brook has spent nearly 30 years  
8 in public service working for the State of California and  
9 in that time has been a passionate advocate and tireless  
10 innovator helping to scale energy efficiency programs and  
11 provide more Californians with the benefits of a cleaner  
12 environment and reduced energy bills; and

13 "Whereas, Martha graduated from Humboldt State  
14 University in 1985 with a Bachelor of Science degree in  
15 Environmental Resource Engineering; and

16 "Whereas, on June 1, 1990, Martha joined state  
17 service as an employee of the CEC; and

18 "Whereas, on February 1st, 1991, Martha became a  
19 licensed professional engineer in California; and

20 "Whereas, Martha brought her positive attitude,  
21 technical acumen, and clear communication skills to the  
22 Energy Supply Planning and Demand Forecasting Division from  
23 1990-1994, to the Energy Efficiency Division from 1994-  
24 2000, to the Energy Research and Development Division from  
25 2000-2007, to the Efficiency Division from 2007-2016, to

1 Commissioner J. Andrew McAllister's Office from 2016-2019,  
2 and presently to the Energy Assessments Division; and

3 "Whereas, during her time at the CEC, Martha has  
4 contributed to its forecasting work, enhanced its data  
5 analytics capabilities, worked on building energy  
6 efficiency research and development projects, and helped  
7 the Building Standards Office as a senior mechanical  
8 engineer; and

9 "Whereas, Martha helped to create the Public  
10 Interest Energy Research Program for energy efficiency and  
11 steered advancements in emerging technologies, software,  
12 and design that have left an indelible mark on buildings  
13 today; and

14 "Whereas, Martha was the primary author of the  
15 California Existing Buildings Energy Efficiency Action Plan  
16 in 2015 and its update in 2016, which are instrumental in  
17 laying out a pathway to achieve a doubling of energy  
18 efficiency in existing buildings; and

19 "Whereas, Martha developed the CEC's first  
20 acceptance testing requirements in the Building Energy  
21 Standards and moved the building standards compliance  
22 software, CBECC-Com and CBECC-Res, towards open-sourcing  
23 through strategic collaboration with building simulation  
24 software developers around the country; and

25 "Whereas, Martha led all mechanical engineering

1 work for nonresidential buildings in the Efficiency  
2 Division and was instrumental in connecting those Standards  
3 to developmental work related to building commissioning,  
4 both in California and nationally; and

5 "Whereas, in her capacity as an advisor to  
6 Commissioner Andrew McAllister -- the Lead Commissioner on  
7 buildings, electricity and natural gas -- Martha brought  
8 her collaborative spirit and understanding of the benefits  
9 of enhanced data usage in energy program implementation to  
10 lay the foundation for a scaling of efficiency and building  
11 decarbonization to help California meet its climate goals;  
12 and

13 "Whereas, during Martha's tenure as an advisor to  
14 Commissioner McAllister, she was an invaluable liaison  
15 between Commissioner and staff, providing deep  
16 understandings of the Standards program and its areas of  
17 improvement, demanding innovation, and serving as a  
18 constant voice to support and inspire actions that have  
19 ensured California's Standards continue to lead the nation;  
20 and

21 "Whereas, in 2019, Martha left Commissioner  
22 McAllister's office to take a special role in the Energy  
23 Assessments Division advancing projects to enhance the  
24 utilization of big data in the forecasting and distribution  
25 planning work of the CEC and supporting analyses on

1 building decarbonization; and

2           "Whereas, Martha's colleagues have noted that she  
3 has never been afraid to express her opinion, take risks,  
4 or challenge others to think outside the box to advance the  
5 work of the CEC; and "Whereas, Martha has developed an  
6 enormous network of supportive stakeholders outside of the  
7 CEC through her collaborations and has created a deep well  
8 of external goodwill and respect for the CEC's work; and

9           "Whereas, being part of an elite group of women  
10 engineers in a male-dominated field and acting as a  
11 generous mentor to other women engineers, Martha has paved  
12 the way for other female leaders in energy; and

13           "Whereas, as she nears retirement, Martha leaves  
14 behind almost 30 years' worth of doodle-filled notebooks, a  
15 testament to her creative soul and ability to always remain  
16 alert in meetings; now

17           "Therefore, let it be resolved that the CEC  
18 recognizes and thanks Martha Brook for her distinguished  
19 record and professional contributions to the well-being of  
20 the citizens of California and for her superb  
21 accomplishments throughout the many years of service that  
22 she has given to the CEC and to the people of the State of  
23 California; and that the CEC congratulates Martha Brook on  
24 her new role at the Energy Commission, and wishes her good  
25 health, happiness and all the best as she approaches

1 retirement."

2           And actually it's not in here, but also her new  
3 role as a grandmother. So anyway that is the resolution.  
4 I'm really happy to sort of sponsor this and get it out  
5 there for further discussion. And I think now so that's  
6 it, you all have an opportunity to comment here. I think  
7 we're going to open it up for staff comment first and then  
8 Commissioner comment, if there are staff who want to layer  
9 on some plaudits for Martha, who's obviously deserving  
10 them.

11           CHAIR HOCHSCHILD: That's wonderful. Thank you  
12 Commissioner McAllister.

13           Yeah, are there comments from Energy Commission  
14 staff on this item?

15           MR. GOLDTHRITE: This is Cody Goldthrite,  
16 Secretariat. We have Bryan Early, Fritz Foo, Martha Brook  
17 and Diana Gonzalez on the line, and they're open.

18           CHAIR HOCHSCHILD: Great, let's do it in that  
19 order. Thank you.

20           MR. EARLY: Hi, everyone. This is Bryan Early.  
21 So Martha, it was such a pleasure to work with you as co-  
22 advisor to Commissioner McAllister.

23           As that document memorialized, you have such an  
24 uncanny ability to be very direct in a way that brings  
25 people up. You know, this is a business where disagreement

1 is just part of it. I mean that's politics, that's  
2 policymaking. There's different strategies that people  
3 employ to deal with these disagreements. And yours was to  
4 always be, and is to be entirely direct, which sometimes  
5 with other people maybe could be abrasive, but somehow with  
6 you it just like makes me smile even if you're telling me  
7 that, "You're wrong." (Laughter.) And it's such a unique  
8 ability to build a consensus just by being like entirely  
9 direct, and so that is just absolutely priceless. And it's  
10 been a joy.

11 CHAIR HOCHSCHILD: Thank you, Bryan.

12 So we go to Fritz and to Diana and then Martha.

13 MR. FOO: Hello?

14 CHAIR HOCHSCHILD: Yeah, go ahead.

15 MR. FOO: Hi, everyone. My name is Fritz Foo,  
16 "F-r-i-t-z F-o-o." And I am currently one of Mr.  
17 McAllister's advisors. And I just wanted to mention, to  
18 just really give a big shout out and thanks to Martha. I  
19 worked six years with Martha in this role before she came  
20 on her special project in the Energy Assessments Division.  
21 And she has been a fantastic mentor in the time that I've  
22 been in this office. She has been nothing but supportive  
23 and insightful in sharing with me the nuances of the job  
24 and really, how to approach the technical subject matter  
25 that we deal with.



1           And on that note Martha I still have your 1998  
2 edition, the "Homeowner's Guide to Energy Efficiency" that  
3 you let me borrow. So I can mail that back to you as soon  
4 as (indiscernible). (Laughter.)

5           More than anything the thing that I admire about  
6 Martha is that whenever I'm introduced as the new advisor  
7 to Commissioner McAllister I am frequently met with, "Wow,  
8 those are big shoes to fill." And on one hand that's of  
9 course daunting. Martha's career has literally shaped the  
10 future of California's buildings. But on the other hand  
11 knowing that shoes can get so big to fill is inspiring.  
12 That someone with passion, wits and brilliance can do so  
13 much for the greater good in their time in public service.  
14 So thank you Martha for being a constant source of  
15 information and inspiration to do better. I imagine you'll  
16 continue to throw ideas our way, because as you said  
17 yourself in a recent email directly, "Nerding out on policy  
18 analysis in your pajamas has not grown tiresome yet."  
19 (Laughter.)

20           So I'm looking forward to continue your work and  
21 thank you so much Martha.

22           CHAIR HOCHSCHILD: Really well said, Fritz, thank  
23 you.

24           Who else do we have on the line, Cody?

25           MR. GOLDTHRITE: Diana Gonzales and Martha

1 Brook.

2 CHAIR HOCHSCHILD: Okay. Go ahead Diana, please.

3 Diana, can you hear us?

4 (No audible response.)

5 CHAIR HOCHSCHILD: Is she unmuted Cody?

6 MR. GOLDTHRITE: Diana Gonzales disconnected, so  
7 we'll go to Martha.

8 CHAIR HOCHSCHILD: Go to Martha.

9 MS. BROOK: Good morning, Commissioners. Can you  
10 hear me?

11 COMMISSIONER MCALLISTER: Hey, Martha, yeah.

12 CHAIR HOCHSCHILD: Uh-huh, yeah.

13 MS. BROOK: Hey! Oh my goodness you guys, that  
14 was amazing. Oh so anyway I'm going to do this formally,  
15 because otherwise I won't be able to finish without crying  
16 my eyes out. So since this is my last time speaking at a  
17 business meeting I decided to prepare my response as I have  
18 done for the other items I've presented before you and your  
19 predecessors. Don't worry, this will be brief. I will  
20 compose a longer goodbye to the Energy Commission before I  
21 retire at the end of April.

22 Good morning, my name is Martha Brook. I'm with  
23 the Demand Analysis Office in the Energy Assessments  
24 Division. Thank you, both for this singular honor of  
25 appearing as a business meeting agenda item and for the

1 last 30 years.

2 To the Commissioners, I've benefited from your  
3 intelligence, your motivation and your keen interest. Over  
4 the years I shaped my own information-gathering and  
5 analysis, such that I could answer the questions I thought  
6 you might ask me. I appreciate where this has led me more  
7 than I can express.

8 To my colleagues, staff, I've laughed with many  
9 of you and cried with a few of you. I have many great  
10 memories. I want you to know that I've enjoyed being part  
11 of your family. A big part of this is observing the  
12 kindness and the friendship you share with each other.  
13 Your lunch groups in the atrium, your exercise or coffee  
14 pairs coming and going, your celebration of life events,  
15 your inspiring charity work, when I think about what I will  
16 miss, you are the biggest part.

17 That is the end of my presentation and I am here  
18 to answer any questions you may have.

19 CHAIR HOCHSCHILD: Well first of all, Martha,  
20 congratulations on an incredible career. We're so proud of  
21 you and grateful to you. And I think it's really clear  
22 just from being yourself and the vision and commitment  
23 you've shown, so what an inspiration that is to all the  
24 other staff. Particularly the newer staff who come in and  
25 see what it looks like to have a real legacy, career in

1 public service, doing this work. So we're really proud of  
2 you.

3 Let's open it up to other Commissioners. Vice  
4 Chair Scott, anything you'd like to add?

5 VICE CHAIR SCOTT: I do. Martha I just want to  
6 say I'm so glad that you're on the phone and that you can  
7 hear us. And hopefully you'll come back to the office, so  
8 we can give you a real hug in addition to these virtual  
9 hugs. But it has really been a joy for me to get to work  
10 with you.

11 Your command of technical minutiae is really  
12 impressive. And you also just do a really great job in  
13 kind of bringing it back up to a higher level. And really  
14 explaining it well in a way that someone who's not an  
15 engineer like myself can understand, and that's a really  
16 impressive skill set. Every meeting that I've been in with  
17 you, you always contribute in a really meaningful way. I  
18 appreciate the direction that Commissioner McAllister and  
19 others have mentioned. And it's just really been a joy to  
20 work with you. And I am so excited for you and your next  
21 steps. So congratulations on what's next. And thank you  
22 for all of your amazing work here at the Energy Commission.

23 CHAIR HOCHSCHILD: Great. Commissioner Douglas?

24 (No audible response.)

25 COMMISSIONER MCALLISTER: No.

1 CHAIR HOCHSCHILD: Commissioner Douglas, can you  
2 hear us? You can hear us, but we can't hear you. Are you  
3 unmuted on your screen? Okay.

4 MR. GOLDTHRITE: Hi, Chair. This is the  
5 Secretary, sorry to interrupt. We have Siva Gunda and Dee  
6 Anne Ross that would like to comment. They came in a  
7 little late.

8 CHAIR HOCHSCHILD: Okay. Yeah, let's get through  
9 the Commissioners.

10 MR. GOLDTHRITE: Okay, sure.

11 CHAIR HOCHSCHILD: Commissioner Douglas we're  
12 having trouble hearing you. Are you unmuted on your end?

13 COMMISSIONER MCALLISTER: Why don't we let the  
14 remaining staff have a chance and then we'll wrap it up,  
15 the Commissioners. Does that sound good?

16 CHAIR HOCHSCHILD: Okay, we'll come back. If IT  
17 could assist Commissioner Douglas with that it would be  
18 good.

19 Okay let's go back to, I heard Siva Gunda, and I  
20 know Drew Bohan has comments as well.

21 COMMISSIONER MCALLISTER: Siva, Dee Anne, Drew.

22 CHAIR HOCHSCHILD: Okay. Siva do you want to  
23 start?

24 MS. GUNDA: Yes. Chair, can you hear me?

25 CHAIR HOCHSCHILD: Yes, we can hear you.

1 MS. GUNDA: Yeah, great. So I'm Siva Gunda for  
2 the record and Deputy Director for the Energy Assessments  
3 Division. And I want to make a brief remark on behalf of  
4 the division.

5 Just prior to joining CEC I've kind of known  
6 Martha through my interactions with her on the  
7 implementation of the Prop 39 program several years ago. I  
8 came to present the methodology that UC Davis developed for  
9 assessing investments and was so taken by her spirit of  
10 collaboration, pointed questions, thoughtfulness and desire  
11 to move the mission of the program forward in the best  
12 possible analysis. And I'm so very grateful for that  
13 spirit that Martha carries.

14 I cannot really add more to the excellent  
15 resolution that Commissioner McAllister read indicating her  
16 contribution to the CEC. But I do want to make a remark on  
17 her enduring legacy, specifically with the EAD. When I  
18 started my job a few years ago in the Assessments Division  
19 I wanted to learn about a model that we use called the HELM  
20 model, a developed hourly demand forecast. And I asked the  
21 staff for a visual depiction of the process so I could  
22 understand it easily, and so I wanted them to put it  
23 together. And what I received was a true testament of her  
24 enduring legacy in the division. It was actually an  
25 original hand drawing prepared by Martha with a bunch of

1 tapes on it just to make sure it kind of doesn't fall  
2 apart. But it was just that we were not able to create  
3 another version of Martha's depiction. And it's just the  
4 nature of the way she works. And people just have such  
5 high regard for her work.

6           Personally I mean there's a number of comments  
7 that Fritz and Bryan made in terms of her thoughtfulness  
8 and her mentorship. But for me it was a very short  
9 relationship with her, just a few years, but my  
10 relationship has really seen her as a very thoughtful  
11 colleague and the gentlest mentor. And helped me  
12 personally to keep the spirit of progress always lit. And  
13 she has an unwavering desire and energy to move the ball  
14 forward. And she can do it in such a collaborative and  
15 intentional spirit.

16           And I want to just thank Martha from the bottom  
17 of my heart for all the contributions she made to the state  
18 as well as personally. And wish her all the success. And  
19 also potentially to wish her a speedy return to CEC in  
20 retirement if she wants to. Thank you. (Laughter.)

21           COMMISSIONER MCALLISTER: Yeah, here, here.

22           CHAIR HOCHSCHILD: Thank you. Let's go to Dee  
23 Anne Ross.

24           MS. ROSS: Hi, can you hear me?

25           CHAIR HOCHSCHILD: Yes, we can.

1 MS. ROSS: Okay, perfect. So I came back to the  
2 Energy Commission to work with Martha. I actually didn't  
3 know I was going to be working with Martha on her CBECC-Res  
4 vision. It was just a happy surprise that I got to work  
5 with her. And I can't speak to her job duties parts of her  
6 personality, because most of the time it was way over my  
7 head. She's so intelligent. But she was just a pleasure  
8 to work with, she was a breath of fresh air. And I just  
9 loved working with her. She was one of the -- times I  
10 almost cried when she left to work for the Commissioner.  
11 So anyway, it was just a joy working with her. And I love  
12 seeing her every time I do. Thank you.

13 CHAIR HOCHSCHILD: Thank you so much Dee Anne.

14 Okay let's go back to Commissioner Douglas. Are  
15 you able to speak now?

16 (No audible response.)

17 CHAIR HOCHSCHILD: Still no sound from  
18 Commissioner Douglas. Commissioner Monahan, are you able  
19 to speak?

20 COMMISSIONER MONAHAN: That's a good question.  
21 Am I able to speak? Can you hear me?

22 CHAIR HOCHSCHILD: Yes, we can hear you.

23 COMMISSIONER MCALLISTER: Yay.

24 CHAIR HOCHSCHILD: Yes we can hear you.

25 COMMISSIONER MONAHAN: Oh yay, so exciting.



1 Well it's like I have tears in my eyes and I  
2 don't even really know Martha, so it's just a testament to  
3 how much goodwill you have engendered in the CEC. So I  
4 wish you all the best and really happy that we're able to  
5 give you accolades like this publicly. Even in this very  
6 remote setting we were all trying to figure out how to make  
7 this technology work to our advantage, so I wish you all  
8 the best.

9 CHAIR HOCHSCHILD: Okay, thank you. Well I --

10 COMMISSIONER MCALLISTER: Did Drew want to?

11 CHAIR HOCHSCHILD: Oh, yes. Drew, yeah. Can you  
12 hear us Drew? Drew we can't hear you if you're -- it's on  
13 mute.

14 MR. BOHAN: Can you hear me?

15 COMMISSIONER MCALLISTER: There you go.

16 MR. BOHAN: Hello. Thank you.

17 CHAIR HOCHSCHILD: Yeah, yeah go ahead.

18 MR. BOHAN: Okay, yeah, just very briefly. I  
19 don't have anything substantive to add to the great things  
20 people said, but I just want to say thank you to Martha.  
21 And the contributions she has made to this organization  
22 during her tenure are up there with the best of this  
23 organization. I'm so proud of her and thankful and  
24 particularly grateful that I could always go to her and get  
25 a candid answer to any number of things, so thank you.

1 Thank you, Martha. Thank you

2 CHAIR HOCHSCHILD: Yeah. Well, thank you so much  
3 everybody. Commissioner Douglas, last chance? You're  
4 still on mute? Okay.

5 COMMISSIONER MCALLISTER: I want to check in and  
6 then I want to finish up with some personal comments, not  
7 too long.

8 CHAIR HOCHSCHILD: Okay. Oh I think we will  
9 channel Commissioner Douglas. And I know she's a big fan  
10 of yours as well, Martha.

11 And just for me, personally I just want to say  
12 you know I think you can be a total celebrity and not be  
13 famous around the states in terms of the impact you're  
14 having. And I have seen that. I've just seen you focus on  
15 the whole concept of zero energy homes and the solar  
16 mandate and all the things you contributed to in really  
17 making efficiency standards best in class here. You know,  
18 it has had an impact around the country and around the  
19 world, so to me you're a celebrity in this space. And it's  
20 just been an honor to work with you. And I hope after you  
21 recharge your batteries --

22 (Interference and feedback interrupt.)

23 CHAIR HOCHSCHILD: Commissioner McAllister, did  
24 you want to wrap things up?

25 COMMISSIONER MCALLISTER: Yeah. So I just wanted

1 to, on a personal note the resolution sums up a lot of the  
2 big picture items over the 30 years that the Commission --  
3 Martha. Well I hope your family is doing well. I know  
4 lots of folks on there, so want to wish all of you the  
5 best. A good professional comes from a good family in  
6 terms of being able to focus on doing the heavy lifting  
7 that you've done for so long, so thanks to them as well.

8           And then just I think the word "integrity" comes  
9 to mind. You can be really opinionated and have strong  
10 views of things and still be a complete team player if the  
11 right mix of respect and integrity are there, and you are  
12 just the personification of that. And I was honored to be  
13 able to have you as an advisor in my office. I mean when  
14 you consented to come over to my office I was so happy and  
15 in a way surprised that you hadn't been on Commissioner row  
16 before. But I think there's a certain revolutionary  
17 quality that you have that really I think is part of your  
18 constitution. And I have so much respect for that,  
19 figuring out both how to have really an envelope pushing  
20 attitude or profile. But then also figure out ways to get  
21 things done in the real world with respect and teams. And  
22 that's combination that's so rare. I mean, you brought so  
23 much to the Commission and my office and the state so thank  
24 you for that.

25           COMMISSIONER DOUGLAS: So Commissioner

1 McAllister, can you guys hear me now?

2 COMMISSIONER MCALLISTER: Yes.

3 CHAIR HOCHSCHILD: Yeah, we can hear you. Yeah.

4 COMMISSIONER DOUGLAS: Good, I am audible. Well  
5 third try.

6 COMMISSIONER MCALLISTER: Oh, hey.

7 COMMISSIONER DOUGLAS: It's nice that everything  
8 works. And you know, 20 minutes ahead of business meeting  
9 time and then it stopped as soon as we went live.

10 (Laughter.)

11 Right. I won't take up too much additional time.  
12 I just wanted to say that I've greatly enjoyed working with  
13 Martha. I well remember the days when I was a brand-new  
14 Commissioner trying to learn about energy efficiency and  
15 Martha was so capable and competent and informed and  
16 introducing me to that very complex and nuanced world. And  
17 I really -- you know, Martha, when you retire we will miss  
18 you a lot. I hope we are back in business in person that  
19 we get to see you around at least a bit. But  
20 congratulations for all of your hard work.

21 COMMISSIONER MCALLISTER: And the last thing I  
22 want to throw in there is just I remembered, so when I  
23 first interacted with Martha back I think in the '90s when  
24 I was in -- at the end of the '90s maybe when I was in grad  
25 school -- but back in the era of dot matrix printers and

1 when everything was printed and on shelves. When I was at  
2 Berkeley Lab in the early '90s there were reports with  
3 Martha's name on them then.

4 And then during the ARRA period she was one of  
5 the faces of much of the funding that came through the  
6 Commission. And that just had a huge, huge impact and  
7 actually was part of the kind of set of circumstances that  
8 put the idea in my head that the Commission would be a  
9 really great place to be. And so in terms of just context  
10 setting and showing competence it has so many effects that  
11 we maybe don't even anticipate or understand at the moment.

12 And then coming to the Commission obviously, just  
13 huge. Celebrity is a good word. I mean even in Europe and  
14 across the world people in our sphere know Martha. And  
15 Energy Efficiency wouldn't be what it is without your  
16 contribution Martha. So anyway, certainly I'm going to be  
17 part of the lobby to get you back as a retired annuitant,  
18 but just thank you in the meantime and really enjoy your  
19 well-deserved kudos, because they are unanimous I think.  
20 So thank you.

21 CHAIR HOCHSCHILD: All right, thank you. Well,  
22 thank you everybody. And congratulations, Martha, we're  
23 really proud of you and wishing you well this next chapter.

24 Before we move on to Item 3, can we go back to  
25 Item 1?

1 Commissioner Monahan we held a vote open that's  
2 for you on Item 1. How would you like to vote?

3 (No audible response.)

4 CHAIR HOCHSCHILD: Commissioner Monahan, can you  
5 hear us again?

6 COMMISSIONER MONAHAN: Yes, sorry.

7 CHAIR HOCHSCHILD: Yes? Yeah.

8 COMMISSIONER MONAHAN: I can, yes. Sorry, it  
9 took me awhile to unmute. Aye, I voted aye.

10 CHAIR HOCHSCHILD: Okay. Item 1 passes  
11 unanimously.

12 Let's move on to Item 3. Let's welcome Sean  
13 Steffensen to begin his presentation of Appliance  
14 Efficiency Regulations Rulemaking for Replacement  
15 Dedicated-Purpose Pool Pump Motors and Dedicated-Purpose  
16 Pool Pumps.

17 MR. STEFFENSEN: (Indiscernible.)

18 MR. GOLDTHRITE: Chair did -- sorry, this is the  
19 Secretary, was there a vote an Item 2?

20 CHAIR HOCHSCHILD: Commissioner McAllister, was  
21 that a voting item? I don't see that on my script here.

22 COMMISSIONER MCALLISTER: So I had a little  
23 interaction this morning with the Public Advisor. I  
24 believe that it was not a voting item.

25 CHAIR HOCHSCHILD: Okay.

1 COMMISSIONER MCALLISTER: I think it's a  
2 resolution. If we want to vote on it I think we can. But,  
3 Noemi, did we decide it was a non-voting item?

4 CHAIR HOCHSCHILD: I don't have it as a voting  
5 item on my script. So unless it's --

6 MS. GALLARDO: Yeah. This is Noemi, the Public  
7 Advisor. I spoke with Darcie, our Chief Counsel, and you  
8 do not need to vote on that Item Number 2.

9 CHAIR HOCHSCHILD: Thank you. Okay, Sean --

10 COMMISSIONER MCALLISTER: Let's do a -- David,  
11 just a suggestion, let's do make sure we get that all  
12 printed up and several copies and signed when we're back  
13 in.

14 CHAIR HOCHSCHILD: Oh, of course. Yeah, yeah.

15 COMMISSIONER MCALLISTER: And get that framed up  
16 for Martha. Yeah.

17 CHAIR HOCHSCHILD: Yeah, of course. Of course.  
18 Sean, the floor is yours.

19 MR. STEFFENSEN: Good morning, Chair and  
20 Commissioners. My name is Sean Steffensen. I'm a  
21 Mechanical Engineer in the Appliances Office in the  
22 Efficiency Division. Lisa DeCarlo and Ralph Lee from the  
23 Chief Counsel's Office are also available online, and  
24 available for questions.

25 Today I will speak about a proposal that could

1 bring about over \$82 million in electricity savings to  
2 California consumers.

3 Slide 2. Staff is proposing the adoption of a  
4 resolution encompassing two items related to replacement  
5 dedicated-purpose pool pump motors and dedicated-purpose  
6 pool pumps. Staff proposes test methods and efficiency  
7 standards for each. Item 1 is the Proposed Negative  
8 Declaration under the California Environmental Quality Act  
9 or "CEQA". Item 2 is the proposed regulatory language that  
10 incorporates a minimum efficiency performance standard and  
11 certification requirements for replacement dedicated-  
12 purpose pool pump motors and dedicated-purpose pool pumps.

13 Slide 3. Staff evaluated this project under CEQA  
14 and determined the proposed efficiency standards will not  
15 have a significant adverse effect on the environment. The  
16 new standards will not result in significant changes to the  
17 way replacement dedicated-purpose pool pump motors and  
18 dedicated-purpose pool pumps are manufactured or the  
19 materials used to produce them. No comments were received  
20 during the 30-day CEQA public-comment period.

21 Slide 4. Staff has worked with the Pool and Spa  
22 Association, National Electrical Manufacturers Association,  
23 pool pump and pool-pump motor manufacturers, pool  
24 professionals, the California investor-owned utilities, the  
25 Appliance Standards Awareness Project and the Natural



1 Resources Defense Council when developing these proposed  
2 standards and certification requirements.

3 The CEC has also participated in activities to  
4 set national standards for pool pumps at the U.S.  
5 Department of Energy and also with the U.S. Environmental  
6 Protection Agency and an update to the Energy Star pool-  
7 pump specification.

8 The staff proposal increases the electrical  
9 efficiency of the replacement dedicated-purpose pool pump  
10 motors to a minimum motor efficiency and a prescriptive  
11 variable standard. The minimum motor efficiency addresses  
12 the issue of excessive electricity use by maintaining the  
13 optimum water flow. Mandating a variable speed control  
14 will provide the user the ability to set the motor to the  
15 most energy-saving setting to maintain pool cleanliness.  
16 The standard will be mandatory for all replacement  
17 dedicated-purpose pool pump motors sold or offered for sale  
18 in California.

19 The Commission recognizes that expanding the  
20 scope to include pool pump motors regardless of intended  
21 use will help to close loopholes and level the playing  
22 field in the marketplace.

23 The proposal updates the test method and sets a  
24 minimum motor efficiency in place of the prescriptive motor  
25 type prohibition.

1           Finally, staff proposes to incorporate the U.S.  
2 DOE dedicated-purpose pool pump regulations into the  
3 California Appliance Standards

4           Slide 5. The proposal is technically feasible.  
5 Many models of replacement residential pool-pump motors are  
6 found within the Energy Commission's modernized appliance  
7 efficiency database. They will meet the proposed  
8 standards.

9           The U.S. DOE found through its rulemaking that  
10 the dedicated-purpose pool pump standard is technically  
11 feasible. CEC staff closely participated in the U.S. DOE  
12 rulemaking. The proposed CEC standard is also technically  
13 feasible, since it is identical to the DOE standard.

14          Slide 6. The proposal is cost-effective with  
15 payback periods well within the product lifetimes. And the  
16 proposal is expected to deliver nearly \$82 million of cost-  
17 effective savings to consumers to reduce electricity  
18 utility charges.

19          Staff finds that the proposed standard is  
20 technically feasible and cost-effective, thus meeting the  
21 statutory requirements for appliance efficiency regulations  
22 in the Warren-Alquist Act.

23          Staff request that the Commission adopt the  
24 resolution to approve the Negative Declaration and to amend  
25 the California Appliance Efficiency Regulations. I'm

1 available for any questions. Thank you.

2 CHAIR HOCHSCHILD: Great. Thank you so much,  
3 Sean.

4 At this time we'll go to public comment on this  
5 item. And I want to ask all the speakers to restate your  
6 name and affiliation and to actually spell your name, so  
7 we'll have a clear record.

8 I do have a list of speakers. Can we begin with  
9 Chad Worth, Energy Solutions for the California IOUs on the  
10 line?

11 MR. WORTH: I'll pass to Mary Anderson of PG&E.  
12 I'm here to support if need be.

13 CHAIR HOCHSCHILD: Okay, thank you, Chad. Mary,  
14 can you hear us? Cody, is Mary unmuted?

15 MR. GOLDTHRITE: This is the Secretary. Mary  
16 Anderson is unmuted. I'm not sure what script you have.  
17 We have five speakers and she's open.

18 MS. ANDERSON: Okay. Good morning, my name is  
19 Mary Anderson, "M-a-r-y, Anderson, A-n-d-e-r-s-o-n" from  
20 Pacific Gas & Electric speaking on behalf of the California  
21 investor-owned utilities on the statewide Codes and  
22 Standards Enhancement team, or the CASE team.

23 The statewide CASE team strongly supports the  
24 Energy Commission's proposed regulations for replacement  
25 dedicated-purpose pool pump motors. The statewide CASE

1 team and the Energy Commission have a long history starting  
2 in 2004 in working together to promote high-efficiency pool  
3 pumps and motors in California, the largest pool market in  
4 the country.

5           The CEC's proposed Replacement Motor Standard  
6 builds upon California's existing Title 20 Standards and  
7 will set efficiency requirements that will apply to  
8 replacement motors and self-priming pool pumps, non-self-  
9 priming pool pumps and pressure-cleaner booster pumps.  
10 Notably it will also apply to replacement motors in the  
11 small commercial-pool sector.

12           Without a standard for replacement motors there  
13 is an increased likelihood of pool pumps being repaired  
14 with inefficient, low-cost replacement motors. This would  
15 put savings from national pool pump standards at risk,  
16 while also California customers' investments and bill  
17 savings and energy efficiency pool pumps.

18           Through numerous staff reporting, staff  
19 workshops, the Energy Commission has honed a proposal that  
20 is technically feasible, cost-effective and will lead to  
21 significant statewide energy savings. The statewide CASE  
22 team commends the energy Commission staff for their  
23 thorough proposal and leadership in seeking to improve the  
24 energy efficiency of replacement dedicated-purpose pool  
25 pumps Motors in California.

1           To align with the U.S. DOE dedicated-purpose pool  
2 pump standard effective date on July 19th, 2021, it is  
3 imperative that California acts to implement updated  
4 standards for replacement motors to protect consumer energy  
5 and bill savings and provide regulatory certainty for the  
6 largest pool market in the country. Thank you.

7           CHAIR HOCHSCHILD: Thank you, Mary.

8           Can we go to Jennifer Hatfield, Pool & Hot Tub  
9 Alliance?

10          MS. HATFIELD: Hello, can you guys hear me?

11          CHAIR HOCHSCHILD: Yes, we can.

12          MS. HATFIELD: Okay, great. Good morning. My  
13 name is Jennifer Hatfield. I'm the Government Affairs  
14 Director for the Pool & Hot Tub Alliance. The alliance was  
15 formed in 2019, combining the Association of Pool and Spa  
16 Professionals with the National Swimming Pool Foundation.

17           We represent more than 3,500 company members that  
18 range from swimming pool, hot tub and spa manufacturers,  
19 distributors, manufacture agents, designers, builders,  
20 installers, suppliers, retailers and service professionals.  
21 PHTA and their members have a long history of working with  
22 the Commission on rulemaking relevant to our industry and  
23 we appreciate the opportunity to continue a positive  
24 collaboration to ensure the citizens of California and  
25 those of the rest of the US are provided energy regulations

1 for pool pump Motors that balance energy savings and other  
2 critical factors important to consumers and industry.

3 We have submitted comments with our friends at  
4 NEMA and I know they'll also be commenting today. We  
5 provided joint comments to CEC staff previously on concerns  
6 we have with the proposal in front of you today. We  
7 resubmitted our concerns since they were from October 21st,  
8 2019, for consideration along with just highlighting them.  
9 And those were reviewed yesterday.

10 I just want to highlight a few of those points.  
11 First, the DOE is still working on a federal rule for  
12 replacement pump motors. We last met with them in early  
13 February and they gave us no indication they were not  
14 moving forward with a NOPA. We believe a nationwide  
15 standard is a better approach.

16 Second, the COVID-19 global pandemic has brought  
17 a whole slew of uncertainty for our economy and what was  
18 assumed before COVID cannot be assumed any longer. I  
19 strongly believe a revised cost benefit analysis is  
20 necessary due to COVID-19 and its effect on supply and  
21 distribution lines, manufacturing either being closed or in  
22 a reduced capacity and on California consumers. None of us  
23 really know what a post-COVID world will look like. We  
24 strongly believe these effects need to be considered before  
25 moving forward.

1           We rest on our previously submitted comments.  
2   And we just urge you to postpone adoption of this rule to  
3   address the concerns presented today.

4           CHAIR HOCHSCHILD: Thank you, Ms. Hatfield.

5           Let's move on to Alex Bosenberg? (phonetic.) Am  
6   I saying that right? National Electrical Manufacturers  
7   Association.

8           MR. GOLDTHRITE: This is the Secretary. So Alex,  
9   he's not on. We do have Chad Worth from Energy Solutions.  
10   We have Noah Horowitz from NRDC and we have Joanna Mauer  
11   from Appliance Standards Awareness Project.

12          CHAIR HOCHSCHILD: Okay, let's take those  
13   speakers in that order if we could.

14          MR. WORTH: This is Chad. I have no comments at  
15   this time.

16          CHAIR HOCHSCHILD: Okay, thank you. Next.

17          MR. HOROWITZ: Good morning. My name is Noah  
18   Horowitz and I'm here today on behalf of the Natural  
19   Resources Defense Council and its more than 3 million  
20   members and electronic activists. We wish to extend our  
21   strong support for the Commission's adoption of updated  
22   minimum efficiency standards for replacement motors for  
23   swimming pool pumps. This action is needed since the  
24   state's current standards are due to be updated. And  
25   there's no federal standard for these replacement motors,

1 nor is one likely to be set soon.

2 Via these updated standards pool owners around  
3 the state including those in people's backyards, schools  
4 and universities, hotels and town pools can all be assured  
5 that the replacement motor they buy will be an efficient  
6 one. These regulations fill a critical gap and will  
7 benefit the environment and provide pool owners significant  
8 savings on the utility bills. Thank you for your  
9 consideration and for the Commission's ongoing leadership.

10 CHAIR HOCHSCHILD: Thank you. Next.

11 MS. MAUER: Hi, this is Joanna Mauer, "J-o-a-n-n-  
12 a M-a-u-e-r" with the Appliance Standards Awareness  
13 Project. ASAP organizes and leads a coalition of  
14 efficiency advocates to advance appliance standards at both  
15 the national and state levels. We have a steering  
16 committee that includes representatives of efficiency and  
17 environmental groups, consumer group, utilities, state  
18 government. We appreciate the collaborative effort among  
19 manufacturers, the Energy Commission, the California IOUs,  
20 and ASAP and other efficiency advocates to advance pool  
21 pump and motor efficiency over the past several years.  
22 This group of stakeholders negotiated that DOE pool pump  
23 standards that will take effect in 2021.

24 In 2018 we submitted a joint recommendation to  
25 DOE proposing complementary standards for pool pump motors



1 that would close the replacement motor loophole in the pool  
2 pump standards. The joint proposal would protect both the  
3 energy savings from the pool pump standards and the  
4 investments that manufacturers are making to meet those  
5 standards. However, unfortunately DOE has yet to take any  
6 action on the joint recommendation.

7 While we continue to hope that DOE will implement  
8 the joint recommendation, in the absence of the DOE actions  
9 states can provide leadership. We therefore support the  
10 Energy Commission finalizing standards for pool pump  
11 replacement motors. Thank you.

12 CHAIR HOCHSCHILD: Thank you.

13 Let's go to our Public Advisor. Are there any  
14 additional public comments you've received that you wanted  
15 to relate on this item?

16 MS. GALLARDO: This is Noemi Gallardo, the Public  
17 Advisor. No additional comments.

18 CHAIR HOCHSCHILD: Okay, thank you.

19 Let's go to Commissioner McAllister.

20 COMMISSIONER MCALLISTER: Great. Just to  
21 confirm, is Alex Bosenberg not going to comment?

22 CHAIR HOCHSCHILD: He is not on the call,  
23 apparently.

24 COMMISSIONER MCALLISTER: Okay. So yeah, thank  
25 you very much. And I want to thank Sean and the staff for

1 their analysis and everyone who has participated in this  
2 rulemaking. And basically the story is that we, with a  
3 good faith effort, made every effort to stay part of this  
4 national conversation and steer that conversation at the  
5 Department of Energy, together with them and their  
6 stakeholders to get to a good place. And it just didn't  
7 happen and it has not happened and so we can't wait to do  
8 what needs to be done. And so I think under sort of our MO  
9 is to go ahead and do things. And certainly, pay attention  
10 to the marketplace.

11           Some of Ms. Hatfield's concerns about  
12 uncertainty, I think absolutely the world's a more  
13 uncertain place than it was a few months ago. But that  
14 cuts both ways actually. We're seeing increased  
15 residential energy consumption. You know, pools and hot  
16 tubs may this summer get used more as people spend more  
17 time at home. And that makes better energy savings even  
18 potentially more important rather than less. And there are  
19 products out there that meet these standards.

20           But all that said, we will pay attention to the  
21 marketplace to make sure that if there any unintended  
22 consequences we know about them. We certainly invite you  
23 to let us know if those happen and we can act accordingly  
24 at that time. But I think this is the right move now.  
25 It's eliminating the least efficient replacement motor

1 options from the marketplace in a cost-effective way. And  
2 keeping net flexibility options open for consumers, so that  
3 they can invest in the right ways and save themselves money  
4 over time.

5 So anyway, I want to just commend staff again for  
6 closing the booster-pump loophole and making sure that  
7 there is consistency and clear leadership here, pushing  
8 this market towards more efficiency. So really not seeing  
9 any downside or any reason to delay, any downside, known  
10 downside today from going ahead here. So I strongly  
11 support this item

12 CHAIR HOCHSCHILD: Okay. Thank you very much,  
13 Commissioner McAllister. And thanks for all of your  
14 diligence and hard work on this over the years.

15 Before I entertain a motion let's just go through  
16 and hear if there's any comments. I'll just call  
17 individually. Vice Chair Scott, any comments or questions  
18 before we take a motion?

19 VICE CHAIR SCOTT: I do not have any.

20 CHAIR HOCHSCHILD: Good. Commissioner Douglas?

21 COMMISSIONER DOUGLAS: No, no comments or  
22 questions.

23 CHAIR HOCHSCHILD: Commissioner Monahan.

24 COMMISSIONER MONAHAN: No comments or questions.

25 CHAIR HOCHSCHILD: Okay, let's entertain a

1 motion. Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Yeah, I will move Item  
3 3.

4 CHAIR HOCHSCHILD: Okay, is there a second?

5 COMMISSIONER DOUGLAS: Second.

6 Vice Chair Scott? Oh sorry, Commissioner Douglas  
7 seconds. So we'll vote one by one.

8 Commissioner McAllister?

9 COMMISSIONER MCALLISTER: Aye.

10 CHAIR HOCHSCHILD: Vice Chair Scott?

11 VICE CHAIR SCOTT: Aye.

12 CHAIR HOCHSCHILD: Commissioner Douglas?

13 COMMISSIONER DOUGLAS: Aye.

14 CHAIR HOCHSCHILD: Commissioner Monahan?

15 COMMISSIONER MONAHAN: Aye.

16 CHAIR HOCHSCHILD: And I vote aye. That motion  
17 passes unanimously. Thank you.

18 Let's move on to Item 4.

19 COMMISSIONER MCALLISTER: Thanks, everybody.

20 CHAIR HOCHSCHILD: Local Ordinance Applications.

21 Again I want to remind presenters to restate your  
22 name, affiliation and title. And then please spell your  
23 name before beginning the presentation. So let's go to  
24 Danuta Drozdowicz. I hope I'm pronouncing that correctly.

25 MS. DROZDOWICZ: Good morning Chair and

1 Commissioners. Can you hear me?

2 CHAIR HOCHSCHILD: Yeah, we can.

3 MS. DROZDOWICZ: Excellent. My name is Danuta  
4 Drozdowicz. I am an Energy Specialist in the Efficiency  
5 Divisions Building Standards Office and I'm here to present  
6 local ordinances from jurisdictions that have applied to  
7 the CEC for approval. Danuta is spelled D-a-n-u-t-a,  
8 Drosdowicz is D-r-o-z-d-o-w-i-c-z.

9 In order for a local standard to be enforceable  
10 the jurisdiction must file with the CEC its determination  
11 that its standards are cost-effective. The CEC must then  
12 find that the local standards will require a reduction of  
13 energy consumption levels compared to the current statewide  
14 energy code.

15 Seven jurisdictions have submitted applications  
16 for Commission consideration at this business meeting.  
17 They are the cities of Pacifica, San Rafael, Mill Valley,  
18 Saratoga, Cupertino, the City and County of San Francisco,  
19 and the County of Los Angeles. Among them one  
20 jurisdiction, Cupertino, requires that all new construction  
21 is all electric. Another, the City of Pacifica, requires  
22 nonresidential and high-rise residential buildings to be  
23 all electric, but allows single-family duplex and low-rise  
24 residential buildings to use gas for cooking and  
25 fireplaces.

1           Both jurisdictions allow essential services such  
2 as fire and police stations and commercial kitchens to  
3 apply for an exemption to use gas. In all cases though  
4 pre-wiring for electric appliances is required where gas  
5 appliances are installed.

6           Three jurisdictions, Mill Valley, Saratoga and  
7 the City and County of San Francisco require new  
8 construction to be electric-preferred with higher  
9 efficiency requirements for mixed-fuel buildings as well as  
10 prewiring for future replacements of gas equipment with  
11 electric.

12           One jurisdiction, San Rafael, does not  
13 specifically reference electric-preferred, but requires  
14 that only buildings meet the 2019 California Green Building  
15 Standards Code Tier 1 requirements irrespective of fuel  
16 source.

17           The County of Los Angeles requires that all  
18 buildings install light-colored cool roofs and specified  
19 solar reflective index ratings for different roof types.  
20 Exemptions are allowed for roof repairs, some replacements,  
21 some additions, and on portions of the roof where  
22 photovoltaics, also known as PV systems, or solar thermal  
23 systems where vegetated roofs are installed.

24           Three jurisdictions, Pacifica, San Francisco and  
25 Los Angeles County, require PV systems on buildings not

1 subject to the 2019 Energy Code PV requirements. San  
2 Francisco and Los Angeles County allow solar thermal hot  
3 water systems for vegetated roofs to be installed in place  
4 of PV.

5 It should be noted that Pacifica and Saratoga  
6 exempts accessory-dwelling units from the above code  
7 measures. Cupertino exempts accessory-dwelling units, as  
8 well as additions, tenant improvements and non-residential  
9 factory, hazardous material and laboratory occupancy. San  
10 Francisco exempts non-residential, factory, hazardous  
11 material and laboratory occupancy. Also some of these  
12 adopted local ordinances include provisions that are  
13 energy-related, but not subject to CEC approval, which I  
14 mention only for completeness

15 San Rafael, Mill Valley, the City and County of  
16 San Francisco, Saratoga, Cupertino and the County of Los  
17 Angeles include provisions for electric vehicle charging  
18 infrastructure.

19 Separately, and in addition, San Francisco and  
20 Cupertino require either LEED or GreenPoint Rated system  
21 certification.

22 Staff has posted the complete applications  
23 including the local ordinances and adopted cost-  
24 effectiveness analysis on the CEC's website under Docket  
25 19-BSTD-06 for the required public comment period. One

1 public comment not specific to any single ordinance was  
2 received during the comment period. The Western Propane  
3 Gas Association urged deployment of all clean energy  
4 sources to meet the challenges of climate change and  
5 decarbonization.

6 Staff reviewed the applications to determine if  
7 each local ordinance standards will result in the reduction  
8 of energy consumption levels permitted by the 2019 Energy  
9 Code per the requirements of the Public Resources Code.  
10 Staff finds that the standards will reduce the amounts of  
11 energy consumed and will not lead to increases in energy  
12 consumption inconsistent with state law.

13 Staff further confirms that each of jurisdictions  
14 publicly adopted a finding of cost-effectiveness for the  
15 standard. Because staff has found that the applications  
16 meet all the requirements of the Public Resources Code  
17 staff recommends approving enforcement of the ordinances..

18 This concludes my presentation. Staff is  
19 available to answer any questions you may have.

20 CHAIR HOCHSCHILD: Thank you, Danuta, for that  
21 very thorough presentation.

22 At this time we'll go to public comment. Again  
23 speakers on the line, please restate your name and  
24 affiliation, and spell your name. Is Paul Lavallee, a  
25 Global Market Manager on the line?



1 MR. LAVALLEE: Yes, this is he.

2 CHAIR HOCHSCHILD: Hi. Go ahead.

3 MR. LAVALLEE: Paul Lavallee here, can you hear  
4 me?

5 CHAIR HOCHSCHILD: Yes, we can.

6 MR. LAVALLEE: Great. Thank you. Lavallee is  
7 spelled L-a-v-a-l-l-e-e. And I work for Arkema, A-r-k-e-m-  
8 a. And I'm the Global Market Manager for Kynar Coatings.  
9 Arkema manufactures highly resinable(phonetic) polymers  
10 that are used in highly reflective coatings. And I wanted  
11 to state my support for Item 4g, the County of Los Angeles  
12 Reflective Roofs Program. From our analysis this will be a  
13 net-cost savings for the building owners, reduce the energy  
14 and prolong the roof life. So I think it's a good common-  
15 sense measure. Thank you. That's the end of my comments.

16 CHAIR HOCHSCHILD: Thank you.

17 Cody, do we have anyone else on the line wishing  
18 to speak on this item?

19 MR. GOLDTHRITE: We have Lauren Cullum from  
20 Sierra Club.

21 CHAIR HOCHSCHILD: Okay, go ahead.

22 MS. CULLUM: Hi. Can you hear me?

23 CHAIR HOCHSCHILD: Yes, we can.

24 MS. CULLUM: Hi, this is Lauren Cullum, L-a-u-r-  
25 e-n C-u-l-l-u-m, Policy Advocate with Sierra Club,

1 California representing 13 local chapters in California and  
2 half a million members and supporters throughout the state.  
3 I'm speaking to express our strong support for the Energy  
4 Commission's approval of the local ordinances submitted,  
5 namely those submitted by Pacifica and Mill Valley,  
6 Saratoga, San Francisco and Cupertino today.

7           These reach codes are the result of a statewide  
8 cost-effectiveness analysis and an extensive stakeholder  
9 engagement process. Most if not all of the reach codes  
10 before the Commission were unanimously approved by city  
11 councils and were broadly supported by community members.  
12 This local Democratic process is leading the way for the  
13 state to implement decarbonization solutions that are  
14 critical in the fight against climate change.

15           In light of everything that is happening with the  
16 COVID-19 Pandemic our work to improve air quality, making  
17 it safer for everyone to breathe by transitioning our homes  
18 and buildings away from using dirty fossil fuels has become  
19 more important than ever. It is that much more important  
20 that we reduce air pollution as it has been found that air  
21 pollution makes individuals more vulnerable to the virus.

22           These reach codes are not just a measure to  
23 reduce our greenhouse gas emissions and help meet our  
24 climate goals, they will also reduce indoor and outdoor air  
25 pollution and their appreciated health and economic impact.

1           These cities are providing the bold leadership  
2 that is necessary to combat climate change, clean the air  
3 and improve housing and energy affordability. Again,  
4 Sierra Club California supports the Commission's approval  
5 of these reach codes and urges the Commission to build upon  
6 its local leadership in the 2022 code cycle. Thank you.

7           CHAIR HOCHSCHILD: Thank you for those comments.

8           Cody, is there anyone else you have on the line?

9           MR. GOLDTHRITE: This is the Secretary, we have  
10 no one else on the line.

11          CHAIR HOCHSCHILD: Okay. Madam Public Advisor,  
12 do you have any written public comments to relay?

13          MS. GALLARDO: No additional comments.

14          CHAIR HOCHSCHILD: Okay, Let's go to questions  
15 for staff and comments from the Commissioners. Let's start  
16 with Commissioner McAllister.

17          COMMISSIONER MCALLISTER: Yes. So thank you,  
18 Danuta, for that really great presentation. And I don't  
19 have questions, but I do have just a couple of comments.

20                 So, you know, this group is particularly  
21 interesting because of the diversity of the approaches on  
22 the various types of initiatives they're bringing to us.  
23 Some of them, we're voting on the ones that actually  
24 require us to as part of the Building Energy Standards in  
25 exceeding -- we have to make sure that they exceed the

1 stringency and don't backslide in terms of energy  
2 consumption.

3           And I want to just call out staff actually for  
4 the work that they do, because each locale actually  
5 requires a specific assessment based on its climate and  
6 other factors to make sure that it actually does improve  
7 the energy performance of the buildings that are covered by  
8 it. But it's just great to see this diversity of  
9 approaches, you know the locals know their context and can  
10 really tailor to that effect.

11           And as we get buildings that really are pushing  
12 the envelope in terms of the technical potential and trying  
13 to find the markets that are appropriate for each place the  
14 locals are really best positioned to really figure out what  
15 that innovation looks like. Then we all benefit from that  
16 as we learn from their example.

17           And then I wanted to also just let you all know  
18 and my colleagues know that for 2022 we're really working  
19 hard to create the metrics for cost-effectiveness and align  
20 further with decarbonization in terms of energy consumption  
21 and fuel mix. That will establish a platform that helps  
22 local governments do this I think more effectively focus on  
23 what they are principally focused on, which is  
24 decarbonization in their climate planning. With the broader  
25 context of the Building Code updates in each place, these

1 stretch codes is a part of their overall decarbonization  
2 efforts. And so we're working hard to create the tools  
3 that support that going forward in the conversation for the  
4 2022 Building Code update primarily.

5 And I want to encourage local governments to  
6 include in their conversations, obviously focus on  
7 electrification which is great, because we know that's a  
8 primary pathway to decarbonization in the world we live in  
9 today. I think as we electrify more loads, load  
10 flexibility, demand response and being grid-enabled is  
11 another piece of the toolbox that's underdeveloped. And I  
12 want to encourage local governments going forward to  
13 include those kinds of elements in their stretch codes,  
14 because that is also key for decarbonization.

15 If you're going to electrify and certainly  
16 support that as a strategy we want to make sure that it's  
17 done in a way that's grid responsive so that the grid can  
18 be optimally designed and built out going forward. And  
19 that's going to be a lot of investment, so we need to  
20 optimize that.

21 But I support these items. I want to just give  
22 kudos to all the local governments who have been working  
23 hard on this. and bringing their creativity to the table  
24 and presenting it to us.

25 CHAIR HOCHSCHILD: Thank you, Commissioner

1 McAllister.

2           So I'll just go through again one by one for  
3 questions for staff or comments on this item before we  
4 entertain a motion. Madam Vice Chair, any comments or  
5 questions on this item?

6           VICE CHAIR SCOTT: No comments or questions.

7           CHAIR HOCHSCHILD: No? Okay, thank you.

8 Commissioner Douglas?

9           COMMISSIONER DOUGLAS: Just briefly I wanted to  
10 say that I also appreciate the local government leadership  
11 in this space and in many others. We're really seeing  
12 local governments step up in a big way and so I'm going to  
13 be pleased to support this.

14          CHAIR HOCHSCHILD: Great.

15 Commissioner Monahan?

16          COMMISSIONER MONAHAN: No comments or questions.

17          CHAIR HOCHSCHILD: Okay. I guess the observation  
18 I would make is what has happened in the last year with  
19 respect to cities' leadership on these types of policies is  
20 really noteworthy. So as of last week we have 30 cities in  
21 California that have adopted electrification preferences in  
22 new construction or an outright natural gas ban. And those  
23 cities represent about 10 percent of the population of the  
24 state today. And this is just in the last year. And the  
25 point I'd make is if you look at the latest numbers, you

1 know with the electric grid we have received really, really  
2 rapid decarbonization of the electric grid. We're really  
3 knocking on the door at this point of having two-thirds of  
4 the electricity produced in California being carbon-free.  
5 And that number is increasing really every month.

6           And so one of the things that I am excited about,  
7 particularly with respect to heat-pump water heaters is the  
8 ability -- which have some flexibility when they can  
9 operate -- the ability to actually help with renewables  
10 integration. And really buildings, we talk about batteries  
11 and we've funded numerous battery projects around  
12 (indiscernible) batteries around the state. But actually  
13 buildings themselves, when you do this, actually become an  
14 important battery themselves in a way to store surplus  
15 renewables and assist with great integration. So I really  
16 see the capacity of the building sector to help support  
17 greater reliability and decarbonization grid improving as  
18 we get more and more of these.

19           And I just want to thank and recognize all the  
20 cities who have been working hard on this and congratulate  
21 them. With that I'll entertain a motion on this item.  
22 Commissioner McAllister?

23           COMMISSIONER MCALLISTER: Yeah, I'll move Item 4.

24           CHAIR HOCHSCHILD: Okay, is there a second?  
25 You'll wave your hand or -- Vice Chair Scott, do you want

1 to?

2 VICE CHAIR SCOTT: Yes, I can.

3 CHAIR HOCHSCHILD: Okay.

4 VICE CHAIR SCOTT: I'm happy to second Item 4.

5 CHAIR HOCHSCHILD: Okay, seconded by Vice Chair  
6 Scott. Okay, we'll the vote.

7 Commissioner McAllister?

8 COMMISSIONER MCALLISTER: Aye.

9 CHAIR HOCHSCHILD: Vice Chair Scott?

10 VICE CHAIR SCOTT: Aye.

11 CHAIR HOCHSCHILD: Commissioner Douglas?

12 COMMISSIONER DOUGLAS: Aye.

13 CHAIR HOCHSCHILD: Commissioner Monahan?

14 COMMISSIONER MONAHAN: Aye.

15 CHAIR HOCHSCHILD: And I vote aye as well. That  
16 motion passes unanimously. Thank you everybody.

17 Let's move on to Item 5. Proposed Resolution  
18 Approving ECAA Loans to the City of Los Angeles, the City  
19 of Citrus Heights, Biola Community Services District, and  
20 the City of Parlier. And again, presenters please restate  
21 your name, affiliation and title and spell your name before  
22 beginning your presentation. Let's turn it over to David  
23 Michel.

24 MR. MICHEL: Good morning Chair and  
25 Commissioners, my name is David Michel, spelled D-a-v-i-d



1 M-i-c-h-e-l, an Energy Commission Specialist who is in the  
2 Local Assistance and Financing Office within the Efficiency  
3 Division. Today, I am here to request your approval for  
4 four proposed resolutions for ECAA Conservation Assistance  
5 Act loans.

6           The first loan we are requesting \$3 million for  
7 the City of Los Angeles for the upgrading of street  
8 lighting throughout the city with lower-power LEDs. The  
9 proposed project is estimated to save approximately two  
10 gigawatt-hours of electricity and save \$361,000 annually.

11           We are also requesting approximately \$612,000 for  
12 the City of Citrus Heights for upgrading both the street  
13 and landscape exterior lighting throughout the city with  
14 LEDs. The proposed project is estimated to save  
15 approximately 425 megawatt-hours of electricity and \$36,000  
16 annually.

17           We are further requesting approximately \$882,000  
18 to the Biola Community Services District. The measures  
19 will be installed at four district facilities and will  
20 include installing solar photovoltaic arrays totaling 182  
21 kilowatts; replacing a heating, ventilation and air-  
22 conditioning system; and a cool roof retrofit. The  
23 proposed project is estimated to save approximately 300  
24 megawatt-hours of electricity and \$57,000 annually.

25           We are finally requesting \$1.2 million for the

1 City of Parlier to retrofit lighting, replace heating,  
2 ventilation and air conditioning, and install solar  
3 photovoltaic systems in the city's municipal buildings.  
4 The proposed project is estimated to save approximately 396  
5 megawatt-hours of electricity and \$74,000 annually.

6 We request your approval of the four proposed  
7 loans. and I am happy to answer any questions you may have.  
8 Thank you. That concludes my presentation.

9 CHAIR HOCHSCHILD: Thank you, David.

10 Let's go to public comments at this time. Again,  
11 speakers please restate your name and affiliation and spell  
12 your name. Is anyone on the phone wishing to comment on  
13 Item 5?

14 MR. GOLDTHRITE: Chair, this is the Secretary.  
15 And we have no one on the line for this item.

16 CHAIR HOCHSCHILD: Okay. Madam Public Advisor,  
17 do you have any written comments to relay?

18 MS. GALLARDO: This is Noemi Gallardo, Public  
19 Advisor. No additional comments.

20 CHAIR HOCHSCHILD: Okay, thank you.

21 Let's go to questions and comments from the  
22 Commissioners, we'll start with Commissioner McAllister.

23 COMMISSIONER MCALLISTER: Thanks very much,  
24 Chair. So again, I want to just take the opportunity to  
25 give kudos to the staff. Thanks David for that great

1 presentation, another good bunch of projects. I like to  
2 see the mix of technologies: HVAC, lighting, renewables,  
3 generation, all with good payback and all solid projects.

4 I did want to take the opportunity to just remind  
5 everyone about the ECAA program, because it's sort of a  
6 little bit gets taken for granted. I mean we all know what  
7 a great program it is. But the numbers actually for the  
8 lifetime in this program, ECAA has loaned out almost \$900  
9 million since its inception in 1979; \$894 million to 450-  
10 plus entities since 1979 without a default. So I mean  
11 that's an amazing statistic. And right now there's about  
12 \$165 million in circulation out there in the program and we  
13 get about \$13 million a year back in repayment that we can  
14 then revolve back out to the marketplace.

15 But if you look at the map of where all the  
16 projects have been and complement that with ECAA-Ed, the  
17 Prop 39 zero-interest loan program, the coverage is  
18 universal across the state. And so it really is something  
19 that spreads benefits everywhere. The impacts in Southern  
20 California particularly are just massive. And so anyway I  
21 just wanted to highlight that \$900 million over 40-plus  
22 years without a default.

23 So I mean, that's a pretty -- so the reason I  
24 bring this up now is that we've got this \$2 trillion  
25 stimulus at the federal level. And we're going to see

1 funding flowing to the states and may have the opportunity  
2 either with this package or the following packages to  
3 channel some funds to good use. And I think ECAA and some  
4 of our other programs, but particularly ECCA's loan program  
5 would be obviously that's a demonstrated successful  
6 approach. So we could crank a lot more funds to this  
7 program successfully and it'd really benefit the state. So  
8 I think it's relevant to have that at top of mind.

9 But I don't have any specific comments about  
10 these projects. I certainly support this item.

11 CHAIR HOCHSCHILD: Okay. Thank you.

12 Madam Vice Chair?

13 VICE CHAIR SCOTT: I don't have any questions or  
14 comments.

15 CHAIR HOCHSCHILD: Commissioner Douglas?

16 (No audible response.)

17 CHAIR HOCHSCHILD: Sorry Commissioner, are you  
18 unmuted? Can you try to click that icon again? There you  
19 go.

20 COMMISSIONER DOUGLAS: Yeah.

21 CHAIR HOCHSCHILD: Yeah, yeah.

22 COMMISSIONER DOUGLAS: Now I'm doubly unmuted.

23 CHAIR HOCHSCHILD: Yes. Okay, there you go.

24 Yes.

25 COMMISSIONER DOUGLAS: All right. I am in strong

1 support of this item. Thank you.

2 CHAIR HOCHSCHILD: Okay, thank you.

3 Commissioner Monahan?

4 COMMISSIONER MONAHAN: Yeah, well I just want to  
5 say that I appreciated Commissioner McAllister's comments.  
6 And \$900 million, no default really is a great model. And  
7 it's a win for the environment, it's a win for jobs, a win  
8 for these local entities. So this program deserves our  
9 wholehearted support.

10 CHAIR HOCHSCHILD: Great. Well thank you for  
11 those comments. I have to say I spoke earlier in the  
12 meeting when we were doing the resolution, the recognition  
13 of Martha Brook. And I said, "You can be a celebrity  
14 without necessarily being famous." And this is sort of how  
15 I think about ECAA.

16 This program is a celebrity program. I mean, it  
17 is an extraordinary record to be operating since 1979, as  
18 Mr. McAllister pointed out, almost a billion dollars that  
19 we have funded and not have a single default. And that is  
20 a real tribute to diligence on the part of staff for  
21 vetting projects well. And the kind of things we're doing  
22 are long-lasting in their impact. And in addition to  
23 reducing emissions they also save municipal governments'  
24 money. And this is money that goes back into other things  
25 that we want to see supported: parks and public educations

1 and all the things that make urban life and community life  
2 better. So I just really want to recognize the diligence  
3 here on the part of staff and Commissioner McAllister for  
4 doing such a tremendous job overseeing this. And I'm  
5 pleased to support it.

6 So I'll go one by one again. But first let's get  
7 a motion. Commissioner McAllister, would you be willing to  
8 move this item?

9 COMMISSIONER MCALLISTER: Yes. I will move Item  
10 5.

11 CHAIR HOCHSCHILD: Okay, Madam Vice Chair, would  
12 you be willing to --

13 VICE CHAIR SCOTT: Yes.

14 CHAIR HOCHSCHILD: -- second?

15 VICE CHAIR SCOTT: I'm happy to second Item 5.

16 CHAIR HOCHSCHILD: Okay, all in favor.

17 Commissioner McAllister?

18 COMMISSIONER MCALLISTER: Aye.

19 CHAIR HOCHSCHILD: Vice Chair Scott?

20 VICE CHAIR SCOTT: Aye.

21 CHAIR HOCHSCHILD: Commissioner Douglas? Just  
22 put a thumbs-up if -- we can't hear you. Okay, you're --

23 COMMISSIONER DOUGLAS: Am I not coming through  
24 again?

25 CHAIR HOCHSCHILD: No, no, no. Yes, yes.

1 COMMISSIONER DOUGLAS: Okay, aye.

2 CHAIR HOCHSCHILD: Aye.

3 Okay, Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 CHAIR HOCHSCHILD: And I vote aye as well. That  
6 item passes unanimously.

7 Let's move on to Item 6. Thank you everybody and  
8 thank you to staff. Renewable Portfolio Standard 2011-2013  
9 Verification Results Report. Again, a reminder to staff to  
10 please restate your name and affiliation title and spell  
11 your name. So with that let's go to Chris Metzker.

12 MR. METZKER: Hello, team. Hello, can you hear  
13 me?

14 CHAIR HOCHSCHILD: Yes, we can hear you. Go  
15 ahead, Chris.

16 MR. METZKER: Okay, great. My name is Chris  
17 Metzker, spelled C-h-r-i-s M-e-t-z-k-e-r. I am an Energy  
18 Commission Specialist I from the Verification and  
19 Compliance Unit in the Renewables Portfolio Standard  
20 Program in the Renewable Energy Division. Today, staff is  
21 requesting adoption of the RPS and Verification Results  
22 Report for Los Angeles Department of Water and Power, or  
23 LADWP for Compliance Period 1, which covers the years 2011-  
24 2013 with one minor change I will note in my presentation  
25 for you today.

1                   Staff is pleased to present these RPS  
2 verification results to the CEC as this is the last  
3 verification report for all POU's and retail sellers for  
4 Compliance Period 1. The RPS Verification Results Report  
5 presented for your consideration today provides the  
6 findings of the CEC's verification activities for LADWP  
7 including the procurement target and portfolio balance  
8 requirements, the amount of eligible renewable energy  
9 retired and applies some by portfolio content category and  
10 other classifications, any deficits in meeting the  
11 procurement requirements, and any balances of historic  
12 carryover and excess procurement that can be applied in  
13 future compliance periods, and any optional compliance  
14 measures being applied.

15                   LADWP has reviewed and accepted staff's findings  
16 as contained in this report. In preparing LADWP's RPS  
17 Verification Results Report, staff followed the methods  
18 described in the CEC's Renewables Portfolio Standard  
19 Eligibility Guidebook and further detailed in the  
20 Renewables Portfolio Standard Verification Methodology  
21 Report.

22                   The staff draft report was posted for public  
23 comment on March 17th. No public comments were received by  
24 the noticed deadline. An updated report with minor, non-  
25 substantive changes was posted and a second comment period



1 noticed on March 27th. No public comments were received.

2 Staff originally included a footnote, footnote 5,  
3 in the report indicating that application of optional  
4 compliance measures by LADWP is subject to review by the  
5 Los Angeles City Council until the applicable review period  
6 ends. Yesterday, the Los Angeles City Council waived this  
7 review. Therefore, staff is requesting the report be  
8 adopted today without footnote 5.

9 These verification results do not represent a  
10 compliance determination. Following adoption of the RPS  
11 Verification Results Report, staff will evaluate LADWP's  
12 compliance with the RPS procurement requirements and will  
13 provide a recommendation to the Executive Director for his  
14 determination.

15 Staff recommends adoption of LADWP's RPS  
16 Verification Results Report for Compliance Period 1. Thank  
17 you for your consideration of this request. I want to note  
18 that representatives of LADWP are on the line, and I am  
19 happy to respond to any questions. This concludes my  
20 presentation.

21 CHAIR HOCHSCHILD: Great. Thank you.

22 Let me also thank Gabe Herrera and Mona Badie for  
23 their work on this as well as yours, Chris. So they are  
24 all on the line to answer any questions that come up.

25 So let's go to public comment. Speakers online,

1 again please state your name and affiliation, spell your  
2 name. Is there anyone on the phone wishing to comment on  
3 Item 6?

4 MR. GOLDTHRITE: This is the Secretary. And we  
5 have nobody on the line and the phone is open if you have  
6 any questions.

7 CHAIR HOCHSCHILD: Okay. Madam Public Advisor,  
8 do we have any written comments to relate on this?

9 MS. GALLARDO: This is Noemi Gallardo, Public  
10 Advisor. No comments.

11 CHAIR HOCHSCHILD: Okay. So let's go to  
12 questions and comments from the Commissioners. Let's start  
13 with Commissioner Douglas.

14 COMMISSIONER DOUGLAS: So this is Commissioner  
15 Douglas. I hope I'm coming through. And I just wanted to  
16 thank staff and thank Gabe Herrera for their work on this.  
17 I think these results are ready for Commission adoption and  
18 I support them. And I'll be prepared to make a motion when  
19 we get to it.

20 CHAIR HOCHSCHILD: Okay, thank you.

21 Vice Chair Scott, any comments or questions?

22 VICE CHAIR SCOTT: Yeah, the only other comment  
23 that I would add is just a highlight of how important the  
24 verification of the RPS results are. And so I would also  
25 very much like to -- and of course you guys all know,

1 because that ties back to our clean energy standards and  
2 being able to meet our greenhouse gas goals at making sure  
3 that the renewables are at the levels that they need to be  
4 at. And I appreciate the staff's excellent work in this  
5 space as well.

6 CHAIR HOCHSCHILD: Great, thank you.

7 Commissioner McAllister?

8 COMMISSIONER MCALLISTER: No comments.

9 CHAIR HOCHSCHILD: And Commissioner Monahan, any  
10 questions or comments?

11 COMMISSIONER MONAHAN: No questions or comments.  
12 Thank you.

13 CHAIR HOCHSCHILD: Okay, thanks.

14 Commissioner Douglas would you be willing to make  
15 a motion on this item?

16 COMMISSIONER DOUGLAS: Yes. I move approval of  
17 this item.

18 CHAIR HOCHSCHILD: Okay. Vice Chair Scott, would  
19 you be willing to second?

20 VICE CHAIR SCOTT: Yes. I will second Item 6.

21 CHAIR HOCHSCHILD: Okay, all in favor, starting  
22 with Commissioner Douglas.

23 COMMISSIONER DOUGLAS: Aye.

24 CHAIR HOCHSCHILD: Vice Chair Scott?

25 VICE CHAIR SCOTT: Aye.

1 CHAIR HOCHSCHILD: Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Aye.

3 CHAIR HOCHSCHILD: Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 CHAIR HOCHSCHILD: And this is the Chair and I  
6 vote aye. That motion passes unanimously. Let's move on  
7 to Item 7, Electric Program Investment Charge Annual  
8 Report. Again presenters, please restate your name,  
9 affiliation, title and spell your name. Let's turn it over  
10 to Laurie ten Hope.

11 MS. TEN HOPE: Good morning Chair and  
12 Commissioners. Can you hear me?

13 CHAIR HOCHSCHILD: We can. Good morning.

14 MS. TEN HOPE: Wonderful, wonderful. I'm Laurie  
15 ten Hope, Deputy Director for the Commission's Research and  
16 Development Division. My name is spelled L-a-u-r-i-e, last  
17 name t-e-n H-o-p-e.

18 Today I'm asking for your approval of the EPIC  
19 2019 Annual Report. If approved, this report will be  
20 submitted to the Legislature by April 30th, per the  
21 reporting requirements in the Public Resources Code. This  
22 Report is responsive to Legislative requirements to  
23 describe all the research projects started, completed and  
24 active during 2019. As of 2019, we have competitively  
25 invested \$720 million.

1           Today, I will share a sample of the report  
2 highlights to illustrate how EPIC research is accelerating  
3 solutions to high-priority energy and climate goals AND is  
4 providing an economic stimulus by investing in innovation.

5           The first report theme highlights the robust  
6 Entrepreneur Ecosystem created in EPIC. Under EPIC, the  
7 CEC stood up a suite of interlocking programs to incubate  
8 new technologies and nurture them from the seed of an idea  
9 to the market. CalSEED is our small grant program,  
10 intentionally set up with investment partners to enable  
11 strong market connection. CalSEED is interconnected with  
12 four Innovation Clusters that provide mentorship services  
13 and is complimented by the BRIDGE program, which is a  
14 streamlined funding mechanism to help entrepreneurs avoid  
15 the valley of death while waiting for additional funding  
16 and the RAMP program that provides assistance to set up  
17 initial manufacturing capability.

18           We're seeing results in the numbers. EPIC  
19 investments have accelerated follow-on funding for clean  
20 energy startup companies. We sampled 22 startup companies  
21 and found that private investment nearly tripled after  
22 firms received an EPIC award, from an initial \$270 million  
23 invested to more than \$740 million. These numbers  
24 represent a significant multiplier effect in the  
25 marketplace.

1           The second report theme is Resilience and Safety.  
2   The value of resilience and safety was brought home to all  
3   Californians during the past year's wildfires and public  
4   service shut offs, commonly referred to as PSPS events.  
5   EPIC-funded microgrids helped communities prepare for PSPS  
6   events and provided electricity to microgrid connected  
7   customers, while surrounding customers were in the dark.  
8   There have been at least 20 news articles on EPIC funded  
9   microgrids in 2019. Many were for the Blue Lake  
10   Rancheria's ability to ride out the 2019 PSPS event. And  
11   they were able to shelter 10,000 people at the Rancheria  
12   during the October outage, including medically compromised  
13   individuals that count on electricity for survival.

14           Another example of a deployed microgrid at a  
15   critical facility is the Fremont Fire Station. Through the  
16   course of the research, the Greenscape Project team  
17   achieved a technology cost reduction of more than 30  
18   percent from the first microgrid at Fire Station 11 to the  
19   two remaining fire stations. And they stood ready to  
20   remain fully operational if the grid was de-energized.

21           These technology successes stood on the  
22   foundation of a decade of CEC supported microgrid research,  
23   first as a response to the 2001 rolling blackouts, then as  
24   a cost-saving strategy, and now also as an emergency-  
25   preparedness strategy. Though readiness in the face of

1 PSPS events make the news, properly placed and designed  
2 microgrids can save customers operating costs. Highlighted  
3 in Microgrid Knowledge, Fremont Fire Department cut their  
4 operating costs in half, saving the city a quarter of a  
5 million dollars over 10 years. And now their designer,  
6 Greenscape, is building 25 more microgrids.

7 More resilience technology solutions are on the  
8 horizon. Storm and fire related electricity outages in  
9 recent years revealed a high priority need to strengthen  
10 the resilience of telecommunication infrastructure. To  
11 help address this challenge, the CEC awarded an EPIC grant  
12 to Caban Systems to scale up California's manufacturing of  
13 its battery platform for critical infrastructure, such as  
14 telecommunication towers.

15 The third report theme is Building  
16 Decarbonization. Within building decarbonization, one of  
17 the projects described in the report is a profile of the  
18 OhmConnect Project. EPIC helped grow the participation in  
19 this load flexibility software service developed by  
20 OhmConnect with innovative strategies for customer  
21 engagement. OhmConnect continues to grow and benefit  
22 ratepayers. For example, the local ABC news affiliate in  
23 Fresno reported that Fresno citizens earned one million  
24 dollars in payouts from the OhmConnect platform.

25 The fourth report theme is Innovation for

1 Industrial, Agriculture, and Water Sectors. California's  
2 promise and innovation stem from the rich and diverse  
3 qualities and abilities of its people. Porifera is one of  
4 the women-owned, EPIC-funded companies advancing energy and  
5 water-saving technologies in California's food processing,  
6 water treatment, and industrial sectors. Porifera has  
7 demonstrated that its forward osmosis recycler can achieve  
8 40 percent energy savings when targeting 90 percent water  
9 recovery.

10 The fifth report theme is Grid Decarbonization  
11 and Decentralization. More sophisticated tools and  
12 technologies can ease integration of the large and growing  
13 amount of variable renewable generation serving  
14 California's electricity load. For example, one of the  
15 EPIC projects by Clean Power Research improved day-ahead PV  
16 energy forecasting. The new forecasting methods are being  
17 used by the CAISO and are expected to save California \$176  
18 million over the next 30 years.

19 The sixth and final theme is Transportation  
20 Electrification. EPIC research projects advanced  
21 technologies to lower the costs to integrate the growing  
22 electricity load related to transportation. MyFleetBuy is  
23 an app that facilitates smart-electric vehicle purchases by  
24 optimizing the selection of vehicles that should be  
25 replaced with EVs by analyzing the actual current vehicle



1 miles traveled and mapping the locations of EV chargers  
2 along the routes. The app is being used by Alameda County,  
3 Caltrans and the City of Fremont. Alameda County projects  
4 the app will save the county \$1 million in operating costs  
5 by converting a portion of their fleet to EVs.

6 In addition to the project highlights in each of  
7 the six themes, the report includes our focus on advancing  
8 equity and our overall public engagement in 2019.

9 The CEC, consistent with legislative and CPUC  
10 direction, has prioritized energy equity in its research  
11 programs to ensure that the most vulnerable communities  
12 benefit from emerging clean energy technologies. Through  
13 2019, the CEC has awarded 65 percent of EPIC demonstration  
14 funds to projects in disadvantaged or low-income  
15 communities; 29 percent were in disadvantaged communities  
16 as defined by the CalEnviroScreen and an additional 36  
17 percent were in low-income communities. This far exceeds  
18 the requirements in AB 523.

19 One research project example is the Richmond  
20 Advanced Energy Community that completed Phase 1 in 2019 to  
21 design and rehab 20 homes from uninhabitable to all-  
22 electric, zero-carbon homes. Phase 2, approved at last  
23 month's business meeting will expand this to 100 homes as  
24 well as several commercial and industrial facilities.

25 And finally, the report describes the Energy

1 Commission's public engagement in 2019, including over 50  
2 public workshops and the development of a suite of EPIC-  
3 funded online tools and resources. For example, more than  
4 23,000 users are benefitting from the climate change data  
5 and visualization tools available online from the Cal-Adapt  
6 Web platform.

7           In conclusion, this year is important for the  
8 EPIC program. CPUC is considering renewal of the EPIC  
9 program beyond 2020. The CEC staff, under the Chair and  
10 Vice Chair's guidance, looks forward to supporting the  
11 proceeding to renew the EPIC program and build on the  
12 ability of the program to shape California's clean energy  
13 market, support economic stimulus through innovation, and  
14 enable the state to more effectively and efficiently meet  
15 our energy mandates and aspirations. If you adopt the  
16 report today, the CEC will provide the report to the  
17 Legislature on April 30th, with copies to the Natural  
18 Resources Agency and the CPUC.

19           Before closing, I'd like to thank all the staff  
20 contributors to the report and call out three individuals  
21 specifically. Tiffany Solorio was our Project Manager.  
22 Pamela Doughman was the primary author. And Erik Stokes  
23 provided management guidance. This concludes my  
24 presentation and I'm happy to answer any questions.

25           CHAIR HOCHSCHILD: Thank you so much, Laurie.

1           So let's go to public comment on this.    Any  
2 speakers on the line please again please restate your name  
3 and spell it before giving comments.   Cody, do we have  
4 anyone on the line for this item?

5           MR. GOLDTHRITE:   This is the Secretary.   And we  
6 have no one on the line.

7           CHAIR HOCHSCHILD:   Okay.   Madam Public Advisor,  
8 do we have any written public comments on this?

9           MS. GALLARDO:   This is Noemi Gallardo, Public  
10 Advisor.   No comments.

11          CHAIR HOCHSCHILD:   Okay.   Let's go to Vice Chair  
12 Scott.   Thank you, Madam Vice Chair, for your incredible  
13 stewardship of this program and for getting us to this  
14 point.   All yours.

15          VICE CHAIR SCOTT:   Well thank you.   And this is  
16 an excellent annual report.   I hope that you have all had a  
17 chance to at least flip through it if you haven't had a  
18 chance to read it in detail.   I do want to say it's been  
19 such an honor and a privilege to get to oversee the EPIC  
20 program.   It's a very well-run program and it brings  
21 results for the people of the state of California.   I think  
22 the EPIC program has a thoughtful and impactful investment  
23 strategy and that helps us get technologies from an idea  
24 that someone has to an actual marketable widget.

25          And then as you heard Laurie say in her

1 presentation as well then there's follow on investments  
2 that come from the investments that we make through the  
3 EPIC program. I think we also have as you heard in the  
4 presentation meaningful engagement from low-income and  
5 disadvantaged communities as defined by CalEnviroScreen.  
6 And the team has worked really hard to make sure that  
7 projects aren't just dropped on top of a community but that  
8 communities really have an opportunity to weigh in and to  
9 define what's most useful for them.

10           The resilience and the safety pieces as Laurie  
11 highlighted with microgrids and other things just really  
12 cannot be overstated. It's been really impressive the  
13 investments that we have made in microgrids and the  
14 different components of that technology to really help move  
15 us towards this clean energy future.

16           And the program touches on key sectors across the  
17 state where we need to see energy, water, greenhouse gas  
18 reductions and I think we do a really good job at that.  
19 And Laurie kind of highlighted the six different themes  
20 that we're utilizing with those research investments.

21           And then it also produces usable science like  
22 Cal-Adapt, right? So it's not just a paper study that goes  
23 on a shelf somewhere but it's something that turns into  
24 tools and databases and information that the state can use,  
25 locals, cities, regions around the state can use as they're

1 trying to decide what they need to do to help adapt in the  
2 face of climate change. And so I'm always impressed by the  
3 results. I'm impressed by our investment strategy, I'm  
4 impressed how we think through how to set up the program in  
5 a way to really get meaningful and impact results. And I  
6 think a lot of what you see in a lot of the technologies  
7 that you heard Laurie highlight and that you will see in  
8 the report are the building blocks that are going to assist  
9 us in getting to that 100 percent clean energy standard  
10 that's so important.

11 And I also just want to highlight what Laurie  
12 mentioned as well, please take a look at that author's  
13 page. I don't have a copy of it in front of me to hold up  
14 for you, but there was a lot of folks who contributed to  
15 make this such a great report. And there's a lot of folks  
16 who contribute every day to make this such a great program  
17 and I just wanted to say thank you to them as well. And I  
18 heartily recommend this annual report to you all.

19 CHAIR HOCHSCHILD: Great. Thank you.

20 Other questions and comments, Commissioner  
21 McAllister?

22 COMMISSIONER MCALLISTER: No, very supportive,  
23 great job to the R&D Division.

24 CHAIR HOCHSCHILD: Great. Commissioner Douglas?

25 COMMISSIONER DOUGLAS: Just again briefly, I

1 think it's a great program. I've probably paid most  
2 attention to the work in the area of resilience. The  
3 tribal outreach, the EPIC program has done very  
4 effectively. Some of its environmental work, the Cal-Adapt  
5 and related work, and I just across the board think it's a  
6 very strong program. So anyway I definitely appreciate the  
7 report and appreciate staff's hard work on this.

8 CHAIR HOCHSCHILD: Thank you.

9 Commissioner Monahan, any comments or questions?

10 COMMISSIONER MONAHAN: Yes, I too dived deep into  
11 this report over the weekend and really enjoyed it. I  
12 learned a lot and appreciate the great work of the team on  
13 EPIC and really mapping out how do we accelerate clean  
14 energy in a way that benefits all electricity users? So it  
15 was just really impressive kind of investments and yeah,  
16 very impressive report.

17 CHAIR HOCHSCHILD: Thank you. Well yeah, I'll  
18 just add my thanks as well. I think of this program  
19 actually as a national model. I really feel the strategy,  
20 the breadth, the diversity, the projects we're funding, the  
21 focus on equity really is the model. And to keep in mind  
22 that very often grants from the state of this nature are  
23 the difference maker; the difference maker between whether  
24 a company can make it or not.

25 And you think about go back 17 years to when

1 Tesla began, all of the early challenges right? The  
2 government support early on was essential. It was  
3 something that was pre-profitable and a long way from being  
4 profitable and that risk was often too hard for investors  
5 to take early, or many investors, just taking Tesla for  
6 example. Tesla is now more valuable than every other  
7 American automaker combined. And that's a good example of  
8 the kind of affect that we can have.

9           Particularly, now there's a lot of dire  
10 consequences of the economy on the clean tech sector that  
11 we're doing our best to address. And these grants that  
12 we're making this support on can make all the difference.  
13 We know when we fund things that not everything, not  
14 everybody makes it. And that's just the nature of the  
15 inherent risk of being in an innovation field and  
16 especially true now as we're dealing with the economic  
17 impacts of COVID. But it just highlights for me the  
18 important point, which is that this program is doing  
19 exactly what we want it to. And to remember we will get  
20 through this current recession, we'll get through this  
21 crisis economically. When the economy comes out on the  
22 other side of that we want to be cleaner and more  
23 innovative and this program is really essential to that.

24           So with that let's entertain a motion. Vice  
25 Chair Scott would you be willing to make a motion?

1           VICE CHAIR SCOTT: Yes. And I was remiss in not  
2 thanking Laurie ten Hope for her leadership on this  
3 program, so I want to make sure to do that as well. And  
4 then yes, I move approval of Item 7.

5           CHAIR HOCHSCHILD: Okay, Commissioner Douglas  
6 would you be willing to second that?

7           COMMISSIONER DOUGLAS: Yes. Second.

8           CHAIR HOCHSCHILD: Okay, Commissioner McAllister  
9 --let's do the vote now.

10          CHAIR HOCHSCHILD: Vice Chair Scott?

11          VICE CHAIR SCOTT: Aye.

12          CHAIR HOCHSCHILD: Commissioner Douglas?

13          COMMISSIONER DOUGLAS: Aye.

14          CHAIR HOCHSCHILD: Commissioner McAllister?

15          COMMISSIONER MCALLISTER: Aye.

16          CHAIR HOCHSCHILD: Commissioner Monahan?

17          COMMISSIONER MONAHAN: Aye.

18          CHAIR HOCHSCHILD: And I vote aye as well. Thank  
19 you all, thank you Laurie and team.

20                   **(END here at 2:07:04)**

21

22          CHAIR HOCHSCHILD: All right let's move on to  
23 Item 8, Update on Site Selection and Outreach for the  
24 Oakland EcoBlock Project Demonstration. Again folks  
25 restate your name and affiliation and title and spell your



1 name. Let's go to Michael Ferreira to introduce the  
2 (indiscernible).

3 MR. FERREIRA: Hello, can you hear me?

4 CHAIR HOCHSCHILD: Yes we can.

5 MR. FERREIRA: Hello. Good morning Commissioners  
6 and everyone on the line. My name is Michael Ferreira,  
7 that's spelled M-i-c-h-a-e-l and I work in the Energy  
8 Research and Development Division. I am here to introduce  
9 Principal Investigator for the Oakland EcoBlock Project,  
10 Sascha von Meier, who will be giving an update on the site  
11 selection and outreach for the advanced energy community  
12 demonstration.

13 This agreement was approved at the June 2019  
14 Business Meeting and comes out of a solicitation called the  
15 EPIC challenge, accelerating the deployment of advanced  
16 energy communities, which was a two-part solicitation  
17 released in 2016. Phase I focused on the planning and  
18 design while Phase II funds the buildout and demonstration.  
19 This project is one of four advanced energy communities  
20 selected for the state to build out. And with that I'll  
21 turn it over to Sascha von Meier.

22 MS. VON MEIER: Good morning, this is Sascha von  
23 Meier. Can you hear me?

24 CHAIR HOCHSCHILD: Yes we can. Good morning.

25 MS. VON MEIER: Thank you. The spelling is S-a-

1 s-c-h-a v-o-n M-e-i-e-r and I direct electric grid research  
2 at the California Institute for Energy and Environment at  
3 UC Berkeley. The Project Manager, Dr. Therese Peffer, is  
4 also on the line for the EcoBlock as well as several  
5 residents, I believe, who are calling in. Let's have the  
6 next slide.

7 I'm very pleased to give you this update.  
8 Quickly for those of you not familiar with the EcoBlock  
9 Project in the audience, we have just begun Phase II of  
10 this ambitious EPIC project. This is a unique microgrid  
11 solution that is looking to retrofit older buildings into a  
12 community microgrid in the City of Oakland, combining deep  
13 energy and water efficiency with 100 percent solar PV. The  
14 crux is not the technology per se, but the innovative legal  
15 and financial structures to make it possible for a  
16 community of residents on the block to really ultimately be  
17 in charge of their own microgrid together. This project  
18 also aims to make some of these advanced technologies,  
19 solar batteries, EV charging, accessible to lower and  
20 middle- income neighborhoods. And the key idea here is to  
21 have a recipe that can be scaled up and replicated many  
22 times. Next slide.

23 So the EcoBlock model proposes to be an  
24 integrated solution to address many multiple policy  
25 objectives in our state. Its resilience is access to

1 solar-powered, meeting our carbon goals. Also through  
2 electrifying energy end-uses, transitioning from natural  
3 gas over to clean electricity, advancing the adoption of  
4 efficiency of electric vehicles. And ultimately coming up  
5 with a model that will allow really rapid adoption and  
6 scaling of these technologies. Next slide.

7           Just so you have a picture to visualize this is a  
8 conceptual drawing from Phase I of this project that was  
9 really a design study. And so this shows the original  
10 block that was studied. And show -- it illustrates how  
11 there are rooftop PV arrays that are collective, feeding  
12 into a microgrid that's underground, joining these multiple  
13 homes with a central communal storage resource. The idea  
14 and the hypothesis here really is that the scale of  
15 several, tens of residential units, provide an economy of  
16 scale that just makes it more affordable to have a resource  
17 that can be resilient, that can operate as a power island  
18 during an extended outage.

19           And there's a sharing economy here of having  
20 electric vehicles that can be used by the members, the  
21 participants on this block. And also arrange these  
22 combined and distributed energy resources behind a single  
23 point of common coupling with the electric utility, which  
24 aims to ease some of the integration issues with  
25 intermittent solar PV and EV charging to make it easier to

1 integrate these technologies in the distribution  
2 infrastructure. Next slide.

3           So after Phase II was approved last year, even  
4 before our kickoff meeting our team revisited the project  
5 with the residents and property owners on the original  
6 Phase I block. The project that they had spent years  
7 talking about and now it was about to get real, we found  
8 that at that time there was not a cohesive critical mass of  
9 participants, of residents and homeowners, who really had  
10 the momentum to proceed. Many of them had agreed early on  
11 that they were interested. But when it came down to the  
12 actual nuts and bolts of implementing this there were some  
13 new concerns that had arisen.

14           Really the biggest lesson learned I think was  
15 that transparency in a project like this and trust are  
16 essential, and trust for the project team and trust amongst  
17 the neighborhoods, amongst each other I think is very  
18 different to contemplate a kind of pilot project that's  
19 really the first of its kind, that can't point to an easy  
20 example where people have done something like this before  
21 but that's really breaking new ground. That sort of takes  
22 a different level of trust than doing something the second  
23 or the tenth or hundredth time.

24           So while we work very hard to mitigate the risk  
25 for the participants I think it's still fair to say that

1 there's a sense of risk of getting involved in something  
2 that hasn't been done before. Because the co-op of the  
3 neighborhood that's being -- that's formed here, the entity  
4 that's going to be owning and operating this microgrid in  
5 the future after the project end, really has to sort of  
6 become a cohesive unit.

7           And there's of course lots of reasons in any  
8 neighborhood for people to want or not want to work with  
9 each other. There are social dynamics that are always  
10 complicated that may have nothing to do with EcoBlock. And  
11 so we realized that it was really important to work with a  
12 block that's highly motivated and that has that social  
13 cohesion.

14           We also realized that while the first block that  
15 was under study had a lot of wonderful things going for it,  
16 we were not really in a position to answer the question,  
17 "Why this block and why not other blocks?" because there  
18 hasn't been a wide-net cast and a vetting process.

19           So on the next slide if we look at the timeline  
20 we felt we did owe the Phase I block residents a full  
21 effort to make their block the chosen EcoBlock, because  
22 they had invested some time in talking with the project  
23 team. And mulling over and really helping the research  
24 team think through the design; in particular, the design of  
25 the co-op. Let's go to the next slide.

1           So we worked with them. We had detailed follow-  
2 up interviews. We had a town hall meeting that many  
3 neighbors participated in. It culminated in a vote by the  
4 block residents around October of last year that showed  
5 that it would be prudent to proceed with a new block that  
6 would have a critical mass. And where we would have the  
7 opportunity then to cast a wide net and really get it  
8 right. And our team certainly appreciates the CEC's  
9 support in sort of going back and trying to do this over  
10 again, with the lessons that we had learned. So we cast a  
11 wide net with an opportunity notice. And down-selecting  
12 from a from a large number of respondents by criteria in  
13 the next slide.

14           We first had to define who would be eligible. We  
15 released an opportunity notice for blocks to self-nominate.  
16 There was extensive outreach. We hired a community  
17 outreach expert, Ms. Kathy Leonard, (phonetic) who really  
18 spoke to and reached out to all, a large number of relevant  
19 organizations as well as the City Council members through  
20 all the districts. And we then narrowed it down to four  
21 finalists with whom -- finalist blocks, with whom we met.  
22 And then discussed in detail what it would look like to  
23 implement the EcoBlock idea at their blocks. Next slide.

24           So this is just a snapshot of the opportunity  
25 notice. And you'll notice that really the top criteria are

1 the -- has to do with the social dynamic and the level of  
2 commitment among the residents. And sort of making sure  
3 that there aren't preexisting tensions that would preclude  
4 people from working with each other in good faith and sort  
5 of be willing to jump into this experiment. And then  
6 there's any number of physical and technical criteria from  
7 having space for solar panels, having parking available for  
8 shared EVs, and having the homes be contiguous so they can  
9 be connected. The key ultimately was the number of units  
10 that would commit to participation and commit in writing.  
11 Next slide.

12 This shows a list of the about three dozen  
13 organizations that Kathy Leonard had got the word out to.  
14 And it was really word-of-mouth of that I think was the  
15 most effective in bringing us the finalists, the many self-  
16 nominations. I'm not going to go through the details here.  
17 This will be in the record. Next slide.

18 So we circled here in red the finalists. Those  
19 were blocks that really demonstrated, they put -- and I  
20 have to thank them all, because they put a lot of effort  
21 into mobilizing, organizing their neighbors, saying why  
22 they should be the EcoBlock.

23 You can see on the map that we did compare this  
24 to the overlay here with the disadvantaged and lower-income  
25 communities, because while that's not a necessary

1 requirement it certainly makes all the sense in the world  
2 to spend these funds in areas that could use them the most.  
3 The next slide we'll show you a couple of pictures of from  
4 the finalist blocks.

5           So there were 11 self-nominations that included  
6 really pretty comprehensive applications where they had  
7 already gathered data. We then went and met with the block  
8 leads and the neighbors on these different blocks. We  
9 looked at the housing stock that was there and started to  
10 pencil out really what the economics would look like for  
11 each of these blocks. Also to make sure that these  
12 residents would be able to save a good amount of money. It  
13 doesn't make sense to do a project like this with homes  
14 that are already very energy efficient. Next slide.

15           So we had the Golden Gate neighborhood, the  
16 Mosswood neighborhood. And again, we were interested in a  
17 mixed single- family and multifamily dwellings. Next  
18 slide. So the Fruitvale block is the one that ultimately  
19 sort of topped all the criteria.

20           If we go to the next slide, both in terms of the  
21 community organization, the number of housing units that  
22 were contiguous and were ready to commit in writing to  
23 participate in this. There's opportunity for energy as  
24 well as water, efficiency retrofits, and other measures  
25 such as stormwater runoff mitigation here.



1           Finally, and I'm happy to --

2           CHAIR HOCHSCHILD: Sascha, can you -- Sascha, are  
3 you about to wrap up? Do you have --

4           MS. VON MEIER: Yes.

5           CHAIR HOCHSCHILD: Thanks.

6           MS. VON MEIER: In fact, the last slide, if you  
7 forward to the last slide there -- oops, there is one  
8 missing. I think the slide that says, "Fruitvale block  
9 selected."

10           Well, I will tell you -- there we go -- that an  
11 interesting fact here was that we had also spoken with  
12 folks at PG&E about where this project could have the  
13 greatest impact. And so among the factors in favor of the  
14 Fruitvale block was that they're on a weak, relatively low  
15 voltage 4kV distribution feeder that would in the future  
16 need upgrades or be constrained, where a microgrid makes a  
17 lot of sense. And there is a possibility here, thinking  
18 again forward into the future, of capping off a gas line as  
19 we want to electrify a lot of those end-uses. So that's  
20 very much strategically in line. I will stop here. And  
21 just say --

22           CHAIR HOCHSCHILD: Thank you.

23           CHAIR HOCHSCHILD: -- we're very confident in  
24 that selection.

25           CHAIR HOCHSCHILD: Thank you, Sascha.

1           Okay, this is a non-voting item, so let's hear  
2 comments and questions from the Commissioners. Let's go to  
3 Vice Chair Scott first.

4           VICE CHAIR SCOTT: Sure. And I want to say thank  
5 you, can you guys hear me?

6           CHAIR HOCHSCHILD: Yes.

7           VICE CHAIR SCOTT: Yes? Okay, just double-  
8 checking.

9           I just want to say thank you to Sascha and the  
10 team for taking another look at this. You all may recall  
11 at the end of the year last year when we were looking at  
12 this project originally, we had quite a few members of the  
13 community call in with concerns. So we asked the team to  
14 go back and take another look at this. And so this is the  
15 update. And at that time we had also asked that they  
16 provide an update about how it was going.

17           And I think that the lessons learned that were  
18 highlighted are just really important here and a good  
19 lesson, I think, for us to take as we're trying to push new  
20 and innovative clean energy technologies out into existing  
21 communities, right. And so how you work with the community,  
22 how you get them engaged and excited and interested in  
23 trying out these technologies, it's going to be really  
24 important right, because obviously almost every building we  
25 have is an existing building. And so if we need to go back

1 and get these technologies into not just new buildings, but  
2 also existing buildings we need folks who are excited about  
3 it, want to work with us, and know how to roll the  
4 technology out.

5           So I appreciate the update on how this is going.  
6 I'm excited that there's a new block that's really excited  
7 to be part of the project. And I look forward to hearing  
8 how it goes. But I just wanted to remind you all that it  
9 was a few months ago when we had the first look at this,  
10 and the community was really concerned. And that we had  
11 asked these guys to please come back and present to us  
12 again. And so that's what this is.

13           CHAIR HOCHSCHILD: Thank you. Other comments.  
14 Commissioner Douglas? Not hearing Commissioner Douglas's  
15 voice. Commissioner McAllister? Any comments or  
16 questions?

17           COMMISSIONER MCALLISTER: Yeah, I had a comment.  
18 I just want to just thank Dr. von Meier and Peffer, great  
19 work on revisiting this. And it just highlights the fact  
20 that that there are lots of technology issues. But really  
21 the primary issues for implementation certainly as  
22 Commissioner Vice Chair Scott just said, are in the  
23 existing buildings. You know, how to make things happen in  
24 the world that we have and with actual people.

25           And so back when I was a Peace Corps volunteer

1 that's the kind of work that it took to get communities to  
2 decide on how to do stuff. And that actually is the  
3 biggest list of any project is to get the people involved,  
4 excited and to maintain that enthusiasm throughout the  
5 project to the end, which can be years or decades. And so  
6 it really becomes a community organization challenge as  
7 much as anything else; lots of layers. And so I think that  
8 highlights that, the presentation really highlighted that,  
9 that really you have to get buy-in from the community  
10 leaders and the community members that are impacted and get  
11 some enthusiasm there, along with all the other  
12 (indiscernible) the grid situation that the selected  
13 community is in well there is opportunities to align  
14 investment across a whole bunch of different axis that are  
15 going to benefit that community and the grid. So I'm  
16 really excited about where this is going and looking  
17 forward to seeing how it progresses.

18 CHAIR HOCHSCHILD: Great. Thanks.

19 Commissioner Monahan, any comments or questions?

20 COMMISSIONER MONAHAN: No comments or questions.

21 Thank you.

22 CHAIR HOCHSCHILD: Okay. Thank you to everybody.

23 Thank you, Sascha. No further comments or questions from

24 me.

25 Let's move on to Item 9, Advance to Next-

1 Generation Wind Energy Technology. Again staff, please  
2 state your name and affiliation and title. And let's turn  
3 it over to Sylvia Palma-Rojas to present on this item.

4 MS. PALMAS-ROJAS: Okay. Good morning, Chair and  
5 Commissioners. Good morning everyone. My name is Sylvia  
6 Palma-Rojas from the Research Division. My name is spelled  
7 as Silvia, S-i-l-v-i-a Palma-Rojas, P-a-l-m-a-r-o-j-a-s.

8 Today I would like to request the approval of  
9 five agreements that staff is recommending for funding  
10 under our EPIC Next Wind solicitation.

11 Next Wind Solicitation had three groups. One  
12 group focused on the development of onsite manufacturing  
13 approaches for land-based wind energy projects. The second  
14 group aimed to help increase productivity and reduce the  
15 levelized cost of energy and wildlife impacts of offshore  
16 projects through real-time monitoring systems. And the  
17 third group looked for studies that increase the  
18 understanding of how offshore wind deployments may affect  
19 sensitive species and habitats.

20 The first recommended project is with RCAM  
21 Technologies, a major subcontractor UC Irvine, and it was  
22 selected under Group I. This project aims to manufacture,  
23 demonstrate, and test wind tower sections using an onsite  
24 3D concrete printing process and design. The project will  
25 performance lab printing, pilot-testing and analysis of

1 tall tower sections, using as reference a 7.5 MW turbine.  
2 And will also conduct an outdoor demonstration to validate  
3 the manufacturing approach for wind tower application in  
4 real conditions.

5           If successful, this project will bring important  
6 environmental and economic benefits to California,  
7 including increase local wind energy manufacturing and  
8 operation jobs, and reduce the capital costs of 140 meter  
9 towers by 50 percent compared to a steel tower.

10           The next two projects were selected under Group  
11 II of Next Wind Solicitation. The first project is with  
12 Aker Solutions, a major subcontractor of Cognite and will  
13 design and develop a holistic digital platform to perform  
14 conditions and data monitoring that includes both  
15 operational and wildlife data. The project will transfer a  
16 technical solution previously developed for the oil and gas  
17 field operations, to address challenges of offshore data  
18 liberation, contextualization, and value outtake.

19           If successful, this digital platform will reduce  
20 the current challenges of the offshore wind industry, of  
21 using the massive amount of data to improve the business  
22 model. And will increase also production efficiency by  
23 reducing operational expenses by more than 21 percent. And  
24 minimizing environmental impacts by making all relevant  
25 data available for humans and machines to drive better

1 decisions.

2           The second project under Group II is with  
3 Berkeley National Lab, a major subcontractor UC Berkeley.  
4 The project will develop a novel fiber optical sensing  
5 system for real-time and continuous monitoring of offshore  
6 wind technologies and wildlife. The primary goal for this  
7 project is to take the experience gained from applications  
8 of fiber optic sensing in civil engineering and large-scale  
9 manufacturing projects, to measure and monitor strains,  
10 loads and other parameters in real time.

11           The team will evaluate the technical feasibility  
12 of fiber optical sensing to monitor gearboxes and wind  
13 towers and also marine animal life activities near offshore  
14 wind platforms.

15           The last two projects were selected under Group  
16 III of next wind solicitation. The first project is with  
17 Integral Consulting. This project will investigate the  
18 potential impacts of large-scale offshore wind farms on  
19 wind stress reduction, changes in coastal upwelling, and  
20 ecosystem dynamics off the California Coast. This  
21 agreement will result in environmental benefits by  
22 facilitating offshore wind policy development and  
23 permitting, evaluating turbine siting and identifying data  
24 gaps to prioritize research.

25           The last project is with Humboldt State

1 University, a major subcontractor H. T. Harvey &  
2 Associates. And will develop a three-dimensional model of  
3 seabird occurrences off the California Coast. This model  
4 will evaluate the relative impacts of seabirds from  
5 different wind farm locations, array layouts, and turbine  
6 dimensions. This project will help improve the  
7 understanding of potential seabird and wind farm  
8 interactions in waters offshore California to support  
9 decision-making for project siting and environmental  
10 permitting.

11 With this I conclude my presentation. And I will  
12 be happy to answer any question you might have. Thank you.

13 CHAIR HOCHSCHILD: Thank you so much, Silvia.

14 Let's go to public comment. Cody, do we have  
15 anyone on the line?

16 MR. GOLDTHRITE: Yes. We have Mo Li from UCI and  
17 Jonah Margulis from Aker Solutions.

18 CHAIR HOCHSCHILD: Thank you so much, Silvia.  
19 Let's go to public comment. Cody, do we have anyone on the  
20 line?

21 MR. GOLDTHRITE: Yes. We have Mo Li from UCI.  
22 And Jonah Margulis from Aker Solutions.

23 CHAIR HOCHSCHILD: Okay, Let's start with Mo Li.

24 MS. LI: Good morning this is Mo Li, spelling is  
25 M-o L-i. I am a Professor at the University of California,



1 Irvine. And I'm also the Co-principal Investigator of the  
2 project they awarded to RCAM Technologies and UCI.

3 I want to thank California Energy Commission for  
4 this funding opportunity for my research team at UCI to  
5 collaborate with RCAM Technologies to develop this  
6 innovative concrete 3D printing technology for Next  
7 Generation Wind. This will be the first time that the  
8 technology will be tested at a structural laboratory at  
9 this very large scale. And also the first time it will be  
10 demonstrated in field conditions in California. So through  
11 this project we can answer the key research questions in  
12 order to bring out the technology readiness level for  
13 commercialization in California for land base and also  
14 offshore wind.

15 And this project will also allow us as a  
16 California public university to educate our graduate and  
17 undergraduate students and post-op research fellows. And  
18 train the next-generation workforce in California who can  
19 specialize in concrete data manufacturing for Next  
20 Generation Wind. And these are all very, very exciting.  
21 And we're so very grateful. And thank you all very much.

22 CHAIR HOCHSCHILD: Thank you, Ms. Li.

23 Let's go to Jonah.

24 MR. MARGULIS: Hi, can you hear me?

25 CHAIR HOCHSCHILD: Yes, we can.

1 MR. MARGULIS: Okay, very good. Hi, this is  
2 Jonah Margulis with Aker Solutions. I'm the U.S. Country  
3 Manager responsible for all operations within the U.S.  
4 Name is J-o-n-a-h M-a-r-g-u-l-i-s.

5 So on behalf of Aker Solutions and our partners,  
6 Cognite, H.T. Harvey, Principle Power, MarineSitu and EDPR,  
7 we would really like to express our gratitude for the  
8 Commission engaging the industry in the Next Wind grant  
9 opportunity. And our sincere appreciation for being  
10 selected for the grant. It's quite an honor.

11 Aker Solutions has, together with our partners  
12 RCEA, EDPR and Principle Power, been pioneering the  
13 offshore wind development in California through our  
14 engagement in the Redwood Coast Offshore Wind Project for  
15 about three years since 2017, which is a proposed 100 to  
16 150 megawatt floating offshore wind project off the coast  
17 of Humboldt Bay in Northern California. We hope to see  
18 federal offshore leasing for in the proposed bond call  
19 areas really as soon as possible.

20 We see offshore wind as being a major part of the  
21 solution for the SB 100 clean energy goals of California by  
22 providing affordable renewable electricity to the state's  
23 ratepayers at scale.

24 And we are confident that Next Wind real-time  
25 conditioning monitoring project will be an important part

1 of enabling this. The project aims to take forward a  
2 digital solution and associated work processes that will  
3 enable remotely monitoring in real-time the integrity of  
4 the offshore wind farm as well as to significantly reduced  
5 operational costs. At the same time monitoring  
6 environmental and wildlife impact in real time to much  
7 better increase our understanding of, and mitigate these  
8 impacts, which can be shared with all relevant stakeholders  
9 such as academia, state, stakeholders, (indiscernible) and  
10 environmental interest groups.

11 I just wanted to take a second, because we  
12 really look forward -- the team is really excited to get  
13 going on this and it's really an important piece of work.  
14 And we are honored to be trusted with the important task  
15 that the Commission has bestowed upon us. So with that I  
16 just want to also say be safe and well in these times.

17 CHAIR HOCHSCHILD: Thank you so much, Jonah.  
18 Appreciate those comments.

19 Madam Public Advisor, do we have any additional  
20 written public comments to relate?

21 MS. GALLARDO: This is Noemi Gallardo, Public  
22 Advisor. No comments.

23 CHAIR HOCHSCHILD: Okay, thanks. Let's go to  
24 questions and discussion from Commissioners, starting with  
25 Vice Chair Scott.

1           VICE CHAIR SCOTT: Yes, so I think as you all  
2 have heard this is an excellent well-thought through set of  
3 projects that we're proposing to fund. I am as always with  
4 the EPIC program I'm always looking forward to getting the  
5 results right away. I think that as we're trying to get  
6 more experience with offshore wind and some of the  
7 questions around offshore wind, both technology and also as  
8 you heard, sort of environmental. And with ocean life and  
9 bird life and things like that I think having this set of,  
10 this suite of studies together will provide quite a bit of  
11 useful information for us here in the state as we go  
12 forward with the work that we're doing on renewables and  
13 offshore wind. So I highly recommend this set of projects  
14 to you all.

15           CHAIR HOCHSCHILD: Great. Thank you.  
16           Commissioner Douglas?

17           COMMISSIONER DOUGLAS: Hi. I just wanted to say  
18 briefly that these projects provide a lot of benefit to  
19 help us understand offshore wind. They better complement  
20 other investments being made by the Ocean Protection  
21 Council, and the Office of Planning and Research at the  
22 state level as well as some federal research investments  
23 through the Bureau of Ocean Energy Management to improve  
24 our understanding of floating offshore wind. And I look  
25 for the state's effort in really moving that initiative

1 forward in a way that's very informed and very able to  
2 inform others and benefit from the best science out there.

3           And so I think it's very important that as we  
4 develop this information we continue to incorporate it into  
5 the spatial data applications that the CEC is continuously  
6 developing and refining and sharing with the public, so  
7 that it can contribute to future decisions at multiple  
8 levels of government. And I will be closely following  
9 progress on these projects. I'm excited to see them in a  
10 position to move forward. And I think we have a lot to  
11 learn here from this research and from done the projects  
12 that are currently in place in different parts of the  
13 world. So I'm excited to see this move forward.

14           CHAIR HOCHSCHILD: Yeah. So let me just again  
15 acknowledge Commissioner Douglas's focus on this topic area  
16 and bring your considerable people skills and background  
17 and permitting and intergovernmental deliberations to this  
18 topic has been tremendous. So thank you for all your work  
19 on that.

20           Commissioner McAllister, any comments or  
21 questions on this item?

22           COMMISSIONER MCALLISTER: No. It looks like a  
23 great group of good projects, so happy to support this.

24           CHAIR HOCHSCHILD: Thank you.

25           Commissioner Monahan?

1 COMMISSIONER MONAHAN: No comments. Thank you.

2 CHAIR HOCHSCHILD: Okay. Well, I'll just say I  
3 continue to be very optimistic long-term about the state's  
4 prospects of making offshore wind happen in California.  
5 It's funny there's these things that you don't think of as  
6 resources. I mean we didn't think of sunlight as a  
7 resource for electric generation a generation ago, as we do  
8 today, and it is where onshore wind today as it is.

9 And offshore wind actually is a different  
10 resource. It has different characteristics, actually  
11 superior characteristics to onshore wind. You know,  
12 approaching 50 percent capacity factors in some parts of  
13 the state, and a very, very highly complementary generation  
14 profile to solar. And so given that we have an 800-mile  
15 coastline and that offshore wind technology has advanced  
16 considerably in the last few years I'm really optimistic.  
17 And I think all these, the diversity of these projects  
18 we're funding today, help set the stage for that. And I  
19 think the future is very bright long-term for this market  
20 segment. So thank you to everyone who worked on this.

21 With that I'll entertain a motion. Vice Chair  
22 Scott, would you be willing to move this item?

23 VICE CHAIR SCOTT: Yes. I move approval of Item  
24 9.

25 CHAIR HOCHSCHILD: And Commissioner Douglas would

1 you be willing to second?

2 COMMISSIONER DOUGLAS: I second this item.

3 CHAIR HOCHSCHILD: Okay, let's take a vote.

4 Vice Chair Scott?

5 VICE CHAIR SCOTT: Aye.

6 CHAIR HOCHSCHILD: Commissioner Douglas?

7 COMMISSIONER DOUGLAS: Aye.

8 CHAIR HOCHSCHILD: Commissioner McAllister?

9 COMMISSIONER MCALLISTER: Aye.

10 CHAIR HOCHSCHILD: Commissioner Monahan?

11 COMMISSIONER MONAHAN: Aye.

12 CHAIR HOCHSCHILD: And I vote aye as well. That  
13 item passes unanimously.

14 Let's move on to Item 10, Storage Monitoring,  
15 Smart Shutoff and 3D Mapping Technologies for Safer Natural  
16 Gas Infrastructure. Again, staff please restate your name  
17 and title and spell your name. Let's turn it over to Yahui  
18 Yang to present this item.

19 MR. YANG: Good morning, Chair and the  
20 Commissioners. Can you hear me?

21 CHAIR HOCHSCHILD: Yes, we can. Good morning.

22 MR. YANG: Great. My name is Yahui Yang, spelled  
23 as Y-a-h-u-i Y-a-n-g. I am a Mechanical Engineer with the  
24 Energy Systems Research Office.

25 I'm requesting your approval today for three

1 agreements. They are resulted from a solicitation intended  
2 to improve the safety of natural gas infrastructure in  
3 California, including continuous monitoring of natural gas  
4 storage facility conditions and smart safety shutoff of gas  
5 system in residential and commercial buildings.

6           The first agreement is with Paulsson  
7 Incorporation. The recipient will develop and apply cost-  
8 effective gas storage surveying and monitoring technology  
9 to make gas storage safe and efficient. The technology  
10 uses fiber optic sensor array to measure downhole pressure,  
11 acoustic, strain and temperature data in real time. The  
12 sensor system, once developed and tested in the lab, will  
13 be deployed to a gas storage well at a depth of 5,400 feet  
14 at the McDonald Island gas storage facility near Stockton,  
15 California.

16           The research team will collect the monitoring  
17 data remotely for at least six months during the injection  
18 and withdrawal of natural gas.

19           In the second agreement, Lawrence Berkeley  
20 National Lab will develop and field demonstrate a natural  
21 gas wellbore integrity monitoring system by combining  
22 electromagnetic and optical sensor technologies. The  
23 electromagnetic signal of the monitoring system provides  
24 corrosion and stress information on borehole damages. The  
25 optical signal provides strain and temperature information



1 related to borehole operation, deformation or leakage  
2 events. The combination of these two technologies enables  
3 comprehensive diagnostic signatures of boreholes with  
4 continuous and high-resolution data.

5 The research team will prove the technical  
6 feasibilities and validate the performance through lab  
7 tests and field demonstration.

8 In the third agreement, Gas Technology Institute  
9 or GTI will develop, test and demonstrate a smart gas  
10 shutoff system which protects gas customers during  
11 hazardous events, such as fire, explosion, or natural gas  
12 leaks. The recipient will perform customer market research  
13 to promote customer adoption of such a smart shutoff  
14 system. The shutoff system will integrate hazard detecting  
15 sensors, remote shutoff features, and valve status  
16 monitoring. The system performance will be validated  
17 through scenario-based tests.

18 The team will conduct pilot demonstration in  
19 residential and commercial buildings for half a year or  
20 longer to mature the technology and facilitate its  
21 deployment. If successful, these agreements will improve  
22 gas supply reliability, increase gas customer safety, and  
23 reduce GHG emissions.

24 Therefore, staff recommends approval of these  
25 three agreements. This concludes my presentation. And I'm

1 happy to answer any questions you may have. Thank you.

2 CHAIR HOCHSCHILD: Thank you very much, Yahui.

3 Let's go to public comment. Do we have any  
4 speakers on the line, Cody?

5 MR. GOLDTHRITE: This is the Secretary and we  
6 have no speakers on the line.

7 CHAIR HOCHSCHILD: Okay, Madam Public Advisor any  
8 comments in writing on this item?

9 MS. GALLARDO: This is Noemi Gallardo, Public  
10 Advisor. No comments.

11 CHAIR HOCHSCHILD: Okay, thanks. Let's go to  
12 questions and comments from the Commissioners, starting  
13 with Vice Chair Scott.

14 VICE CHAIR SCOTT: Okay. Well so I don't have  
15 too much more to add to the excellent presentation on this  
16 one. I don't think I need to tell you all or really anyone  
17 how important having the monitoring, the smart shutoff, the  
18 3D mapping technologies all to try to figure out how we  
19 continue to make a safer and safer natural gas  
20 infrastructure, especially as that infrastructure around  
21 the state is aging, how important these types of projects  
22 are.

23 And it's also I think really important to have  
24 this kind of information in the public sphere, right? So  
25 that's the importance of having public interest research.

1 These are third parties, it's unbiased, it's a lot of  
2 really good information for decision makers like us to be  
3 able to utilize once we get this type of information back  
4 as well, so just those two additional thoughts.

5 CHAIR HOCHSCHILD: Great, thank you.

6 Commissioner Douglas?

7 COMMISSIONER DOUGLAS: Well I appreciate the  
8 proactive nature of these projects. And I do think that as  
9 they help us with early detection of equipment fatigue or  
10 identifying other vulnerabilities in the natural gas  
11 system, and enhancing the resiliency of the natural gas  
12 infrastructure, this will benefit, really all of us. I'm  
13 looking forward to learning the results of these  
14 agreements. And I'm in support of these agreements moving  
15 forward.

16 CHAIR HOCHSCHILD: Great, thank you.

17 Commissioner McAllister?

18 COMMISSIONER MCALLISTER: Yeah, just briefly. I  
19 totally agree with Vice Chair Scott and Commissioner  
20 Douglas's comments.

21 And certainly the challenge going forward is to  
22 modulate investments and put it in the right place that  
23 affect ratepayers. And make sure that our infrastructure  
24 is performing as it should in terms of safety in every  
25 other way. And I think this public area of research, to

1 echo Commissioner Scott's comment, it helps inform all the  
2 discussions across the state, in the Legislature, at the  
3 Public Utilities Commission and amongst stakeholders, so we  
4 can have the best ideas come forward as the ones that gain  
5 some traction and get funded.

6 So this is really key to building that platform  
7 for good decision-making. And I applaud these projects.

8 CHAIR HOCHSCHILD: Great, thank you.

9 Commissioner Monahan?

10 COMMISSIONER MONAHAN: Yeah. No comments. These  
11 are really great investments. And I'm looking forward to  
12 voting on it.

13 CHAIR HOCHSCHILD: Great, thank you.

14 I will entertain a motion at this time. Vice  
15 Chair Scott, are you willing to make the motion?

16 VICE CHAIR SCOTT: Yes. I will move approval of  
17 Item 10.

18 CHAIR HOCHSCHILD: Okay. Commissioner McAllister  
19 would you second?

20 COMMISSIONER MCALLISTER: Yeah, I'll second.

21 CHAIR HOCHSCHILD: All right, all in favor, Vice  
22 Chair Scott?

23 VICE CHAIR SCOTT: Aye.

24 CHAIR HOCHSCHILD: Commissioner McAllister?

25 COMMISSIONER MCALLISTER: Aye.

1 CHAIR HOCHSCHILD: Commissioner Douglas?

2 COMMISSIONER DOUGLAS: Aye.

3 CHAIR HOCHSCHILD: Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 CHAIR HOCHSCHILD: And I vote aye as well. That  
6 item passes unanimously.

7 Let's move on to Item 11, Food Production  
8 Investment Program. Let's have Cyrus Ghandi present on  
9 this. And please state your name.

10 MR. GHANDI: Hi, can you hear me?

11 CHAIR HOCHSCHILD: Yes, we can. Yeah.

12 MR. GHANDI: Hi. Hi good morning Chair, Vice  
13 Chair and Commissioners. My name is Cyrus Gandhi. The  
14 spelling of my name is C-y-r-u-s, and last name G-h-a-n-d-  
15 i. I am an Energy Commission Specialist I with the Energy  
16 Efficiency Research Office in the Energy Research and  
17 Development Division.

18 Today staff is seeking approval of four out of  
19 sixteen projects from the latest Food Production Investment  
20 Program's competitive grant solicitation for a total amount  
21 of \$23.2 million. Eight projects from the same grant  
22 solicitation were approved at the March business meeting.  
23 And the remaining eight projects will be recommended at a  
24 later business meeting.

25 The purpose of the Food Production Investment

1 Program, also known as FPIP, is to fund drop-in and  
2 emerging energy efficiency technology, renewable energy,  
3 and fuel-searching technologies to reduce energy use and  
4 greenhouse gas emissions at California food processing  
5 facilities.

6 Previously we have administered two funding  
7 opportunities under the FPIP. And to date the CEC has  
8 awarded a combined \$50 million across 25 projects. In  
9 addition, back in January 2020 staff issued a fourth and  
10 final round of funding with \$25 million in available funds  
11 with applications that were due on February 28, 2020 at the  
12 Notice of Proposed Awards. It is expected for release  
13 later this month. Any resulting projects will be  
14 recommended at a future business meeting this year.

15 FPIP is funded through California Climate  
16 Investments, a statewide initiative that uses Cap and Trade  
17 dollars to help reduce greenhouse gas emissions, strengthen  
18 the economy, and improve public health and the environment,  
19 especially in the disadvantaged and low-income communities  
20 in California. All four projects will result in reduced  
21 greenhouse gas emissions and energy consumption.

22 Staff recommends approval of the following four  
23 projects. The first project is with Ametis Advanced Fuels  
24 Steam. This project will install a mechanical vapor  
25 recompression system, which will significantly reduce

1 natural gas use and greenhouse gas emissions at the  
2 recipient's biofuels and animal food production facility.  
3 The system takes steam which would otherwise be wasted and  
4 recompress it for reuse throughout the facility and will  
5 significantly reduce the amount of steam and natural gas  
6 required. This project will demonstrate the potential for  
7 significantly reducing greenhouse gas emissions at food  
8 processing and other industrial facilities with large  
9 evaporation and distillation systems.

10           The second project is Gallo Cattle Company, also  
11 known as Joseph Gallo Farms. Joseph Gallo Farms operates  
12 an integrated cheese production facility and dairy farm in  
13 Atwater, California. This project will replace the current  
14 lagoon digester with a mixed plug flow digester. The  
15 associated change from fresh manure to scrape manure will  
16 save almost 100 million gallons of water. And the changes  
17 to a mixed plug flow digester will generate more biogas,  
18 which will be burned to generate renewable electricity.  
19 These systems have been implemented in small dairies in  
20 Wyoming and Idaho, but this will be the first installation  
21 of its kind in the California site.

22           The third project is with Anheuser-Busch. This  
23 project will design, install and operate a microgrid system  
24 and will significantly reduce the grid electricity  
25 consumption and greenhouse gas emissions at the recipient's

1 Southern California brewery. The microgrid system consists  
2 of 4 megawatts of roof-mounted solar photovoltaic system on  
3 5 buildings, and a 1.8-megawatt lithium ion battery energy  
4 storage system. And also a microgrid controller system  
5 that will enable the facility to operate in both grid-  
6 connected and island mode as needed.

7           And finally the fourth project is with Neil Jones  
8 Food Company. This project will design, install and  
9 operate a microgrid system that will significantly reduce  
10 the grid electricity consumption and greenhouse gas  
11 emissions at the recipient's tomato processing facility in  
12 Firebaugh. The microgrid system consists of a 6.5-megawatt  
13 upper roof mounted solar photovoltaic arrays on three  
14 existing buildings and integrated 1.6-megawatt battery  
15 energy storage system and microgrid controllers. The  
16 battery storage system and the microgrid controllers will  
17 enable the facility to operate essential components in case  
18 of a power outage for at least four hours.

19           Before closing I would like to take this  
20 opportunity to extend my sincere appreciation to all the  
21 food processors that the CEC staff are working with on a  
22 day-to-day basis. And applaud them for their diligence and  
23 hard work, especially during these challenging times as  
24 they serve Californians and other parts of the nation with  
25 essential, critical services.



1           Staff recommends approval of these four projects.  
2   And this concludes my presentation.  And I'm available to  
3   answer any questions you may have.

4           CHAIR HOCHSCHILD:  Thank you very much, Cyrus,  
5   for that.

6           Let's go to public comment.  Is Raghuveer  
7   Karipineni  on the line?

8           MR. GHANDI:  Unfortunately he was earlier on the  
9   line, but he had to go.  He had some operations that needed  
10   him to be present, so yeah.  As we know food processors are  
11   very busy at this time and it's understandable.

12          CHAIR HOCHSCHILD:  Okay.  Is there anyone else on  
13   the line, Cody, that you have?

14          MR. GOLDTHRITE:  This is the Secretary and there  
15   is nobody on the line.

16          CHAIR HOCHSCHILD:  Okay, thank you.

17          Madam Public Advisor, any other written comments  
18   on this?

19          MS. GALLARDO:  This is Noemi, Public Advisor.  No  
20   comments.

21          CHAIR HOCHSCHILD:  Okay.  Let's go to  
22   Commissioner discussion and questions, starting with Vice  
23   Chair Scott.

24          VICE CHAIR SCOTT:  So we had an excellent  
25   discussion I think last month of the FPIP program.  We had

1 about eight projects as Cyrus mentioned come through last  
2 month. And we heard from some of the awardees. I'm sorry  
3 we that we missed the one today. Thank him for calling  
4 please, and sorry we didn't get to the item while he still  
5 had time to chat with us.

6 But this is just a really great program. I think  
7 it's a good set of projects that the team has identified  
8 and pulled forward. They will bring greenhouse gas  
9 emissions to the state, and therein as you all know, the  
10 food processing industry is incredibly important for the  
11 economic driver for the state of California. And keeping  
12 it as such while we're driving down greenhouse gas  
13 emissions is just incredibly important. I think the team  
14 has done a great job with this. I think outreaching to  
15 food processors, as I mentioned last time, is a different  
16 area. These folks before may not have been used to working  
17 with the Energy Commission, but now they are. And I think  
18 our team and the food processors have done a great job  
19 working together to make this program as effective as it  
20 possibly can be. So I highly recommend these four projects  
21 to you. And we have a few more that will be coming in the  
22 next couple months as well. And I think Cyrus mentioned  
23 that in his presentation too.

24 CHAIR HOCHSCHILD: Okay, thank you.

25 Commissioner Douglas, any comments or questions?

1                   COMMISSIONER DOUGLAS: I spoke to this at the  
2 last business meeting. I'm excited to see these projects.  
3 And I'm really happy to see this partnership and this  
4 program move forward.

5                   CHAIR HOCHSCHILD: Yeah. Commissioner  
6 McAllister?

7                   COMMISSIONER MCALLISTER: Yeah, likewise and just  
8 also looking for opportunities as we can build on the  
9 success of this model and broaden it to more industrial  
10 sectors and broaden its coverage across the state. Success  
11 breeds success, and we need their emissions across the  
12 board. And this is a great, great sector to be starting  
13 this effort in.

14                   CHAIR HOCHSCHILD: Great, thank you.  
15 Commissioner Monahan?

16                   COMMISSIONER MONAHAN: Yeah, I agree with those  
17 comments that have already been said. And especially want  
18 to reiterate something Commissioner McAllister said, which  
19 is that we want these grants to be able to spur deeper  
20 investments across the state and to encourage businesses to  
21 implement cost-effective measures on their own since we're  
22 spreading the lessons learned from this project. These  
23 investments I think will be really important for helping to  
24 have solutions that migrate across the entire state.

25                   CHAIR HOCHSCHILD: Okay, thank you.

1           Let's entertain a motion on this item. I guess  
2 the final thing I would say is just it's great to get money  
3 out the door right now. The economy desperately needs  
4 that. And I really want to thank staff for pushing this  
5 out the door. I know this is much needed in this moment.

6           So with that, I'll entertain a motion. Vice  
7 Chair Scott, would you willing to move this item?

8           VICE CHAIR SCOTT: Yes.

9           CHAIR HOCHSCHILD: Okay, Commissioner Douglas?

10          VICE CHAIR SCOTT: I will move approval of Item  
11 11.

12          CHAIR HOCHSCHILD: Okay, Commissioner Douglas  
13 would you be willing to second?

14          COMMISSIONER DOUGLAS: Second.

15          CHAIR HOCHSCHILD: Okay. Let's take the vote.  
16 Vice Chair Scott?

17          VICE CHAIR SCOTT: Aye.

18          CHAIR HOCHSCHILD: Commissioner Douglas?

19          COMMISSIONER DOUGLAS: Aye.

20          CHAIR HOCHSCHILD: Commissioner Monahan?

21          COMMISSIONER MONAHAN: Aye.

22          CHAIR HOCHSCHILD: Commissioner McAllister?

23          COMMISSIONER MCALLISTER: Aye.

24          CHAIR HOCHSCHILD: And I vote aye as well. Thank  
25 you.

1           Let's move on to Item 12, Low Carbon Fuel  
2 Production Program. And we'll go to Taiying Zhang. Again,  
3 please spell your name and give your name and title there.

4           MS. ZHANG: Good afternoon, Commissioners. This  
5 is Taiying Zhang to present Item 12. My name is spelled T-  
6 a-i-y-i-n-g, Last Name Z-h-a-n-g. I'm an Air Pollution  
7 Specialist from the Advanced Fuels and Vehicle Technologies  
8 Office in the Fuels and Transportation Division. Today I'm  
9 seeking approval of three Low Carbon Fuel Production  
10 Program grant agreements.

11           On August 28, 2019, the California Energy  
12 Commission released a grant solicitation to fund ultra-low-  
13 carbon transportation fuel production at new and existing  
14 facilities. The solicitation announced the availability of  
15 up to \$12.5 million in Greenhouse Gas Reduction Funds. On  
16 January 21st of this year, four projects were proposed for  
17 award. Today, we are seeking approval for three of these  
18 proposed awards.

19           The first project is with Merced Pipeline LLC for  
20 about 2.5 million to design, build, and commission a  
21 biomethane conditioning facility in Merced County. The  
22 project will collect biogas captured from a cluster of nine  
23 local dairy digesters and transport the gas via a private,  
24 low-pressure pipeline to an upgrading facility. The  
25 finished fuel will then be injected into the PG&E utility

1 pipeline for transport to new and existing CNG refueling  
2 stations in the California Central Valley.

3           The second project is with Lakeside Pipeline for  
4 about \$800,000 to design, build, and commission a biogas  
5 conditioning facility in Kings County. The project will  
6 also collect biogas captured from a cluster of nine local  
7 dairy digesters and transport the gas via a private, low-  
8 pressure pipeline to an upgrading facility. The finished  
9 fuel will then be injected into the SoCalGas utility  
10 pipeline for transport to new and existing CNG stations in  
11 the Central Valley.

12           The third project is with Rialto Bioenergy  
13 facility for 5 million to construct a biogas upgrading  
14 facility in Rialto. This new expansion will process an  
15 additional 300 tons of food and organic waste and inject  
16 the biomethane into the SoCalGas utility pipeline for  
17 transportation use.

18           Overall, these three agreements will produce 7.8  
19 million DGE of biomethane which could fuel 1,000  
20 (indiscernible) trucks. It will support the state's short-  
21 lived climate pollution strategy and methane reduction  
22 goals under SB 1383. Dairy-related methane is responsible  
23 for more than half of in-state methane emissions. These  
24 projects could annually reduce greenhouse gas emissions by  
25 3.7 M MTCO<sub>2</sub>e per year which equals the removal of about .8

1 million cars from the road. These projects will also  
2 reduce NOx emissions by 2.1 million pounds and diesel PM by  
3 31,000 pounds. Two of the projects are located in  
4 (indiscernible) and all three projects will directly  
5 benefit priority populations.

6 This concludes my presentation. Thanks for your  
7 consideration. Mr. Stephen Hatley from Maas Energy Works  
8 for Merced and the Lakeside Pipeline Project, Andrew Dale  
9 from Rialto Bioenergy Facility are on the phone to answer  
10 questions. Thank you.

11 CHAIR HOCHSCHILD: Thank you very much, Taiying.

12 Let's go to public comment. Are there speakers  
13 on the line, Cody?

14 MR. GOLDTHRITE: Yeah, we have Stephen Hatley,  
15 CFO from Maas Energy Works and Dr. Andrew Dale from Rialto  
16 Bioenergy LLC on the line.

17 CHAIR HOCHSCHILD: Great. Let's take them in that  
18 order. Dr. Hatley?

19 DR. HATLEY: Yeah. Can you hear me?

20 CHAIR HOCHSCHILD: Yes, we can. Yes.

21 DR. HATLEY: Great, thank you. Yeah, again, my  
22 name is Stephen Hatley. That spelled "S-t-e-p-h-e-n H-a-t-  
23 l-e-y." I'm the Director of Finance for Merced Pipeline  
24 LLC and Lakeside Pipeline LLC. We are very excited about  
25 the Lakeside and Merced cluster projects in the hope to

1 benefit these projects we'll provide to the state, to our  
2 local communities, and to our 19 dairy partners. As  
3 Taiying presented, these projects will provide a new source  
4 of carbon-negative vehicle fuels that will be delivered to  
5 fleets in the California Central Valley, leading to  
6 substantial greenhouse gas emission reductions that are  
7 consistent with the state's environmental goals.

8           Additionally the project will provide  
9 environmental benefits, jobs and economic support to our  
10 partner communities in Merced, Kings and Tulare counties as  
11 well as surrounding counties, many of which are AB 1550 and  
12 SB 535 communities.

13           Finally, these projects will provide a new source  
14 of income to our participating dairy partners, which will  
15 support their economic sustainability and the much-needed  
16 jobs they provide to these local communities.

17           We're incredibly grateful to the CEC's  
18 partnership with our companies on these projects. The CEC  
19 staff has been very supportive and helpful so far. And the  
20 financial support provided by these awards is key to our  
21 projects' ability to move forward with confidence,  
22 especially during these uncertain economic times. I thank  
23 you again. And please let me know if I can answer any  
24 specific questions about the projects.

25           CHAIR HOCHSCHILD: Thank you very much.



1           Let's go to Dr. Dale.

2           DR. DALE: Hello this is Andrew Dale from Rialto  
3 Bioenergy Facility. And we would just like to thank the  
4 CEC and staff for the continued support of our project in  
5 Rialto. With this expansion we'll be able to fully, fully  
6 utilize all of the digestion capacity of the plant and  
7 produce over a million BTU per year of renewable natural  
8 gas for injections into the SoCalGas pipeline.

9           So this is a very exciting project and we're  
10 excited to actually come online with the first two phases  
11 of the project this summer. And the third phase will be on  
12 early next year. Thank you.

13          CHAIR HOCHSCHILD: Great. Thank you.

14          Any additional comments from the Public Advisor?

15          MS. GALLARDO: This is Noemi Gallardo, Public  
16 Advisor. No comments.

17          CHAIR HOCHSCHILD: Okay. Let's go to comments  
18 and questions from the Commissioners, starting with  
19 Commissioner Monahan.

20          COMMISSIONER MONAHAN: Yeah. Well, first I just  
21 want to thank Taiying, Elizabeth, John and all those folks  
22 in the Fuels and Transportation Division for pulling these  
23 proposed awards together. This is almost the end of the  
24 GGRF funding for biofuels, I'm sad to say. And these  
25 projects in particular where we capture methane and we use

1 it for transportation, we would put this in the win-win-win  
2 category. So the first win is they help the state better  
3 manage a major source of greenhouse gases, methane  
4 emission. The second win is we're replacing diesel with a  
5 cleaner and lower carbon fuel. And finally, we're  
6 increasing the state's capacity to produce renewable  
7 natural gas instead of having to import it.

8           And let me just talk for a minute about the  
9 importance of methane, so methane is what, the second  
10 biggest source of greenhouse gas emissions as a pollutant  
11 in the state of California. And it counts for about 9  
12 percent of greenhouse gas emissions. It's a short-lived  
13 climate pollutant, which -- and it's very potent, so it's  
14 particularly important to be able to capture these  
15 emissions. And to be able to use it for transportation is  
16 just a great use of the fuel.

17           We're currently using about 100 million gallons,  
18 and that's in diesel gallon equivalents, of renewable  
19 natural gas. And most of this is from out of state. So  
20 making sure that California companies are benefiting and  
21 that we're using that fuel in the State of California field  
22 is just a nice closed loop fuel production.

23           So one last thing and then I'm done with my  
24 comments is that staff look at how much diesel will be  
25 displaced by these three projects. And combined, the three

1 projects will produce about 8 million diesel-gallon  
2 equivalents of renewable natural gas. So that's if we're  
3 currently using 100, 8 million more is pretty significant.  
4 And if all of the fuel produced was used for garbage  
5 trucks, that's enough fuel for 1,000 PNG refuse trucks  
6 every year. So it's a significant amount of fuel and I  
7 just want to give my strong support for these projects.

8 CHAIR HOCHSCHILD: Great thank you so much.

9 Vice Chair Scott, any comments or questions?

10 VICE CHAIR SCOTT: I do not have any additional  
11 comments or questions.

12 CHAIR HOCHSCHILD: Okay.

13 Commissioner Douglas?

14 COMMISSIONER DOUGLAS: No comments.

15 CHAIR HOCHSCHILD: Commissioner McAllister?

16 COMMISSIONER MCALLISTER: No. No comments.

17 CHAIR HOCHSCHILD: Okay, Commissioner Monahan,  
18 would you make a motion?

19 COMMISSIONER MONAHAN: Yes. I move to approve  
20 Item 12a, b and c.

21 CHAIR HOCHSCHILD: Okay. Commissioner McAllister  
22 would you second?

23 COMMISSIONER MCALLISTER: Absolutely. Second.

24 CHAIR HOCHSCHILD: Okay. All in favor, let's --  
25 Commissioner Monahan.

1 COMMISSIONER MONAHAN: Aye.

2 CHAIR HOCHSCHILD: Vice Chair Scott?

3 VICE CHAIR SCOTT: Aye.

4 CHAIR HOCHSCHILD: Commissioner Douglas?

5 COMMISSIONER DOUGLAS: Aye.

6 CHAIR HOCHSCHILD: Commissioner McAllister?

7 COMMISSIONER MCALLISTER: Aye.

8 CHAIR HOCHSCHILD: And I vote aye as well. That

9 item passes unanimously. Let's move on to the Minutes.

10 COMMISSIONER MCALLISTER: And by the way this is

11 Andrew --

12 CHAIR HOCHSCHILD: If it's okay with everyone,

13 we're 12:50 now. My inclination is just to power through

14 if that's all right, but is that okay with everyone? Or do

15 people want to take a short break?

16 COMMISSIONER DOUGLAS: It works for me.

17 VICE CHAIR SCOTT: Let's just power through.

18 CHAIR HOCHSCHILD: Okay, okay. Let's take up

19 Item 13, minutes.

20 COMMISSIONER MCALLISTER: I'll move the minutes.

21 This is Andrew.

22 CHAIR HOCHSCHILD: Okay. Well, any public

23 comment on the minutes first?

24 COMMISSIONER MCALLISTER: Oh, sorry.

25 CHAIR HOCHSCHILD: Cody?

1 MR. GOLDTHRITE: This is the Secretary. We have  
2 no public comment on the phone.

3 CHAIR HOCHSCHILD: Okay, Noemi?

4 MS. GALLARDO: This is Noemi Gallardo, Public  
5 Advisor. No comments.

6 CHAIR HOCHSCHILD: Okay. Unless there's any  
7 comments from the Commissioners let's take a --  
8 Commissioner McAllister would you make a motion?

9 COMMISSIONER MCALLISTER: I'll move Item 13.

10 CHAIR HOCHSCHILD: Okay, Commissioner Douglas  
11 would you second?

12 VICE CHAIR SCOTT: This is Vice Chair Scott, I'll  
13 second. Oh, sorry, either way.

14 CHAIR HOCHSCHILD: Vice Chair Scott? That's  
15 fine, that's fine. Vice Chair Scott seconds. Let's take a  
16 vote. Commissioner McAllister.

17 COMMISSIONER MCALLISTER: Aye.

18 CHAIR HOCHSCHILD: Vice Chair Scott.

19 VICE CHAIR SCOTT: Aye.

20 CHAIR HOCHSCHILD: Commissioner Douglas?

21 COMMISSIONER DOUGLAS: Aye.

22 CHAIR HOCHSCHILD: Commissioner Monahan.

23 COMMISSIONER MONAHAN: Aye.

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

1           Let's move on to Item 14, Lead Commissioner or  
2 Presiding Member Reports. Why don't we start with Vice  
3 Chair Scott?

4           VICE CHAIR SCOTT: Oh okay, great. So I don't  
5 have too much to report here. I just wanted to take a  
6 minute and I'm sure the Chair will do this as well, and he  
7 did at the beginning of the meeting. But I really wanted  
8 to thank all of the staff at the Energy Commission. I  
9 think that it has been a lot of flexibility and nimbleness  
10 that I've seen people bring to these unprecedented times.  
11 A lot of CEC can-do spirit is what I'm calling it. And we  
12 have gone from having a few people who were able to  
13 telework sometimes to having everybody pretty much be able  
14 to telework all of the time. That's a huge list by our IT  
15 team. Our Executive Office has really helped a lot to put  
16 all of this together.

17           And then with all of the folks that we work with:  
18 the Contracts, Grants and Loans; our Chief Counsel's  
19 Office; the Public Advisor's team, really thinking through  
20 what do we need to put in place to streamline the work that  
21 we do at the Energy Commission that still has the same  
22 level of due diligence, the same level of robustness, but a  
23 way that we can do it in a much more streamlined fashion  
24 recognizing that our staff is mostly teleworking. And that  
25 the folks that we work with in the local communities and

1 cities and regions around the state, folks who are our  
2 project proponents and who are carrying out the projects  
3 for us also are teleworking and trying to figure out how to  
4 home school and taking care of parents and all kinds of  
5 things like that. And so putting in this kind of  
6 flexibility and nimbleness so that we can continue to carry  
7 out the important and meaningful mission of the Energy  
8 Commission, but with sort of this flexibility and  
9 nimbleness in these unprecedented times.

10 And so I just really do want to say thank you to  
11 all of the staff, but especially to our Executive Office,  
12 to the IT team, to our Contracts, Grants and Loans team,  
13 the Chief Counsel's Office, the Public Advisor's Office,  
14 my team for helping support me in all of this. And to the  
15 Chair for his excellent leadership as we continue forward.  
16 So that is I just want to say thanks to everybody. That's  
17 all I would like to report on today.

18 CHAIR HOCHSCHILD: Thank you for those comments.  
19 Commissioner Douglas?

20 COMMISSIONER DOUGLAS: Well, I certainly forward  
21 and join in Commissioner Scott's comments here. I think  
22 the Energy Commission as a whole has done a really good job  
23 of moving into online work. And that's been facilitated  
24 with your leadership, Chair Hochschild. And also the great  
25 work of the management of the Energy Commission and the IT

1 Department among many others.

2 And I'll just say in terms of the areas where I  
3 have a policy lead role, so the Staff Division and  
4 Renewables I've been in contact, and in general with pretty  
5 frequent contact with management in those divisions. And  
6 they are proceeding to do their work. And we've kind of  
7 had some fairly detailed conversations about timelines and  
8 so on. And I'm happy to say that it looks like we're on  
9 track. So that's I think all I need to report on today.

10 CHAIR HOCHSCHILD: That's great.

11 Commissioner Monahan.

12 COMMISSIONER MONAHAN: Yeah. I agree  
13 wholeheartedly with the accolades from the IT team and  
14 Jason and Courtney Smith. I mean it was like a whole set  
15 of a SWAT team of folks engaged in figuring out how we  
16 could be -- work remotely and still be effective. And to  
17 roll out so many different tools for online and remote  
18 working simultaneously, SharePoint and time, and some of us  
19 were on Zoom. And I mean it was really just super-  
20 impressive. So I mean I was blown away at actually how  
21 quickly we could move. And so I think we're all trying to  
22 figure out how do we do public engagement in a remote  
23 setting. And we've learned I think. So there are some  
24 lessons learned from this business meeting about what works  
25 and what doesn't work. And how do we continue to



1 incorporate lessons learned so that we can do more  
2 effective public engagement, even as we are working  
3 remotely.

4           And it's something, Commissioner Scott and  
5 Commissioner Douglas, I'm thinking about how we could  
6 engage with ACAB (phonetic) potentially in helping us take  
7 this through. We're trying to figure out for the Clean  
8 Transportation Program how to do this more effectively.  
9 And I think that we all really will need to work together  
10 to ensure that as we move to online platforms we do it in a  
11 way that is the most effective at engaging communities that  
12 are distracted by maybe they don't have Wi-Fi, they don't  
13 have computers, they don't have access in the way that we  
14 need to in order for a remote public engagement to work  
15 most effectively. So I just think that there's a lot of  
16 work we can all do together and with some of our partner  
17 advisors on integrating tools and lessons learned for  
18 remote work.

19           And I wanted to share that I did do the week  
20 after we got the shelter in place, I was on a CALSTART  
21 Panel, a Zoom meeting, and it had I think close to between  
22 150 and 200 participants, so on a single Zoom meeting 250  
23 participants. And the panel that I was on included  
24 Assemblymember Reyes, Cliff Rechtschaffen, Tyson Eckerle and  
25 Carla Peterman. And we were all just like our little faces

1 were up there, and it actually created a weirdly intimate  
2 setting. Because you didn't see the audience you only saw  
3 these other people. And nobody used titles, which was kind  
4 of funny. Everybody used first names, which doesn't really  
5 happen in these big meetings, because I think it was this  
6 weirdly personal experience. So it gave me hope that there  
7 are ways to use technology to maybe not give you that same  
8 experience as an in-person meeting, but at least an  
9 effective experience.

10 I wanted to also share that I've been holding  
11 pretty much daily Zoom meetings with my little team. And  
12 that's been really an effective way to kind of stay in  
13 touch with each other about what's going on in terms of our  
14 workload. And how are we managing it with small kids, with  
15 some people running around or for people worried about  
16 their parents. And I think there's just so many issues  
17 that we are trying to foster this environment where  
18 everybody feels supported, everybody is able to work at  
19 their edge.

20 And we recognize that the conditions are going to  
21 vary widely across the agency. And we need to be cognizant  
22 of that. So one of the messages I've been getting out to  
23 the Fuels and Transportation Division is like let's  
24 prioritize as David said in getting money out the door.  
25 And let's think about reviving timelines for reports that

1 maybe aren't so time sensitive. And actually with the  
2 COVID-19 crisis we may need a little more time to figure  
3 out what our messages are anyway. So this could include  
4 2127 and the IEPR. Just trying to think through well how  
5 much flexibility do we really have on timing? How do we  
6 make sure that this is a workload that is sustainable? And  
7 how do we make sure that as we do public engagements for  
8 these products that we do it in a way that's most  
9 effective.

10           And then the last I'm going to say, sorry, but  
11 this is nice to be able to talk to you guys directly in  
12 this. It's the first time we've all been able to talk  
13 since shelter in place. So I heard a lot of great things  
14 about the Town Hall that the Chair and others I guess put  
15 together. And especially around how the Chair's wife  
16 talking about the medical issues was really well-received  
17 from the staff that I talked to.

18           So I'm planning on holding a meeting with the  
19 Fuels and Transportation Division next week that is  
20 including Lizzie Williamson, who is Deputy Secretary for  
21 External Affairs and our own Lena Ludisma (phonetic) -- I'm  
22 sorry if I'm mispronouncing her last name. And our goal is  
23 to really communicate future priorities, but also support  
24 the staff and help just keep continuing to specialize the  
25 tools that are out there to support staff both with their

1 professional and their personal challenges that many are  
2 facing through this pandemic.

3           So I'm excited to have that. And maybe at our  
4 next business meeting I'll let you guys know how it all  
5 goes. But as I'm trying to think through like well I feel  
6 very connected to my little team through our daily Zoom  
7 meetings where we see each other, and we see each other's  
8 houses and we see each other's kids. And I want to be able  
9 to support STD and have that kind of same level of  
10 communication intimacy with the broad STD, trying to use  
11 Zoom as a platform for that. Whew, that was a lot.

12           CHAIR HOCHSCHILD: Good. Thank you for those  
13 comments. Yeah, when Commissioner McAllister and I did the  
14 Town Hall and it was really, really fruitful.

15           Commissioner McAllister?

16           COMMISSIONER MCALLISTER: Yes. Let me see here,  
17 hold on. Here we go. So thanks a lot. Yeah, I've had no  
18 technology problems at this meeting, so fingers crossed. I  
19 guess I'll knock on wood. Hope I didn't just jinx it.

20           But I wanted to just pile on with a thanks to the  
21 Executive Office and IT and the Public Advisor and all the  
22 staff for this amazing and seamless pivot to doing  
23 telework. I wanted to include Lindsey in that as well. And  
24 the training with Jason, certainly the training that has  
25 been cranked out is quality and solving problems in real

1 time. And how do you do X-Y-Z function. And they're just  
2 really nimble on their feet in providing a lot of great  
3 sort of coaching and feedback on staff, including the  
4 Commissioners. But up and down the whole agency, so has  
5 really been impressive. And my own staff in my office has  
6 helped me tremendously. We've all kind of been trying to  
7 self-support on this. And I just want kudos to the whole  
8 Commission. I mean, everyone has their challenges right?  
9 And overall the level of professionalism has just been  
10 amazing.

11           And there's something that Commissioner Monahan  
12 just said, the balance, the work-life balance is shifting  
13 around as the people's lives and their personal and  
14 professional lives kind of are having this forced merging.  
15 But it's been really impressive to see people's  
16 intelligence and maturity and professionalism sort of surf  
17 on top of the conditions as they change. And so that's  
18 been really great to see. And I think we all know what a  
19 wonderful agency we are part of and we're very fortunate.

20           I wanted to just highlight a couple of things.  
21 We have a leadership role out there in the world. And I'm  
22 thinking as the lead policy person on buildings and  
23 Efficiency Code and electricity and natural gas, in  
24 particular anything that touches buildings is out there  
25 with local governments and building departments. And there

1 is a very close interface with home and business owners and  
2 residents across the state, millions of people. And so our  
3 people are looking to us to help guide what happens in that  
4 interaction in the project environment out there in the  
5 state. And so we've been working on that. I want to thank  
6 Mike Sokol and Maria White (phonetic) and her team for  
7 their effort there. And it's a sort of shifting situation,  
8 so we're trying to be responsive the building apartments  
9 across the state.

10           The other thing I wanted to bring up was the U.S.  
11 Energy and Employment Report. It rolled out officially I  
12 believe since our last meeting, I think it was on the cusp  
13 of our last meeting. But NASEO, the National Association  
14 of State Energy Officials, and the Energy Futures  
15 Institute, EFI, have put this thing together for the  
16 nation, which is now public. And we worked with the PUC  
17 actually to joint-fund a California specific add-on effort  
18 to that report. So that is in review and going back and  
19 forth a little bit. But in a matter of a short few weeks  
20 that will also be available.

21           But the highlights are that across the nation  
22 energy efficiency is responsible for 2.4 million jobs,  
23 roughly the same as the whole transmission distribution and  
24 storage industry in the electric sector. And so those are  
25 by far the largest sectors, and those are the largest

1 sectors of the energy economy. And on the generation solar  
2 and wind remain the fastest growing sectors and currently  
3 have about 360,000 jobs and pushing half of those are in  
4 California. So coal is much smaller in terms of job  
5 numbers and it's on an actual decline. It's not where the  
6 jobs will be going forward.

7           Motor vehicles overall are at 2.5 million roughly  
8 and within that clean fuel and transportation jobs are  
9 about 20 percent, so California obviously is leading there  
10 and is very well positioned. So the California numbers are  
11 I'd say relatively even more impressive just because we do  
12 -- our economy tilts more towards clean energy. And so  
13 efficiency is more than our population weighted average or  
14 amount in terms of jobs in the state. So about 320,000-  
15 plus jobs are in the energy efficiency realm. A lot of  
16 those are construction. They look like construction but  
17 they're not, and not entirely. There's a lot of  
18 sophisticated technology and manufacturing design and many,  
19 many elements of the efficiency economy. Solar, about 120  
20 plus 1,000, alternative fuel vehicles about 40,000, and  
21 that includes 24,000 in EV manufacturing.

22           So the Energy and Employment Report really  
23 provides us with a solid basis for understanding where we  
24 were in 2019. Now that's a big caveat right now is that  
25 all the survey work that was done for that report was done

1 in 2019 when we had this different economy than we have  
2 right now. But I think the upside of having these numbers  
3 is that it lets us look at the structural developments of  
4 the job market and it lets us think about how we want to  
5 emerge from this recession.

6 I think Chair you said something earlier about  
7 this where we really want to emerge from this recession  
8 with a game plan in funding the right areas and looking to  
9 the future to where our economy is really going to land in  
10 the most robust way and on the most solid platform and  
11 foundation. And so we can take heart from the picture of  
12 where the clean energy economy is. And where we want the  
13 post-COVID economy to unfold and lay the groundwork for  
14 that.

15 So that California version should be out in a  
16 couple or a few weeks, but the U.S. Energy and Employment  
17 Report is already out. There was a big rollout a few weeks  
18 ago and that's a really great document. And I think that  
19 we ought to be using bits and pieces of it in our outreach,  
20 in our interfacing with other stakeholders.

21 The last thing I want to say is just remind  
22 everyone that the Speaker Series continues. And on the  
23 15th next week we have the Cooperatives are going to come  
24 speak to us about the co-op business model and its presence  
25 in California. It's kind of under-appreciated I think.



1 It's relatively small but the co-ops are a big presence in  
2 much of the U.S. and have a really august history in terms  
3 of electrifying the rural areas of the U.S. But really  
4 modernizing and innovating along the way providing those  
5 essential services. And they are consumer-owned. And so  
6 as a model it might have an opening for more traction in  
7 California going forward. I wanted to make sure that they  
8 had a chance to show, to explain more broadly to folks who  
9 might not understand or be as familiar with the cooperative  
10 model that it is a business model that works. And it keeps  
11 rates low and has a lot of advantages of autonomy across a  
12 big state like ours. So with that I will wrap up.

13 CHAIR HOCHSCHILD: Thank you, Commissioner for  
14 those comments. And you're absolutely right about  
15 continuing the Speaker Series. I think for a little while  
16 a lot of things got cancelled sort of across the state.  
17 Now we're really just trying to proceed remotely in all  
18 these things including guest speakers. We also have Moe  
19 Beggin, (phonetic) formerly Deputy Secretary of the Navy is  
20 going to give a talk on national security and climate,  
21 Lieutenant Governor and some others. I think it's a great  
22 opportunity for staff to continue to deepen their  
23 knowledge. I look forward to hearing the Co-op speaker as  
24 well.

25 So I think in a crisis the most important thing

1 we can do every day is prioritize, because priorities do  
2 change. And then to communicate well. And as I mentioned  
3 at the outset my goal for us is to do as best as we  
4 possibly can to recession proof the innovation economy.  
5 And get our money out the door and be as supportive as we  
6 possibly can. I want to specially recognize Jen, Martin  
7 Gallardo, Noemi's husband has been doing a spectacular job  
8 on a whole bunch of (indiscernible) busting including  
9 advocating for electronic fund transfers. Right now the  
10 checks are being sent from the State Controller's Office  
11 directly to people in offices, which are empty. We're  
12 trying to see if we can get that, do direct deposit, and  
13 move to DocuSign on various things and so a bunch of  
14 repairs and upgrades there.

15           You know a lot of us will have -- I think the  
16 world and the state will not be the same after this. I've  
17 been thinking a lot about what does it look like after. I  
18 think things like working remotely are going to be  
19 enhanced. Certainly all of my colleagues and Legislators  
20 I'm in touch with in L.A. said the air quality has never  
21 been better, in L.A. especially. And I think this is kind  
22 of giving people a taste of what's possible if we take all  
23 the actions that we need to on climate. And so I'm  
24 interested to see how things unfold, particularly the work  
25 from home element of that. But I think some of these

1 practices. And we're going to continue to try and get  
2 better here and then evaluate every possible system we can  
3 to better support remote work.

4 I do want to say we got a new program last week  
5 from the Public Utilities Commission. We've been working  
6 closely with them, Commissioner McAllister and Commissioner  
7 Randolph especially. It's an \$80 million program to  
8 support building electrification incentives for low-income  
9 communities, and another great program that we're going to  
10 be scaling up and doing our best to get the money out the  
11 door as quickly as possible. And so the journey continues.  
12 And we'll just keep at it.

13 Let's go on to Item 15 Executive Director's  
14 Report.

15 Drew, are you on mute? Drew we can't hear you.

16 Let's go on to Item 15 Executive Director's  
17 Report. Drew, are you on mute? Drew we can't hear you.

18 MR. BOHAN: Can anyone hear me? Hello?

19 COMMISSIONER MCALLISTER: Yeah, yeah I can hear  
20 you I think.

21 MR. BOHAN: Can you hear me now?

22 COMMISSIONER MCALLISTER: Yeah.

23 CHAIR HOCHSCHILD: Yeah, we can hear you. Yes,  
24 go ahead. Yes.

25 MR. BOHAN: Okay. Well just off the back and

1 forth. I just had a couple of quick messages. Thank you.  
2 The first is to the public and that is we're open for  
3 business. And we've been open for business the whole time.  
4 This meeting has had its fits and starts, but I think it's  
5 an illustration of how we're trying our level best to serve  
6 the public. And I'm pleased with the job we're doing  
7 overall.

8           The second message is to staff and we've talked  
9 about this internally. And I'm grateful for the comments  
10 you have made Commissioners at this meeting, but I also  
11 want to just reach out and extend my thanks and gratitude  
12 to our staff for a remarkable job of getting us rolling  
13 very quickly. And everybody regardless of their role is  
14 figuring out how to adapt. And so I'm really pleased.  
15 Definitely want to point to IT in particular, but in  
16 addition to IT really staff of the organization.

17           And then finally to you five I want to thank you  
18 for your support. And want to acknowledge that we did have  
19 some struggles today with the platform. We have a bit of a  
20 social experiment going on with staff trying all manner of  
21 tools that are out there. The lexicon has changed in the  
22 last two weeks with regard to how we talk to one another.  
23 And I expect our May business meeting to likely be on the  
24 Zoom platform. We'll give that a try. It's been working  
25 very well for us. We're going to give that a very hard

1 look. We've got a team looking at all those questions. So  
2 thank you for your indulgence and patience. And that ends  
3 my report.

4 CHAIR HOCHSCHILD: Okay, thanks. Let's move on  
5 to Item 16, Public Advisor's Report.

6 MS. GALLARDO: Hello, this is Noemi Gallardo, the  
7 Public Advisor. I have a quick report. One, I want to  
8 echo Drew's comments that 16.we are definitely here for the  
9 public. My office in particular is still taking calls and  
10 emails, any type of public correspondence we get. So I  
11 welcome the public to continue reaching out to us.

12 And then second, aside from all the other teams  
13 that have been praised for their tremendous work in pulling  
14 off this 100 percent virtual meeting I also want to give  
15 thanks to the Chief Counsel's Office who I hadn't heard yet  
16 been praised. And in particular, Cody Goldthrite, our  
17 Secretary has done a ton of work and I really appreciate  
18 him. Lisa Lopez as well who has been in charge of moving  
19 our material on the screen and Darcie Houck for providing  
20 me in particular guidance and input on all of this. So  
21 thank you to them. That concludes my report.

22 CHAIR HOCHSCHILD: Thank you. Yeah, let me  
23 second that thanks to Cody and to Darcie.

24 Okay, let's go to Item 17, Public Comment. Do we  
25 have any public comment on the line? Noemi, do you have

1 any additional public comment?

2 MS. GALLARDO: This is Noemi. I do have one  
3 clarification to make. We do have an additional item,  
4 Number 18 that is listed on the agenda after the general  
5 public comment period. And the Commission will hear public  
6 comments specifically on that item, Number 18, after the  
7 parties have presented argument when that argument is  
8 called. However, if the public would like to comment now  
9 on Item 18 they are welcome to do so as long as the  
10 comments aren't from a party addressing the motion and are  
11 not specific to the party's substantive position on Item  
12 18. So thank you for allowing me to make that  
13 clarification.

14 And I believe there are at least one person on  
15 the line to make public comments.

16 CHAIR HOCHSCHILD: Okay, go ahead. Who's on the  
17 line?

18 MR. GOLDTHRITTE: We have Diego Morales from  
19 Brightline Defense on the line.

20 CHAIR HOCHSCHILD: Okay. Hi Diego, go ahead.

21 MR. MORALES: Good afternoon Commissioners. My  
22 name is Diego Morales, D-i-e-g-o M-o-r-a-l-e-s, and I  
23 represent Brightline Defense, an environmental justice  
24 nonprofit based in San Francisco.

25 Throughout the past month Brightline Defense has

1 spoken of our work on analyzing how the workforce  
2 transitioning to teleworking shifts the costs of daytime  
3 energy consumption from businesses to individual  
4 households. On March 18th we submitted a letter to  
5 Governor Newsom, the Assembly, Utilities and Energy  
6 Committee, the Senate Committee on Energy, Utilities and  
7 Communications, the California Public Utilities Commission  
8 and the California Energy Commission to advocate for  
9 adjusting energy rates, so that Californians are not  
10 shocked by substantially higher utility bills. These  
11 increased energy costs will be especially detrimental for  
12 those also struggling with the sudden economic downturn.

13           As of April 6th the state has received a  
14 staggering 1.9 million unemployment claims since March 13th  
15 as businesses shut down. And this trend has only projected  
16 to increase as social distancing directives are extended.  
17 Unemployed workers are more likely to be at home. And  
18 shelter in place mandates have increased energy usage,  
19 driving up utility bills further impacting those who lost  
20 their jobs or got their hours cut.

21           Additionally, the education burden of keeping up  
22 with lost instruction will disproportionately affect low-  
23 income households that rely on public education.

24           The California Public Utilities Commission has  
25 already taken a commendable first step in addressing this

1 issue by using funds from the Cap-and-Trade Program to  
2 offset rising utility bills. More steps however must be  
3 taken to address the long-term economic fallout expected  
4 for many months to include adjusting the baseline energy  
5 allotment of residential tiered energy rate plans would  
6 work towards lasting and stable economic security during  
7 times of great uncertainty for many Californians.

8 California's energy system has surely been  
9 important for climate and behavior change by limiting  
10 energy consumption. Nonetheless, the urgency of this  
11 pandemic calls for drastic shifts to support families who  
12 have to work, teach their children and shelter in place  
13 from home. In these are extraordinary times requiring  
14 extraordinary leadership I urge you to keep California's  
15 most vulnerable population at the core of the Energy  
16 Commission's responses to and recovery plan for COVID-19.  
17 Thank you.

18 CHAIR HOCHSCHILD: Thank you, Diego.

19 And anything else? Anyone else, Cody, or that  
20 was it?

21 MR. GOLDTHRITE: Sorry, this is the Secretary.  
22 There's no one else on the line.

23 CHAIR HOCHSCHILD: Okay, so let's move on to Item  
24 18. This is the Small Power Plant Exemption for the  
25 Laurelwood Data Center. And for this item, the Commission



1 will consider the petition to reconsideration filed by the  
2 Intervenor Robert Sarvey who filed a motion to strike  
3 Applicant's opposition for the motion for reconsideration  
4 on March 26th. He moved to withdraw that motion to strike  
5 on April 6th, therefore we need not address the withdraw  
6 motion to strike today.

7 I'm now going to explain our process for  
8 addressing the motion. First, I will ask our Chief Counsel  
9 Darcie Houck, to summarize the standard for review as to  
10 the motion.

11 After that we'll hear from the parties as  
12 follows: Mr. Sarvey is the moving party and will present  
13 his argument first followed by the Project Applicant and  
14 then Commission staff. After all parties have presented  
15 their argument, Mr. Sarvey may present a reply to the other  
16 parties' arguments. Each party may have up to ten minutes  
17 for their initial arguments and Mr. Sarvey may have up to  
18 five minutes for each reply argument.

19 The Commissioners may ask questions during or  
20 after the arguments, however given we are conducting this  
21 hearing remotely and we want to ensure a clear record,  
22 Commissioners will hold their questions until after each  
23 party has presented their argument. I will then ask  
24 Commissioners if they have questions after each party has  
25 had an opportunity to present their argument as well as

1 after Mr. Sarvey presents his reply. After Mr. Sarvey's  
2 reply to argument, Commissioners may address the questions  
3 to any party.

4           Once the parties' arguments have  
5 concluded, then we'll take public comments on this  
6 item. After public comments, the Commissioners may  
7 go into closed session as specified on the Agenda  
8 Item 18, which provides notice of a possible closed  
9 session for deliberation pursuant to Government  
10 Code Section 11126(c) (3). We are not required to  
11 go into closed session and we will make that  
12 determination after the arguments have been  
13 presented.

14           If any Commissioner wishes to proceed to  
15 closed session they will have an opportunity to say  
16 so at that time.

17           I now ask the Chief Counsel to provide a  
18 brief overview of the Standard of Review and  
19 summary of this motion before the Commission.

20           MS. HOUCK: Thank you, Chairman. This is the  
21 Chief Counsel Darcie Houck. That's D-a-r-c-i-e H-o-u-c-k.

22           The item is a Petition for Reconsideration of the  
23 Commission's decision adopted on February 4, 2020, to grant  
24 an application for a small power plant exemption for the  
25 Laurelwood Data Center. Mr. Sarvey had filed a motion to

1 strike Applicant's opposition as being untimely. Mr.  
2 Sarvey filed a withdrawal of that motion yesterday. So the  
3 petition before you is for the motion to reconsider only at  
4 this time.

5           The petition requires the Commission to consider  
6 the following matters. The first issue is timeliness.  
7 Parties have raised an issue regarding whether Mr. Sarvey  
8 filed his petition in a timely manner as the deadline for  
9 filing petitions was March 5th, 2020. But the docket shows  
10 the motion was filed at 6:18 p.m. The Laurelwood SPPE  
11 Committee's General Order regarding motions electronic  
12 filing service of documents, and other matters for the  
13 proceeding provides that all filings received after 5:00  
14 p.m. on a given day shall be deemed filed the following  
15 business day.

16           You'll need to decide whether the failure to  
17 formally meet that filing deadline of March 5th, 2020, at  
18 5:00 p.m. obviates the need to address Mr. Sarvey's  
19 petition. You'll hear arguments from the parties on this  
20 issue. And Hearing Officer Cochran will speak to this when  
21 she presents her Proposed Order after parties have had an  
22 opportunity to present their arguments.

23           If you determine that the petition is timely the  
24 second issue is the Standard of Review, which you will also  
25 hear argument from the parties on as to what standard the

1 Commission should use in addressing Mr. Sarvey's petition.

2           The governing statute, Public Resources Code  
3 Section 25530 states that, "A decision may be reconsidered  
4 by the Commission on the basis of all pertinent portions of  
5 the record together with such argument as the Commission  
6 may permit, or the Commission may hold a further hearing,  
7 after notice to all interested persons."

8           This statute provides no specific guidance about  
9 the exact Standard of Review however Section 1720 the  
10 Commission Siting Regulations in Title 20 does provide  
11 specific guidance on the Standard of Review for a Petition  
12 for Reconsideration of a decision granting a Notice of  
13 Intent or Application for Certification. Using that  
14 Standard of Review identified in that section is guidance  
15 in considering a petition.

16           The Commission would need to find that Mr. Sarvey  
17 specifically set forth either 1) new evidence that despite  
18 the diligence of the Moving Party could not have been  
19 provided during evidentiary hearings on the case. Or 2) an  
20 error in fact or change or error of law is within the  
21 Commission's discretion to apply this standard. This is a  
22 general standard that is not uncommon. And the burden  
23 would be on Mr. Sarvey to show that there was new  
24 information that could not have been considered at the time  
25 the petition was originally filed.

1           Again, you will be hearing argument from the  
2 parties on these issues. And after the conclusion of that  
3 argument Hearing Officer Cochran will address the specific  
4 allegations contained in the Sarvey petition. And she will  
5 present the Hearing Officer's Proposed Order to the  
6 Commission after which time the Commission can address the  
7 Proposed Order and either move forward with a motion or go  
8 to closed session to have further discussion.

9           That concludes my comments at this time. I am  
10 available on the phone. And I will turn this back over to  
11 the Chair. Thank you.

12           CHAIR HOCHSCHILD: Thank you. Thank you, Darcie.

13           MS. GALLARDO: Chair?

14           CHAIR HOCHSCHILD: Yes.

15           MS. GALLARDO: This is Noemi Gallardo, the Public  
16 Advisor, apologies for interrupting.

17           Darcie, could you please repeat the timing that  
18 you want for the parties to speak?

19           MS. HOUCK: The Chair is going to move forward  
20 and address that. He's got further procedural directions  
21 for the parties. We've looked at limiting the initial  
22 arguments to ten minutes. And then Mr. Sarvey would have  
23 an additional five minutes after staff and Applicant have  
24 presented their case to submit any reply to their argument.

25           MS. GALLARDO: Thank you, Darcie.

1 CHAIR HOCHSCHILD: Thank you.

2 I want to remind the parties that this item is  
3 part of the official record of the proceeding and of the  
4 business meeting, so we're recording and transcribing this  
5 hearing. In order to ensure that we have an accurate  
6 record the parties are asked to speak slowly and clearly.

7 This proceeding is being conducted remotely as we  
8 known and all parties will be unmuted for the duration of  
9 the public portion of this item.

10 Parties are not to interrupt each other. Only  
11 one party is to speak at a time when called upon by me.  
12 Before you speak, each time make sure to slowly and clearly  
13 state your name. Before the arguments begin each of the  
14 parties is to state their first and last name for the  
15 record, starting with Mr. Sarvey, then the Applicant and  
16 finally staff. Do not give your argument at the time,  
17 solely your name.

18 So we're now ready to hear Mr. Sarvey's initial  
19 argument. If you're on the line, please proceed.

20 MR. SARVEY: Good afternoon, Commissioners. The  
21 GHG -- oh, this is Robert Sarvey.

22 The GHG emissions from the Laurelwood Data Center  
23 are estimated to be 171,770 metric tons of CO2 per year.  
24 The analysis contained in your decision does not  
25 demonstrate that the increase in indirect GHG emissions

1 from just this project, much less the other seven data  
2 centers you are permitting, will be compatible with the GHG  
3 reduction goals required in the local and state GHG  
4 reduction programs. I've testified to this.

5           And recently The Bay Area Air Quality Management  
6 District has sent letters advising you of this fact as  
7 well. Air District comments in two of the like-situated  
8 proceedings, the Sequoia and Walsh Data Center  
9 applications, have caused a pause in permitting of the two  
10 projects to address this issue and you should pause this  
11 approval to address it as well.

12           I've encouraged the Committee in this proceeding  
13 to require higher efficiency from this data center. The  
14 evidence I've submitted in the record of this proceeding  
15 demonstrates other data centers, even one across the street  
16 from the proposed LDC, are achieving much lower PUEs.  
17 BAAQMD agrees with this in a recent letter and has provided  
18 two other letters, one on the Sequoia Data Center, and one  
19 on the Walsh Avenue Data Center recommending a PUE lower  
20 than 1.25. I've included both letters to you as exhibits  
21 for this reconsideration request.

22           BAAQMD notes in its comments that the Google Data  
23 Center in Santa Clara is achieving a PUE of 1.06.

24           The evidence shows that the particulate matter  
25 impact from the testing of just one generator at a time at

1 the Laurelwood Data Center is estimated to be 2.2  
2 micrograms per cubic meter of diesel particulate, in an  
3 area already exceeding the 24-hour and annual state  
4 standards for particulate matter. In every proceeding I've  
5 been in this would be considered a significant impact.

6 According to the decision, Condition PD-3 is  
7 proposed because of the importance of the 21-hour limit in  
8 our analysis of the project's potential to emit criteria  
9 pollutants. So therefore we impose Condition of Exemption  
10 PD-3.

11 SB 1099 is a bill that's moving through the State  
12 Senate, which will make Condition PD-3 unenforceable. SB  
13 1099 states, "This bill consistent with federal law would  
14 require air districts to adopt a rule or revise its  
15 existing laws to allow critical facilities with a permitted  
16 emergency backup generator to use that emergency backup  
17 generator during a PSPS event or other loss of power. And  
18 to test and maintain that backup emergency generator as  
19 specified, without having that usage testing or maintenance  
20 count towards the emergency backup generators time  
21 limitation on actual usage and routine testing and  
22 maintenance."

23 The passage of this bill would basically  
24 eviscerate Condition of Exemption PD-3, which allows the  
25 granting of the small power point exemption to the



1 Laurelwood Data Center.

2 I also want to draw your attention to another  
3 bill that is moving to through the State Senate that will  
4 affect your deliberations in this proceeding and also the  
5 six other data centers you may be reviewing, and that is SB  
6 858.

7 SB 858 is a specific bill, which removes CEC  
8 jurisdiction over backup diesel generators at data centers.  
9 Apparently the data center industry is not too fond of our  
10 processes. They have been lobbying the State Senate to  
11 remove your jurisdiction. I have trouble understanding why  
12 these data centers would even file an SPPE application. If  
13 they filed one application for certification they could  
14 utilize the one-stop shop the CEC offers, and not be  
15 exposed to litigation at the Air District level and the  
16 City of Santa Clara level. I don't understand why they're  
17 filing SPPE applications.

18 Another issue that deserves your attention is the  
19 statement on Page 11 of the Final Decision. There the  
20 Final Decision states, "The uncontested evidence shows that  
21 the backup generators constitute a thermal power plant with  
22 a generating capacity in excess of 50 megawatts. And none  
23 are or used urban generators." This makes Section 2003  
24 inapplicable according to the decision.

25 At your adoption hearing, I explained that the

1 Commission has many times before utilized Section 2003 to  
2 determine the generating capacity of projects that utilize  
3 IC engines, including Quail Brush Project, the Eastshore  
4 Energy Project, the Humboldt Generating Station Project and  
5 also the Santa Clara Data Center.

6 The Hearing Officer stated at the adoption  
7 hearing, "I have no knowledge of Eastshore, Quail Brush or  
8 Humboldt that Mr. Sarvey discussed. Perhaps others with a  
9 longer institutional memory than I have can provide that."

10 Well the Eastshore Energy Center Decision TN  
11 48664 states on Page 23, "The EEC will consist of 14  
12 Wartsila natural gas-fired reciprocating engine generators  
13 sets, and associated exhaust stacks as well mechanical and  
14 auxiliary equipment and a new switch yard. Total site  
15 generating capacity is approximately 118 megawatts gross or  
16 115 megawatts net. Each generator set will have a gross  
17 capacity of 8.4 megawatts based on the design ambient  
18 temperature."

19 The CEC's Quail Brush Project page describes the  
20 Quail Brush Project and states, "The proposed Quail Brush  
21 Generation Project is a nominal 100-megawatt  
22 intermediate/peaking load electrical generating facility.  
23 It would consist of a set of 11 natural gas-fired  
24 reciprocating Wartsila engines."

25 The CEC's final decision on page 9 for the

1 Humboldt Generating Station states, "The HBRP would consist  
2 of 10 dual-fuel Wartsila 16.3-megawatt reciprocating  
3 engine-generator sets and the associated equipment with a  
4 combined nominal generating capacity of 163 megawatts."

5 In the Santa Clara Data Center proceeding, the  
6 Applicant argued that the load of the data center was  
7 estimated to be 49.9 megawatts which should exempt the  
8 project from CEC review, because it was under 50 megawatts.

9 Not so, says the decision on Page 16 for the  
10 Santa Clara Data Center. "The current review by the Energy  
11 Commission considers the entire data center project Phases  
12 1 and 2, with the Phase 2 project as the trigger for  
13 analysis as it adds 16 additional backup generators,  
14 totaling 32 generators capable of 2.25 megawatts each,  
15 bringing total generation capacity of the backup generating  
16 system to 72 megawatts of installed capacity."

17 So that's all I have to say right now. And  
18 thanks for listening.

19 CHAIR HOCHSCHILD: Thank you, Mr. Sarvey.

20 Let's move on to Commissioner questions starting  
21 with Commissioner Douglas.

22 COMMISSIONER DOUGLAS: I was fumbling with my  
23 mute button. I'm going to hold all questions until I've  
24 heard from all the parties.

25 CHAIR HOCHSCHILD: Okay, thanks.

1 Commissioner Monahan any questions?

2 COMMISSIONER MONAHAN: No, no questions.

3 CHAIR HOCHSCHILD: Vice Chair Scott?

4 VICE CHAIR SCOTT: I will also hold questions  
5 till we've heard from all the parties.

6 CHAIR HOCHSCHILD: Okay. Commissioner  
7 McAllister?

8 COMMISSIONER MCALLISTER: Likewise here.

9 CHAIR HOCHSCHILD: And likewise for myself.  
10 Mr. Harris, you may now present your argument.

11 MR. HARRIS: Good afternoon, Jeff Harris on  
12 behalf of Laurelwood Data Center. I appreciate the  
13 opportunity to respond.

14 A couple of things that we want to highlight, and  
15 I will go rather quickly, at the end of the day there's  
16 nothing new here and I think that's the key. We're at a  
17 very limited proceeding right now. This is a Petition for  
18 Reconsideration. It is not a re-litigation of the entire  
19 case. And under that correct standard there's a very  
20 narrow set of issues that could be raised and there are  
21 responses to each one of those issues. So let me go  
22 through them I think rather quickly. And then we'll make  
23 ourselves available for questions obviously.

24 In terms of the first question that the General  
25 Counsel raised on timeliness, we believe that the argument

1 staff set forth in our opposition is correct. That the  
2 application is not timely and that substantial compliance  
3 is not compliance. So it's pretty much straightforward a  
4 late filing.

5           So having said that we would definitely want you  
6 to also decide the second issue as well. We would like to  
7 have the merits then decided as well. And I think that you  
8 should make your decision in the alternative, and first  
9 find that petition is untimely and on that basis deny it.  
10 And in addition, to say even assuming if it was not  
11 untimely, assuming it was timely filed, it would be  
12 rejected on the merits. And so we would ask for at the end  
13 of the day that your consideration to find any alternative,  
14 both untimely and then on the substance, that the substance  
15 is not there.

16           The General Counsel had set forth very clearly  
17 the standard, and I think it's the correct standard for  
18 determining whether reconsideration is available (phonetic).  
19 And that's whether there is new evidence that could not  
20 have been produced despite the diligence of the Moving  
21 Party, which is the first prong.

22           And the second prong is an error of fact or law.  
23 And in both cases the petition fails to satisfy either one  
24 of those criteria for this limited analysis you have in  
25 front of you.

1           There has been no new evidence brought forward  
2 that could not have been brought forward during this  
3 proceeding. Mr. Sarvey has provided you with copies of the  
4 2011 General Plan. That obviously was in existence. And  
5 keep in mind as well that most of the arguments Mr. Sarvey  
6 has made today he made in front of the Commission, both in  
7 front of the Committee during evidentiary hearings and also  
8 in his comments on the proposed decision. So there's  
9 clearly nothing new under the sun here as we move forward.  
10 So that is the inability to meet that standard.

11           The references to the Bay Area Air Quality  
12 Management Districts are what they are, and they should be  
13 understood to be what they are. Basically, they're an  
14 attempt to get around this prong to create the appearance  
15 that there's something new that could not have been  
16 produced during the hearings. Well that's a false  
17 argument. These are comments made by the Bay Area District  
18 in other proceedings. They're not comments made in the  
19 Laurelwood proceeding. They are no more relevant to your  
20 consideration here than comments made on any other project  
21 considered by the Bay Area District after your decision in  
22 Laurelwood.

23           So understand what those Bay Area District  
24 letters are. They are simply an attempt to say, "Well  
25 here's something I could not have produced, because the

1 date is after the date of your decision." And that again  
2 is the wrong standard.

3 Substantively if you look at those letters, and  
4 we did closely, on issues of environmental review of the  
5 CEQA questions before you, the Bay Area District says that  
6 the project meets those requirements. They do not find any  
7 inadequate environmental review in any respect.

8 They do go on however to add certain policy  
9 recommendations. They make a recommendation that rooftop  
10 solar be added to the project. That's a fine policy  
11 consideration. It's something that this Commission  
12 obviously supports that kind of policy. It is not an issue  
13 though for our consideration of the environmental review of  
14 this project. All of the environmental issues were  
15 carefully considered.

16 So be aware of both those things. That the Bay  
17 Area District letters are after the fact simply to create  
18 the illusion that there's something new and substantively  
19 those letters actually support Laurelwood on the CEQA  
20 issues. And then in addition they make some additional  
21 policy recommendations. So see those for what they are  
22 going forward as well, so that has to deal with the legal  
23 standards.

24 In terms of errors or fact or law what you're  
25 seeing basically is re-litigation of the issues that have

1 been considered by the Commission and decided. It is not  
2 error for you to look at the record and say, "Substantial  
3 evidence supports this." This is not error for there to be  
4 evidence to the contrary. That's the whole idea of the  
5 environmental review process is to give additional  
6 information into the record. But at the end of the day the  
7 claims of error of fact or law are really just re-  
8 litigation of how you should weigh this evidence. And I  
9 think the decision correctly weighs the evidence and it  
10 correctly makes the decision based upon the record that is  
11 before you.

12           So that is I think a pretty good summary of where  
13 things are. You have a very narrow question before you on  
14 reconsiderations. You have the proper standard before you.  
15 And you have a very robust record before you that supports  
16 that decision. And on that basis we would ask that you  
17 reject the petition.

18           And again on both basis's we think you should  
19 both find it untimely -- untimely -- number one, untimely.  
20 And number two, even assuming it was timely, on the merits  
21 there isn't sufficient evidence for you to reconsider this.  
22 And per the regulation this petition should be dismissed  
23 for lack of a motion and a second as required by the  
24 regulations.

25           CHAIR HOCHSCHILD: Thank you, Mr. Harris.



1           MR. HARRIS: So I'm going to go ahead and stop  
2 there. And thank you for your time. And make ourselves  
3 available.

4           CHAIR HOCHSCHILD: Thank you. What I suggest we  
5 do, let's hear from staff, from Mr. Oliver. And then we'll  
6 take questions for you or staff if other Commissioners have  
7 them.

8           So Mr. Oliver?

9           MR. OLIVER: Good afternoon, Chair and  
10 Commissioners. This is Nick Oliver, spelled N-i-c-k O-l-i-  
11 v-e-r. I'm the Energy Commission Staff Counsel assigned to  
12 the Laurelwood Data Center Project. And with me on the  
13 line if needed are Kerry Willis, Assistant Chief Counsel  
14 for Siting, and Matt Layton who is the Supervising  
15 Mechanical Engineer and is available to answer any  
16 questions that the Commission and Chair may have related to  
17 generating capacity, air quality, and even staff  
18 commission.

19           The Energy Commission staff would like to thank  
20 the Committee for its consideration of staff opposition to  
21 Mr. Sarvey's petition. And for its thoughtful and reasoned  
22 analysis of these issues in its Proposed Order on the  
23 Petition for Reconsideration, which was docketed on April  
24 6th.

25           Staff submitted its own opposition to Mr.

1 Sarvey's Petition for Reconsideration on March 20th. We  
2 would just like to read, state or note some of the points  
3 from that here. First of all staff fully agrees with  
4 points raised by Mr. Harris and the Applicant about the  
5 narrowness of the scope of a reconsideration hearing. And  
6 also the failure of Mr. Sarvey's petition to meet the  
7 relevant standards by simply rearguing the substantive  
8 points that he raised previously in the proceeding.

9 As far as the timeliness issues staff does  
10 disagree that Mr. Sarvey even substantially complied with  
11 the 30-day deadline in Public Resources Code 25530.  
12 However, staff is willing to withdraw this objection if the  
13 Proposed Order is adopted.

14 One other aspect of Section 1720 of the CEC  
15 Regulation that wasn't mentioned earlier is that it states,  
16 "That a Petition for Reconsideration must fully explain why  
17 the matter is set forth could not have been considered  
18 during the evidentiary hearing and their effects on the  
19 substantive elements of this decision." So I think that's  
20 the key issue here, that Mr. Sarvey has failed to meet the  
21 standard on any of these issues.

22 Finally, one other point to note just on the  
23 docketed Bay Area Air Quality Management District comments  
24 from different proceedings. Those comments were not made  
25 in this proceeding and I agree with the Applicant that

1 they're just simply not relevant here. And they don't  
2 serve to bolster Mr. Sarvey's petition in any way.

3 For these reasons, and the reasons previously  
4 stated by the applicant, staff supports and recommends the  
5 adoption of the Proposed Order denying the Petition for  
6 Reconsideration. And as mentioned before, Mr. Layton is  
7 available on the line to answer any technical question.

8 CHAIR HOCHSCHILD: Okay. Thank you.

9 Let's go to Commissioners for questions, starting  
10 with Commissioner Douglas.

11 COMMISSIONER DOUGLAS: All right. I don't have  
12 questions for the parties. I think if this is the right  
13 moment I do have a few brief comments. Does that work?

14 CHAIR HOCHSCHILD: Actually what I suggest is  
15 we're going to give Mr. Sarvey the opportunity to reply.

16 COMMISSIONER DOUGLAS: Oh you're right, got it.  
17 Okay.

18 CHAIR HOCHSCHILD: So why don't -- I just want to  
19 see if anyone else has questions at this time. If not,  
20 we'll move to Mr. Sarvey and give him an opportunity to  
21 reply. And then we'll take comments.

22 So Commissioner Monahan, any questions?

23 COMMISSIONER MONAHAN: No, I don't have  
24 questions.

25 CHAIR HOCHSCHILD: Vice Chair Scott?

1 VICE CHAIR SCOTT: I do not have any questions.

2 CHAIR HOCHSCHILD: Commissioner McAllister?

3 COMMISSIONER MCALLISTER: Not at this moment.

4 CHAIR HOCHSCHILD: Okay. And none from me  
5 either, so Mr. Sarvey you may now present in your reply you  
6 have to the arguments presented by the other parties.

7 MR. SARVEY: Okay. Thank you, Commissioner.

8 I believe as far as the timeliness issue goes I  
9 believe that the actual petition was due on the 6th, not  
10 the 5th. But you guys can figure that out with your  
11 calculators that the first day of any decision doesn't  
12 count. It's the 5th when you start counting the days from  
13 when that thing was filed, because that's when you filed it  
14 with the State Clearinghouse. There's 29 days in February,  
15 so that's 24 days and then the 6th day of April would be  
16 the due date in my opinion.

17 But even if it wasn't I attempted to file it  
18 early as I always do. I had some issues with the Service  
19 Lists. I had some issues with the Internet. And you can  
20 check with the Public Advisor, I was in communication with  
21 her office over these issues for the afternoon. I did  
22 serve the Chief Counsel at 2:00 o'clock on the 5th. I also  
23 served the Project Manager on the 5th before 5:00 o'clock.  
24 At about 2:30 I served them, so I don't think the timing of  
25 this issue is really a big deal. And I believe that the

1 actual petition was due on the 6th not the 5th.

2 As far as the new information I did include a  
3 couple of letters from the Bay Area Air Quality Management.  
4 And I hear they're arguing that they're not pertinent to  
5 this particular proceeding, which is total -- well I can't  
6 say that word over the phone -- but these data centers are  
7 situated almost exactly the same as the LDC. And I believe  
8 that the Bay Area has been pretty clear.

9 The Greenhouse Gas Analysis in both these  
10 proceedings, and it would apply to Laurelwood as well, is  
11 not proving that the emissions from this project or the  
12 other projects that you guys are now reviewing will meet  
13 the GHG reduction goals from the plants that the Governor  
14 and the state and the local agencies have set out for GHG  
15 reductions. So I believe that you really should do an EIR  
16 on this project. I've encouraged it throughout. And  
17 that's about all I have to say. Thank you.

18 CHAIR HOCHSCHILD: Thank you Mr. Sarvey.

19 Okay, so questions from the Commissioners for Mr.  
20 Sarvey or any other party at this time, starting with  
21 Commissioner Douglas.

22 COMMISSIONER DOUGLAS: Okay, so I think at this  
23 time I still don't have questions. I'll just make a few  
24 brief comments if that's all right?

25 CHAIR HOCHSCHILD: Okay, yes.

1                   COMMISSIONER DOUGLAS: So I was a Presiding  
2 Member of the Committee that oversaw this SPPE application  
3 proceeding and that submitted the Committee-proposed  
4 decision, finding that an exemption from the Commission's  
5 certification process is warranted. The Commission  
6 concurred and approved the Committee-proposed decision.

7                   I've reviewed the parties' pleadings related to  
8 Mr. Sarvey's request for reconsideration. And I've  
9 listened closely to the arguments made today. And on that  
10 basis I recommend that the Commission deny the request for  
11 reconsideration.

12                   I do recognize Mr. Sarvey's efforts to comply  
13 with the filing deadline. And I am at the point of  
14 agreeing that Mr. Sarvey substantially complied with the  
15 filing deadline. But he did not satisfy the guidance  
16 provided in Commission Regulation 1720. Specifically in my  
17 view, Mr. Sarvey has not made a showing of new facts,  
18 evidence or change circumstances that would warrant  
19 reconsideration of the order.

20                   So unless my fellow Commissioners have additional  
21 comments or questions, or at the point at which those  
22 comments or questions have been made, I would be prepared  
23 to make a motion to deny the request for reconsideration.

24                   CHAIR HOCHSCHILD: Okay, let's first go through,  
25 thank you, other Commissioners. I myself have no other

1 comments or questions at this time, but Commissioner  
2 Monahan?

3 COMMISSIONER MONAHAN: Yeah, I just want to agree  
4 with what Commissioner Douglas said. And I think the Bay  
5 Area Air Quality Management District letters were very  
6 specific to Sequoia and Walsh. And so this is a very  
7 different case and I don't see that Mr. Sarvey has met the  
8 criteria for presenting new facts for evidence or changed  
9 circumstances. So I agree with Commissioner Douglas.

10 CHAIR HOCHSCHILD: Okay, thanks.

11 Vice Chair Scott?

12 VICE CHAIR SCOTT: Yeah. I would also note that  
13 I reviewed all of the documents very carefully and listened  
14 closely today as folks were speaking with us. And I am  
15 also in agreement with Commissioner Douglas.

16 CHAIR HOCHSCHILD: Thanks.

17 Commissioner McAllister?

18 COMMISSIONER MCALLISTER: I'll just agree with  
19 Commissioner Douglas as well. I don't have any additional  
20 comments to make.

21 CHAIR HOCHSCHILD: Okay. So a Proposed Order was  
22 prepared by the Hearing Officer and docketed in the  
23 proceedings. Do any of the parties have any comments on  
24 the Proposed Order?

25 (No audible response.)

1 CHAIR HOCHSCHILD: Okay. Hearing none, we'll be  
2 -- yes?

3 MS. HOUCK: Chair, this is Darcie Houck. I think  
4 Hearing Officer Cochran had two non-substantive edits or  
5 Errata to the Proposed Order that she would like to just  
6 present for the record briefly before there's a vote.

7 CHAIR HOCHSCHILD: Okay, let's go ahead with  
8 that. And what are those?

9 MS. COCHRAN: Good morning, thank you. This is  
10 Susan Cochran, S-u-s-a-n C-o-c-h-r-a-n. I'm the Hearing  
11 Officer on the Laurelwood Data Center.

12 As you indicated there is a current Proposed  
13 Order which has Transaction No. 232678. Here are the  
14 changes I would propose. On the top of page 2 in the first  
15 paragraph the sentence begins, "At the conclusion of the  
16 public hearing the CEC made and it currently set some  
17 additional," strike "some additional," and insert the  
18 words, "minor non-substantive changes to the Committee-  
19 proposed decision."

20 Also on page 2 under Heading A, "Timeliness of  
21 Applicant's Opposition," strike the sentence that begins  
22 "Because our notice," and ends "of the hearing."

23 And then finally on page 3 in the paragraph that  
24 starts "Both staff and Applicant," the last sentence that  
25 begins, "Thus because Mr. Sarvey did not submit the



1 petition," instead of "under," the word should be "until."

2 And with that if you are looking for a motion, I  
3 would propose that you adopt the Proposed Order as modified  
4 by the Errata I just read.

5 CHAIR HOCHSCHILD: Okay, thank you.

6 We'll turn now to public comment for Item 18.

7 Are there any additional public comments on this item?

8 Cody, do we have anyone else on the line?

9 MR. GOLDTHRITE: This is the Secretary. We have  
10 no one on the line.

11 CHAIR HOCHSCHILD: Okay, Madam Public Advisor, do  
12 we have any written comments?

13 MS. GALLARDO: This is Noemi Gallardo, the Public  
14 Advisor. No comments.

15 CHAIR HOCHSCHILD: Okay. If Commissioners would  
16 like to go into closed session we can do that. I'll just  
17 do a roll call on that, whether any Commissioner would like  
18 to request a closed session on this matter, starting with  
19 Commissioner Douglas.

20 COMMISSIONER DOUGLAS: I don't see a need for a  
21 closed session.

22 CHAIR HOCHSCHILD: Commissioner Monahan?

23 COMMISSIONER MONAHAN: I don't see a need.

24 CHAIR HOCHSCHILD: Vice Chair Scott?

25 VICE CHAIR SCOTT: I also do not see a need.

1 CHAIR HOCHSCHILD: Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Neither do I.

3 CHAIR HOCHSCHILD: And neither do I, so at this  
4 time can we have the Hearing Officer present the Proposed  
5 Order? I mean, I guess you sort of did that with the  
6 amendments. Is there anything else?

7 MS. COCHRAN: No. That would be the conclusion  
8 of my comments unless you wanted anything else.

9 CHAIR HOCHSCHILD: Yeah, just with those  
10 amendments.

11 Okay, so is there a motion for the Proposed  
12 Order, including the amendments that Hearing Officer  
13 Cochran just added?

14 COMMISSIONER DOUGLAS: Yes. This is Commissioner  
15 Douglas. I move to deny the Motion for Reconsideration and  
16 approve the Proposed Order with the changes described by  
17 the Hearing Officer, Susan Cochran.

18 CHAIR HOCHSCHILD: Okay. And Vice Chair Scott  
19 would you like to second?

20 VICE CHAIR SCOTT: Second.

21 CHAIR HOCHSCHILD: Okay we'll now take the vote.  
22 Commissioner Douglas?

23 COMMISSIONER DOUGLAS: Aye.

24 CHAIR HOCHSCHILD: Vice Chair Scott?

25 VICE CHAIR SCOTT: Aye.

1 CHAIR HOCHSCHILD: Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Aye.

3 CHAIR HOCHSCHILD: Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 CHAIR HOCHSCHILD: And I vote aye as well. That  
6 motion passes unanimously. Thank you, everybody.

7 At this point we will go to Item 19, Chief  
8 Counsel's Report.

9 MS. HOUCK: This is Darcie Houck, "H-o-u-c-k." I  
10 do not have a report today. Thank you.

11 CHAIR HOCHSCHILD: Okay. Thank you everybody.  
12 We are adjourned.

13 ALL: Thank you. Thanks everyone. Thank you.  
14 Bye.

15 (The Business Meeting adjourned at 1:56 p.m.)

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CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of April, 2020.



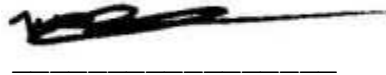
MARTHA L. NELSON, CERT\*\*367

**TRANSCRIBER'S CERTIFICATE**

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of April, 2020.



Myra Severtson  
Certified Transcriber  
AAERT No. CET\*\*D-852