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APPEARANCES

Commissioners (Via Remote)

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Janea Scott, Vice Chair
Karen Douglas
Andrew McAllister
Patricia Monahan

Staff Present: (Via Remote)

Drew Bohan, Executive Director
Allan Ward, Assistant Chief Counsel
Noemi Gallardo, Public Advisor
Cody Goldthrite, Secretariat

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Others Present (Via Remote)

Presenters:

Stan Greschner, Chair, Disadvantaged Communities 2
Advisory Group (DACAG)

Interested Parties

Chris Kimball, West Coast Code 5
Consultants, Inc. (WC3)

Public Comment (Via Remote)

None

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1 P R O C E E D I N G S

2 NOVEMBER 10, 2020

10:02 a.m.

3 CHAIR HOCHSCHILD: All right, well welcome and
4 good morning to everyone. Today is Tuesday, November 10,
5 and we're going to begin our Energy Commission Business
6 Meeting. Let's begin by having Vice Chair Scott do the
7 Pledge of Allegiance for us.

8 VICE CHAIR SCOTT: Good morning, everyone.

9 (Whereupon the Pledge of Allegiance is recited.)

10 CHAIR HOCHSCHILD: Thank you, Madam Vice Chair.

11 Again, the COVID pandemic continues and in fact
12 is worsening, so please continue to exercise discretion,
13 wear a mask, wash your hands frequently, and keep your
14 distance. And let's stay vigilant.

15 I do want to make a few remarks about the moment
16 that we're in. We obviously just concluded a very, very
17 lengthy and very contentious presidential election. That
18 election has concluded, we have a new President Elect, Joe
19 Biden, and Vice President Elect Kamala Harris. And I know
20 that tensions are still high. I think it's really
21 important for all of us collectively to try to take the
22 temperature down in this country and really listen to our
23 better angels come together. This is what our country has
24 done in every election since our founding.

25 And you know for those Americans, you know, whose

1 candidate didn't win it's really important you know that we
2 recognize everybody has a role to play in the next chapter
3 of our country's history and building this country up. We
4 need your talent, your skills, your patriotism, your
5 dedication. This is a time to come together and work to
6 improve the plight of all Americans. And so I really want
7 to just appeal to everybody to be the best citizens we can
8 possibly be. Listen to each other, hear each other, be
9 empathetic, be supportive and to try to come together.
10 This is a really, really critical moment and we've got to
11 lead, all of us, by example.

12 So with that, let's get into the meeting agenda.
13 Today's meeting is being held remotely without a physical
14 location for any participant consistent with Executive
15 Orders N-25-20 and N-29-20 and the recommendations from
16 the California Department of Public Health to encourage
17 social distancing in order to slow the spread of COVID-19.
18 The public may participate and/or observe the meeting
19 consistent with the direction of these executive orders.

20 Instructions for remote participation can be
21 found in the notice of this meeting as set forth in the
22 agenda posted to the Energy Commission website for this
23 business meeting. Pursuant to California Code of
24 Regulations Title 20 Section 1104(e) any person may make
25 oral comments on any the agenda item. To ensure the

1 orderly conduct of business, such comments will be limited
2 to three minutes per person.

3 As to each item listed on the agenda, that will
4 be voted on today, any person wishing to make comment on
5 information items or reports, which are non-voting items,
6 shall reserve their comment for the general public comment
7 portion of the meeting agenda. And you'll have three
8 minutes total to state all the remaining comments.

9 All right, so let's -- let me just also reiterate
10 today if all the items are approved we'll be approving \$6.5
11 of grants coming out today, including one ECCA loan. This
12 is going to help contribute to California's economic
13 recovery, so really proud of all of the stakeholders and
14 the staff who have been working on these.

15 So let's turn now to Item 1, the Geothermal
16 Resources Council.

17 Is there -- yeah, who's on staff? Is that James
18 Folkman?

19 MS. GALLARDO: Chair, it's a Consent Calendar
20 item, so there is no presentation.

21 CHAIR HOCHSCHILD: Excuse me, you're right. It
22 is a consent item. I'm sorry, this -- so there's no
23 presentation from Jim. Okay. Are there any public
24 comments on Item 1?

25 MS. GALLARDO: No public comment.

1 CHAIR HOCHSCHILD: Yeah, are there any
2 Commissioner comments?

3 (No audible response.)

4 CHAIR HOCHSCHILD: I'm hearing none. Is there a
5 motion, Vice Chair Scott, to approve the Consent Calendar?

6 VICE CHAIR SCOTT: Yes. I'll move approval of
7 Item 1.

8 Commissioner, Douglas, would you be willing to
9 second that?

10 COMMISSIONER DOUGLAS: Yes, I second item one.

11 CHAIR HOCHSCHILD: Okay, all in favor say aye.
12 Vice Chair Scott?

13 VICE CHAIR SCOTT: Aye.

14 CHAIR HOCHSCHILD: Commissioner Douglas?

15 COMMISSIONER DOUGLAS: Aye.

16 CHAIR HOCHSCHILD: Commissioner McAllister?

17 COMMISSIONER MCALLISTER: Aye.

18 CHAIR HOCHSCHILD: Commissioner Monahan?

19 COMMISSIONER MONAHAN: Aye.

20 CHAIR HOCHSCHILD: And I vote aye as well. That
21 item passes unanimously. Thank you.

22 Let's go now to Item 2, Disadvantaged Community
23 Advisory Group 2019 Annual Report.

24 MS. GALLARDO: Hello, Chair, Vice Chair and
25 Commissioners, this is Noemi Gallardo, the Public Advisor.

1 It is my honor to introduce to you, MR. GRESCHNER: who is
2 the DACAG Chair and that's D-A-C-A-G. It's how we lovingly
3 refer to the Disadvantaged Communities Advisory Group. So
4 MR. GRESCHNER: is the Chair of the DACAG and will be
5 presenting today's report.

6 Stan, I'll hand it over to you.

7 MR. GRESCHNER: Thank you very much, Noemi. And
8 good morning, Commissioners, I'm Stan Greschner, the Chair
9 of the DACAG as Noemi noted. Thank you again for the
10 invitation for Angela Islas and I to join you this morning
11 to discuss the work of the DACAG. Unfortunately, Angela's
12 work pulled her away from today's meeting. So I'm all you
13 get today and will make the best of it.

14 But I wanted to begin by thanking all of you for
15 your engagement with the DACAG over the past year. And
16 bringing your policy areas, your questions and your
17 openness to dialogue to the DACAG's monthly meetings. You
18 know, we are your advisory group, so without your
19 participation and the participation of your teams and staff
20 we couldn't be the effective body that aims to bring the
21 voices and perspectives of underserved communities to the
22 CEC discussions. And you all have been very thoughtful
23 collaborators with the DACAG. And we appreciate all of the
24 time that you give to our meetings.

25 And we also couldn't do our work without the

1 support of key team members at CEC and the PUC. The CEC,
2 especially I want to acknowledge and thank directly Kristy
3 Chew, Noemi Gallardo, Dorothy Murimi, Galen Lemei, who is
4 now at PUC (indiscernible) and Renee Webster Hawkins. And
5 PUC staff definitely are to be commended, Kathryn Yip and
6 Jason Reiger, as well as the many CEC staff who
7 participated in the DACAG meetings. On behalf of the
8 DACAG, I want to express our sincerest gratitude to you
9 Commissioners, and CEC staff for supporting our work.

10 And I'm sorry, can you advance to the next slide?
11 Here's the members of the Advisory Group, next slide?

12 So in 2019 we identified 12 topics that covered
13 the main proceedings and programs at the Commission that
14 the DACAG prioritized. And many of these topics cross both
15 CEC and the PUC, some are very specific to one Commission
16 or the other. I won't go over these in detail, but I'll
17 dive in a little deeper into a few of them later. But I
18 just wanted to show you these and highlight the breadth of
19 issues that the DACAG engages in with the CEC and PUC over
20 the course of our work. Next slide.

21 So let me go through (indiscernible) on the
22 overall objectives with the separate advisory and advocacy
23 work that we do at the Commission. These kind of sit above
24 the issue areas, the topic areas and define what we aim to
25 do within those specific policy areas.

1 So first you know we advocate for the DACAG's
2 equity framework to be applied to existing and future
3 programming at the CEC and PUC. And this is an equity
4 framework that we developed in our first year of existence,
5 two years ago. And really is the filter that we put all of
6 your programs through and our advocacy through. And this
7 equity framework focuses in on five key areas in addition
8 to defining the communities that we aim to serve.

9 Those focus areas are maximizing health and
10 safety in the Commission's programs; access, number two is
11 access and education; maximize the impact, the financial
12 impact of the investments we're making and those impacts on
13 the communities we're aiming serve. The fourth is economic
14 development and the fifth is maximizing consumer protection
15 in the programs that you and the PUC roll out.

16 Our next kind of overarching objective is asking
17 ourselves and asking you, the Commission, where are there
18 opportunities for interagency collaboration and
19 coordination among your complimentary programs? You know,
20 how can we be coordinated on outreach, on leveraging each
21 of the Commission's programs and not offering them in a
22 silo or in a way that creates confusion where there are
23 other opportunities to be collaborative.

24 And we also collaborated with other state
25 agencies beyond the PUC and CEC since many of your programs

1 overlap with, or have complimentary programs with other
2 agencies as well. So that's something we focus on as we
3 look at different programs being brought to the DACs we
4 represent.

5 And then finally, and maybe this should be the
6 lead objective, on when we started to expand direct
7 community participation it transformed our advisory and
8 advocacy roles within the Commission. So in addition to
9 the DACAG being made up of members of advocacy and policy
10 leaders in the environmental and social justice
11 communities, we are also actively soliciting engagement
12 with other organizations and other community members to
13 join our discussions, that then in turn help inform your
14 decision making process and the advocacy work that we do
15 with you. So, next slide please.

16 So let me just highlight three thematic areas
17 that kind of drew lines through many of our discussions in
18 our 2019-2020 term. They're resiliency and the public
19 safety power shutoffs, PSPS, transportation
20 electrification, and kind of the umbrella issue of removing
21 fossil fuels from our energy needs more broadly. And you
22 know, that's within all of the programs that we engage in.

23 So I guess let's take it in reverse order. That
24 third point is actually our first guiding principle of
25 defined dynamics (phonetic) in the DACAG's Charter, which

1 is to increase access to clean energy technologies in
2 disadvantaged communities. So that is always kind of the
3 starting place in any of the programming discussions we
4 engage in. And certainly as you have worked with us over
5 the past year, I'm sure in the sense that that's where we
6 start, and that's what we're trying to get to is more clean
7 energy in the communities we represent.

8 Going to number two, equity in transportation
9 electrification was a major topic area at the CEC through
10 the Clean Transportation Program. At the PUC, through the
11 Transportation Electrification Framework that they were
12 discussing. And at ARB in the many programs it has for
13 equity consideration, you know, over the past 12 to 18
14 months. And I joined you at your last meeting where you
15 approved the Clean Transportation Program, but I just want
16 to acknowledge again Commissioner Monahan and the Fuels and
17 Transportation Division that spent a significant amount of
18 time with the DACAG over the past 12 to 18 months.

19 It seems like every other meeting either the
20 Commissioner or staff were soliciting feedback from the
21 DACAG as the CTP was iterated on multiple times. We were
22 brought into the discussion early and often and really
23 appreciate being able to inform that topic.

24 You also had CPUC Commissioner Rechtschaffen and
25 the Transportation Electrification Framework team all

1 working with the DACAG as they simultaneously developed
2 their framework.

3 And as I noted the Air Resources Board joined
4 multiple meetings, tuned into the DACAG both on our Medium-
5 Heavy Duty and Light Duty Equity programs, which again are
6 complimentary to the efforts of the Commission and we know
7 you all are more and more collaborative in your work
8 together.

9 And now with the 100 percent mandate that the
10 Governor announced recently we expect even greater
11 opportunity for equity programming in the transportation
12 and electrification space.

13 And then finally one of the themes of last year
14 that was added to our priority areas halfway through the
15 term was the PSPS events and community resiliency that
16 related to them. And so it was a consistent topic within
17 our meetings from October 2019 (sic) to April of last year.
18 And certainly in subsequent months the issues we've talked
19 about were in the framework of PSPS as well and loading
20 shutoffs or whatever event there was that turned off the
21 lights. So for those six months we discussed and debated
22 the PSPS impacts in the communities that we represent.

23 And I want to highlight that in addition to
24 supporting CEC and the CPUC and hosting your teams in this
25 conversation, we also brought together several other state

1 agencies who were offering equity programming or a grant or
2 assistance to serve DACs, so Cal OES, OPI, the Office of
3 Planning and Research and the Strategic Growth Council,
4 CalEPA. We brought everyone together in a few meetings to
5 have a comprehensive understanding of who is doing what in
6 DACs related to increasing resiliency in those communities
7 within households, you know, related to these PSPS events.

8 And in that conversation it was noted by one of
9 the agencies that there was no coordinating body that
10 worked across the many different state agencies who are
11 developing programs are offering funding to help mitigate
12 against some of the most severe consequences of the TOR
13 (phonetic) shutoffs. And the DACAG was asked to consider
14 being that coordinating body. And though we didn't
15 necessarily pick up that mantle officially, you know, there
16 was a recognized gap and opportunity and we continue to
17 bring together those voices to inform our work related to
18 PSPS and resiliency. So that we could be kind of a
19 collective resource for the CEC and PUC and others to bring
20 their ideas to.

21 Additionally, we hosted the VPs of three IOUs who
22 were charged with the PSPS planning and spent hours with
23 them discussing the challenges and opportunities to better
24 support DACs leading up to the events and during those
25 events.

1 And then most importantly, we also hosted other
2 community leaders within the access and functional needs
3 community, tribal communities, and the impacted
4 disadvantaged communities to directly engage impacted
5 individuals to bring their perspectives to these
6 conversations.

7 So in the past year the DACAG has very
8 effectively served the CEC and the PUC, and most
9 importantly the communities that we represent, in these
10 energy policy discussions. And I hope you feel the same
11 way. So we're looking forward to the current team or
12 current term that comes through Q1 of next year. Let's
13 move to the next slide.

14 These are the priority areas that we're focusing
15 on, that we've focused on since we adopted these back in I
16 believe it was April or May of this year. Similar to last
17 year's or the previous year's list we've added
18 environmental and social justice action plans to the list.
19 And some COVID-19 response, telecom and broadband divide
20 that we see in the communities that we represent and the
21 issues related to that as well as the power goes down. So
22 there's 14 topic areas that we are engaged in this year.
23 So next slide, please.

24 So in closing what we're looking forward to this
25 year that I would love to get your feedback on -- what we'd

1 love to continue working with you on over the next several
2 months on a couple of different things is one, we'd like
3 to work with you to develop a framework for the CEC -- kind
4 of setting the CEC's North Star for equity programming
5 throughout all of its programs in whatever form that takes.
6 I know Chair Hochschild when you joined us you spoke a lot
7 about the initiative idea, the X Initiative, (phonetic)
8 maybe it's that framework.

9 Again, we worked with the PUC last year to help
10 develop their environmental and social justice action plan.
11 And, you know, within that they kind of set their North
12 Star on how equity was going to be a thread through all
13 their programs. And they'll work with you over this next
14 year to create a similar blueprint for that equity
15 programming.

16 And as we've done over the past year is to
17 continue looking at existing programs and identify
18 opportunities to be more impactful for disadvantaged
19 communities in all of those programs that the Commission is
20 leading on. And whether it's applying our equity framework
21 or a framework to develop to ensuring equity is centered in
22 the discussions you're having around for different program
23 offerings.

24 So thank you again for inviting us to join your
25 meeting today and I welcome any questions or feedback.

1 CHAIR HOCHSCHILD: Well, Stan let me begin by
2 behalf of all of us thanking you for your hard work. I
3 know these committees, they become really a second job
4 unpaid but you are making an impact. All your colleagues
5 are making an impact. And we want to thank all of you for
6 the work you've done.

7 And before I turn it over to Vice Chair Scott to
8 make a few remarks, I just want to say it's really
9 important that we follow the money with these things. I
10 mean, I think a lot of times people can say all the right
11 things and the money doesn't change. And I am really,
12 really proud of what the Energy Commission is doing in
13 terms of how our spending priorities have evolved. I'm
14 reminded of that phrase, you know, we're still not what we
15 ought to be, but thank God we're not where we used to be.

16 And I look around right, I want to just
17 acknowledge Vice Chair Scott and the whole EPIC team, 65
18 percent of our clean energy demonstration projects from the
19 Energy Commission's EPIC program are in low-income
20 disadvantaged communities.

21 I want to acknowledge Commissioner Monahan. We
22 just approved this \$384 million clean transportation
23 investment plan, 50 percent of the infrastructure going to
24 low-income and disadvantaged communities.

25 Commissioner Douglas has been spectacular on a

1 number of issues, but most especially on the tribal
2 engagement. We're getting the tribal planning grants going
3 and she's been leading that.

4 And Commissioner McAllister has played an
5 instrumental role in standing up country's first building
6 electrification exclusively for low-income customers, the
7 Build Program, which is going to be supporting all-electric
8 homes for low-income communities.

9 And so I just want to recognize my colleagues and
10 all of the Energy Commission staff for the progress there
11 as well as the tremendous work of the DACAG. And we're
12 going to need you guys going forward, because this
13 template, the way that we're thinking about this, we want
14 this to spread. And I know I worry a little bit I repeat
15 myself at some of these meetings.

16 But I thunderously agree with what I've said
17 before, so I'm going to reiterate again the SB 100 bill
18 that got passed and signed exactly two years ago was seen
19 as mythology. It was seen as impractical. It passed.
20 Okay, it's now the law of the land in 17 states as well as
21 DC in Puerto Rico and the 100 percent platform is in
22 President Elect Biden's energy platform. Okay, we want the
23 equity lens to have the same trajectory. We really want
24 this is the way to do energy policy going forward and it
25 applies to poor communities in places like Appalachia and

20

1 around the country that have been neglected for too long.
2 And this is the right way to do it.

3 We're enthusiastic. The Governor's enthusiastic
4 and the Legislature, I believe. So we have to live this up
5 and make it work, not just for California, but really as a
6 national model. So with that, let me turn it over to Vice
7 Chair Scott for some comments.

8 MR. GRESCHNER: Let me just say Chair you noted
9 SB 100 and I just want to say thank you for using that as a
10 lever to center equity in the future programming that
11 California is going to be doing. Because (indiscernible)
12 that we worked on with you and it is great to hear a report
13 come out where equity is going to be centered in that going
14 forward. So thanks for noting SB 100.

15 CHAIR HOCHSCHILD: Thank you, and let's
16 acknowledge as well Tara Weeks for leading the SB 100 work
17 for the Energy Commission. She has been phenomenal and
18 working super hard on this report, so thank you, Stan, for
19 that.

20 VICE CHAIR SCOTT: Yeah, and I would just add my
21 thanks as well, and heartily echo what you heard Chair
22 Hochschild say, Stan. Thank you so much for being here at
23 our meeting today, and to Angela. I know she's thinking
24 about us while we're here talking. And really to the full
25 DACAG for all of the terrific work that you have done and

21

1 the thought and care that you have put into the advice that
2 you're giving to both the Energy Commission and to the
3 Public Utilities Commission.

4 I can't overemphasize how much we appreciate your
5 expertise and your depth of knowledge and that you all take
6 the time to come and share it with us. So I just really
7 want to say thank you so much to you, to Angela, and to the
8 full DACAG for that work.

9 And I echo many of the things that you said, I
10 mean, one of the things we're thinking about a lot is how
11 do we have a broader reach with the Energy Commission and
12 its Energy Commission programs. And the change that we're
13 trying to affect right across to get to 100 percent clean
14 energy standards, to get to a decarbonized world. And we
15 certainly can't do that without low-income communities,
16 without tribal communities, without CalEnviroScreen
17 disadvantaged communities. And with our rural communities.

18 And so just having again that kind of thought and
19 care that you bring to this, how do we broaden the reach so
20 that people can really engage with us, is so important.

21 And I want to make sure, to continue to make sure that we
22 have access to the Commission and its programs. And that
23 we're giving communities of voice, and that we really are
24 listening. And tweaking and editing and updating and
25 always just working together to do better and better and

1 better to reach communities.

2 And I think that's what we're doing right, we're
3 truly trying to develop our solicitations, our projects,
4 the other work that we do in a way that that benefits
5 communities in the places where it's most needed. And we
6 have ideas here at the Commission, and our staff does a
7 great job in that space, but all of the information and
8 data and input that we can get from thoughtful communities
9 around the state makes a huge difference. And so I hope
10 that the DACAG is seeing that in the work that you see
11 coming out of the Commission as well. This is really
12 important and it's really serious.

13 And so I just appreciate again taking the time to
14 have a chance to talk to you and the fellow Commissioners
15 here, kind of on our business meeting stage, so that others
16 can also hear about the important work that's taking place.
17 So again, thank you so very much. And I'll let some other
18 Commissioners speak if they'd like.

19 CHAIR HOCHSCHILD: Yeah, thanks.

20 Commissioner Monahan, would you like say a few
21 words?

22 COMMISSIONER MONAHAN: Yeah, I just wanted to
23 say, Stan, I thought it was kind of ironic that you were
24 thanking us for at reaching out to you to engage with the
25 Clean Transportation Program. I would thank you for

1 advising us, so really it's we that are benefiting and the
2 Clean Transportation Program. You guys, whenever that was,
3 a year-and-a-half ago, really, really helped us in that
4 initial refresh. Helped us recognize that we needed to
5 have a refreshed advisory committee with a strong focus on
6 equity and community engagement, which we did. And all the
7 support that you have provided and guidance you provided in
8 terms of increasing our investments in disadvantaged
9 communities.

10 But also, and this is something I am committed to
11 working with you and others, to make sure that we broaden
12 our characterization of benefits. To really drill down
13 into what is going to help communities be more mobile, have
14 cleaner air, you know, we need to just think more
15 creatively about what it means to benefit communities. And
16 I'm really looking forward to your partnership and the
17 partnership of other DACAG members in that journey.

18 You mentioned IDEA X (phonetic) and I think
19 that's going to be a place of note. Our Public Advisor,
20 Noemi Gallardo, is very committed to this as well. So
21 hopefully there are lessons learned, I think, not just for
22 the Clean Transportation Program, but broadly in the entire
23 portfolio of investments we're making here at the Energy
24 Commission. But also what's happening at the Air Resources
25 Board, what's happening at CPUC, I mean is I think a

1 transition that we need to encourage in this kind of multi-
2 agency way.

3 So I just look forward to working with you more
4 and appreciate all the help that you've given us so far.

5 CHAIR HOCHSCHILD: Thank you, Commissioner.
6 Commissioner Douglas?

7 COMMISSIONER DOUGLAS: Yes, absolutely. So,
8 Stan, thank you. Thanks for being here today and I just
9 want to thank you and all of the DACAG members, past and
10 present, for your service on this group. And your
11 completion of a successful and obviously very challenging
12 year. Extra challenges with the pandemic and shifting to
13 remote work and everything that we've all had to done, but
14 you found a way to continue to support our efforts through
15 all of that.

16 And I've seen firsthand the benefits the benefits
17 that Energy Commission staff, and also of course PUC staff
18 and Commissioners, have gotten from dialogue with the
19 group, from the input the group's been able to give us.
20 And I have no doubt that it's made our work better and
21 improved what we've been able to do at the Commission. So
22 thank you for that.

23 I also want to thank Noemi and Energy Commission
24 staff supporting the DACAG for their tremendous work,
25 because it's never easy. They've worked very hard.

1 They've been very, very committed to making this work on
2 the PUC side as well, of course. And I really think we've
3 got a great partnership and relationship with the DACAG.
4 We very much value what you all have to say and value the
5 opportunity to work with you. So thank you.

6 And I think I agree with the comments made by my
7 colleagues as well, I just appreciate it. Thanks very
8 much.

9 CHAIR HOCHSCHILD: Thank you, Commissioner.
10 Commissioner McAllister?

11 COMMISSIONER MCALLISTER: Yeah, so not to repeat
12 others, I will just second everything that's been said so
13 far. Stan, and your colleagues, thanks so much for being
14 here.

15 And I think this is a transition, the bureaucracy
16 as a way of functions. And having your lens applied to
17 everything we do, it helps fill a vacuum. It helps
18 recognize and acknowledge and describe the gaps of myopia
19 trying to get to a certain quality policy goal. Well, you
20 know, looking through the lens of equity is arguably it
21 must be the primary lens. Not just a lens or an additional
22 lens, it really needs to be the primary lens that we look
23 through on how we achieve our goals. And so making sure to
24 raise the flag when we're not doing something or help us do
25 something better. You know, participate in stakeholder

1 discussions and really not just us, but hold everybody kind
2 of to a standard that's going to really bring everyone
3 along with our policies.

4 Because we're talking, as the Chair said, we're
5 talking real money in these programs in the tens of
6 billions of dollars of direct investment, leveraged
7 investment, private capital partner investment that needs
8 to go to our transportation, to our buildings, to our power
9 sector. And it has to have that equity lens through or
10 we're going to actually fail. I mean, it's not just the
11 right thing to do. It's also a must do to get to our
12 goals.

13 So I really, I think, you know, the DACAG
14 structure, this model that that we've constructed in the
15 state is really something that's essential. It's critical.
16 It's not a nice to have. It's a must have. So really I
17 appreciated coordinating with staff and giving you a view
18 of some of the things in my world that we're working on.
19 And your feedback on those and your continued care and
20 chiming in as those initiatives moved forward.

21 And I know all of our colleagues feel the same
22 way. So really, thanks for all the value you're bringing
23 all that and all the attention that you're providing to our
24 process. So I appreciate your being here today and I look
25 forward to working with you.

1 CHAIR HOCHSCHILD: Thank you, Commissioner.

2 And again I just especially wanted to recognize
3 Vice Chair Scott who's been working on these issues for us
4 all for a long, long time, and really doing a tremendous
5 job. It's just amazing to see this vision, you know,
6 really begin to blossom.

7 I actually wanted to take a special departure
8 from protocol and ask our Public Advisor to kind of step
9 out of her role as Public Advisor for a moment to just
10 share a few thoughts of her own on these.

11 One of the reasons you know we pursued
12 Noemi Gallardo so hard, in addition to being super talented
13 at everything she does and an intelligent attorney helping
14 us run these meetings, and get the money out to all these
15 good organizations, she has been working on these issues
16 for a long time. And is really a spectacular leader in her
17 own right on them.

18 And so Noemi, I just wonder if you could share a
19 few thoughts from your perspective?

20 MS. GALLARDO: Hi there, thank you so much.

21 You're making me blush with all those very generous and
22 kind words.

23 So everything I'm hearing here is music to my
24 ears. And it makes my heart so happy that the Commission
25 is so dedicated to ensuring that we do put an equity lens

1 on all of the efforts that we've got. And I think the
2 DACAG has been really helpful to us. You are one of our
3 North Stars, I'd say, and it's an advisory group, but
4 really they function as partners to us.

5 And I think one of the things I've been really
6 grateful for in seeing how the Energy Commission works, is
7 that we're very receptive to the input and the feedback and
8 the guidance that we get from the DACAG and our other
9 stakeholders. And because we're receptive I think it makes
10 it even more constructive, because it'd be easy just to get
11 the feedback and then not do anything with it, but it means
12 a lot to us and I love that we are all in on this.

13 So, Stan, thank you for being such a wonderful
14 partner to us. You and I were friends before we got into
15 these roles and I really appreciate the fact that we can
16 continue our friendship and our partnership through this
17 work on energy.

18 And I want to also emphasize that we are doing a
19 lot to advance the IDEA Initiative, which stands for
20 Inclusion, Diversity, Equity and Access, so I-D-E-A. We
21 had to have an acronym of course for this initiative and
22 you'll be hearing a lot more about it. I will speak to it
23 during our Diversity Report at the next business meeting
24 November 16th. And there's a lot you know a lot of us
25 investing a lot of time to ensure that we're doing our best

1 to advance these principles, both internally and externally
2 through our programmatic work. So I'll leave it there.

3 Thank you so much to all of you for being such
4 great leaders and just really appreciate being here and
5 working with you on this.

6 CHAIR HOCHSCHILD: Well, thank you, Madam Public
7 Advisor, you are making a big difference as are you, Stan,
8 and all the rest of the DACAG. Let's keep at this and
9 let's make some good things happen for the state in 2021 as
10 we push ahead here.

11 Let's turn now to Item 3, Order Instituting
12 Information Proceeding: Data and Information Collection for
13 the Replacement Tire Efficiency Program.

14 MR. OLSON: Thank you, Chairman, my name is Tim
15 Olson, Senior Policy Advisor in the Fuels and
16 Transportation Division, and let's go to the next slide.

17 We are seeking your approval of this Order
18 Instituting Information Proceeding as an effort to update
19 information that could lead to tire efficiency regulations.
20 Our previous studies, and those studies conducted by other
21 countries and other organizations, indicate that the use of
22 low rolling resistance tires, replacement tires, in
23 passenger cars and light trucks will improve vehicle fuel
24 economy. And result in significant public benefits,
25 including the following things on this slide. Reduction in

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1 greenhouse gas emissions may be in the range of 1 million
2 metric tons of CO2 reduction per year. And if we if we
3 achieve that, that would place this type of topic, this
4 program in the top four or five California government
5 interventions regarding transportation greenhouse gas, the
6 reduction of those. Yeah, the greenhouse gases in that
7 sector.

8 It's also worth noting that the South Coast Air
9 Quality Management District has done some work indicating
10 that tire efficiency could also reduce ozone forming
11 tailpipe emissions.

12 The thrust of all this low rolling resistance
13 tires is there's a fuel economy benefit of the vehicle that
14 translates to lower fuel costs. And we also think that we
15 have evidence that this enhances electric vehicle
16 performance, particularly maximizing the range of the
17 vehicle.

18 It's also worth noting that original tires sold
19 in new vehicles are more efficient than normal replacement
20 tires. This slow rolling resistance replacement effort
21 would provide efficiency equivalent to the original tires.
22 And we also think that this measure is a very affordable
23 way for individuals to directly reduce greenhouse gas
24 emissions. Many of you know you've purchased tires in the
25 past, this is roughly in the range of \$400 or \$600 for four

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1 tires. You can pay up to \$2,000 for a set of four. You
2 can buy retread tires for a much lower cost, in some case
3 under \$100 for four tires. Let's go to the next slide.

4 So the Energy Commission has unique authority to
5 adopt tire efficiency regulations in two primary areas.
6 One of those is establish a tire rating system to offer
7 consumers ways to compare tire efficiency and their
8 purchase decisions. The second area is establish a minimum
9 tire efficiency standard.

10 So a little bit of history on this, we initiated
11 a tire efficiency program several years ago, completed tire
12 testing, gathered information from the tire industry,
13 evaluated tire labeling options and evaluated different
14 elements to establish a tire efficiency standard. This
15 work was paused in 2012 and California action was deferred
16 to the federal government, specifically the National
17 Transportation Safety Administration, Highway
18 Transportation Safety Administration, to create a
19 nationwide program at the same timeframe we were going
20 through this process.

21 That agency, that administration, NTSA, referred
22 to as NTSA, went through several steps in their regulation
23 process, but suspended the rulemaking in 2017. So this OII
24 provides a mechanism to update our information in a number
25 of areas to help us consider how to proceed with

1 regulations. And some of those information gathering areas
2 emphasize first, a look at what's happened in tire
3 regulations throughout the world, particularly in Europe,
4 Canada, and of course let's take a look at what's happening
5 on the national level through NTSA.

6 And some of that look will examine tire rating,
7 tire testing, tire efficiency standards, integration of
8 tire efficiency with safety factors such as tread wear and
9 wet traction. We want to take a look at evaluation of the
10 tire market trends, turnover rates, what California tire
11 sales include, what the existing adoption of low rolling
12 resistance is today, the cost of the tires. And of course,
13 things like tire recycling.

14 We also will be revisiting quantification of
15 those public benefits I mentioned earlier. And examining
16 methods to form consumer awareness programs. This also
17 implies that we need to explore collaboration and a way to
18 harmonize with the federal efforts and exchange information
19 with other countries.

20 At the state level we will also do some
21 coordination with CalRecycle, the California Air Resources
22 Board, and other state agencies. Let's go to the next
23 slide.

24 The OII will culminate in a staff report focused
25 on two objectives: creating this tire rating system and

1 establishing the minimum replacement tire standards. We
2 will also, as I mentioned earlier, look at the -- will
3 provide recommendations on consumer awareness programs.
4 And we're also going to look at options to incentivize
5 efficient tire purchase.

6 Particularly one area we'll look at is examining
7 whether the low carbon fuel standard could be an incentive
8 option. As you know that low carbon fuel standard, LCFS,
9 is a life cycle. It covers the life cycle of
10 transportation options. Tires are one of those areas in
11 the life cycle, is the energy efficiency rating of the
12 vehicle. And right now tires have not been singled out as
13 part of that EER analysis. We want to look into that and
14 see whether that that LCSF can be a monetary benefit for
15 tire purchases. So let's go to the next slide.

16 And I'd like to thank you very much for allowing
17 us to bring this forward. We're looking for your approval
18 of this Order Instituting Information Proceeding and look
19 forward to that discussion.

20 I'm also joined by our co-leader Ken Rider, our
21 lead attorney, Renee Webster Hawkins, and our project
22 manager Sabastian Serrato to answer any questions you may
23 have.

24 CHAIR HOCHSCHILD: Thank you so much, Tim.

25 Let's go to public comment on Item 3 first.

1 MS. GALLARDO: This Noemi Gallardo, Public
2 Advisor, we do not have any public comments.

3 CHAIR HOCHSCHILD: Okay. Let's turn to
4 Commissioner discussion, Commissioner Monahan?

5 COMMISSIONER MONAHAN: Well, first I want to
6 thank Tim. Tim has been a real leader in this space for a
7 long time. He had to dust off some old documents to
8 explore this topic. And he really has been helping us
9 understand on the technical side, the political side and
10 international side what's -- to ground at least the start
11 of this Order Instituting Information Proceeding.

12 So I also want to thank Ken Rider. Ken was one
13 of the keys to identifying and scoping out this this
14 opportunity. He's got a long history in efficiency and he
15 was like, let's take efficiency to transportation. And
16 this will be the first time I think ever, is that right
17 Tim, that the Fuels and Transportation Division is
18 considering doing this type of proceeding.

19 MR. OLSON: Yes, it is.

20 COMMISSIONER MONAHAN: And this is something, you
21 know, the Efficiency Division has a lot of expertise in
22 this, so they're helping out. Thanks to everybody in the
23 Efficiency Division, Mike Sokol, Christine Collopy, Corrine
24 Fishman, others. We really appreciate the fact that this
25 is a cross-agency collaboration. And the Chief Counsel's

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1 Office, as Tim said Renee has been involved in helping us
2 understand the legal lay of the land. There's a lot of
3 coordination with the Air Resources Board since this is
4 more their space than ours in terms of kind of
5 understanding the issues at play. So it's a cross-intra
6 and interagency collaboration I would say, just to explore
7 where the data is, what the tire manufacturers are telling
8 us. That there's a lot of information we need to collect
9 just to better understand what the emission reduction
10 potentials could be of replacement tires.

11 But, you know, this is a point when we've got to
12 turn over every rock. Transportation pollution has been on
13 the rise. It's our biggest source of greenhouse gas
14 emissions, about half. And as Tim said this could be low-
15 hanging fruit in terms of saving consumers money and
16 helping reduce emissions. And even just getting the right
17 information out there so consumers can make informed
18 decisions is better than where we are today.

19 So I think also want to emphasize as Tim said,
20 this could be really important for electric vehicles.
21 They're heavier than conventional vehicle, so they have
22 greater rolling resistance. So even, you know, in terms of
23 increasing range this is a way that we could do it while
24 saving money. So I think there's no downside to getting
25 data in this space, so I'm looking forward. I hope others

1 agree that this makes sense to move forward on.

2 CHAIR HOCHSCHILD: Thank you, Commissioner I
3 apologize if I missed it. Tim, or Ken, can you articulate
4 the total greenhouse gas savings we could expect over time
5 from this?

6 MR. OLSON: Well, yeah. I'll go through this.
7 This is an estimate and so we have roughly 28 million
8 passenger vehicles and light trucks in California. The
9 historic turnover on tire replacement is about 3.5 percent
10 of that market per year. And I estimated that if we take
11 this, increase the awareness and basically go through this
12 regulation process. And we achieve maybe a third of that
13 turnover per year, that would equate to a million metric
14 tons per year of greenhouse gas emission reductions. And
15 if this action increases the uptake of low rolling
16 resistance tires it could be even greater than that.

17 And if you remember in our AB 32/SB 30 scoping
18 plan we've got to get to 68 million metric tons for the
19 fair share transportation area. Frame of reference, the
20 low carbon fuel standard is roughly about 5 maybe 6 million
21 metric tons reduction. And that's the top program in
22 Transportation in terms of reduction. So this is an
23 example as Commissioner Monahan said, of turning over
24 another rock and seeing what we can get out of this. And a
25 lot of this is going to be adoption rates, what's the

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1 adoption of this, and are people aware of what are the
2 benefits of tire efficiency?

3 CHAIR HOCHSCHILD: Great, helpful.

4 Okay, let's go to Commissioner discussion, Vice
5 Chair Scott or anyone else? No comments?

6 VICE CHAIR SCOTT: No.

7 COMMISSIONER DOUGLAS: Sorry, this is
8 Commissioner, Douglas. I just wanted to say briefly, I got
9 a briefing on this from staff, which was very helpful. I
10 had the opportunity to work on this issue years ago with
11 Jim Boyd, and we took our best shot at it. And the Energy
12 Commission's had to come back to this issue a couple times,
13 because it's not easy. There are significant potential
14 gains here.

15 There's also been movement. There's been --
16 there was some movement at the federal level, although
17 that's stalled. And that's something we've got to keep a
18 close eye on with the incoming Administration in
19 particular. And then there's been movement internationally
20 and I'm hopeful that we'll learn about that there are some
21 clear opportunities and there's some potentially very good
22 data from some of that work.

23 So I fully support and endorse the idea of going
24 forward with an OII and gathering information on this
25 topic. And hopefully setting ourselves up for an

1 opportunity to put in place some very good efficiency rules
2 that will help us reduce emissions on the transportation
3 side.

4 CHAIR HOCHSCHILD: Great, thanks Commissioner.
5 Commissioner McAllister?

6 COMMISSIONER MCALLISTER: Yeah. So thanks, I'm
7 really happy to see this going forward, and thanks
8 Commissioner Monahan, for your leadership, Time, Ken and
9 the whole team there.

10 I have been -- so stakeholders have brought this
11 to me a couple of times over the years that I've been on
12 the Commission. And sort of similar to Commissioner
13 Douglas within the Efficiency Division we couldn't just
14 quite find the bandwidth to do it. I'm really glad to see
15 this across divisional collaboration, because the
16 opportunity was clear that it was there. But it was a
17 little bit of a different neither fish nor fowl from the
18 traditional way we do efficiency regs. And so I'm really
19 glad to be building or kind of exercising this new muscle a
20 little bit, because I think it'll pay off in the long term.

21 I also think that there's a tremendous benefit as
22 there is in the appliances realm for other states to
23 benefit from this. And to have some spillover effects much
24 beyond California's border. So I think that's really
25 great.

1 And then, you know, just the understanding of the
2 marketplace, and in particular the educational impact of
3 this when we actually turn around and systematize the
4 information that's available to the world on this. Because
5 if anybody -- I don't know if you've bought tires recently
6 or if you've actually tried to find out, or ask your
7 dealer, ask the person who you're buying the tires from,
8 what's the rolling resistance? They have no clue as a
9 rule, and so if you really want to actually play the role
10 of an informed consumer, it's actually quite difficult.
11 And so hopefully the impact of this can also be a sort of a
12 broad socialization education effort where people
13 understand actually what the products do and don't do and
14 differentiation in the marketplace.

15 So I think there's a lot of potential upside to
16 this. And I'm really glad to see it happening, so thanks
17 to the team.

18 CHAIR HOCHSCHILD: Okay. Thank you,
19 Commissioner.

20 Okay, Commissioner Monahan, would you be willing
21 to make the motion?

22 COMMISSIONER MONAHAN: If I can get myself off
23 mute I'm happy to do it. So I move to approve Item 3.

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

1 VICE CHAIR SCOTT: Yes, I will second.

2 CHAIR HOCHSCHILD: Okay. All in favor,
3 Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 CHAIR HOCHSCHILD: Vice Chair Scott?

6 VICE CHAIR SCOTT: Aye.

7 CHAIR HOCHSCHILD: Commissioner McAllister?

8 COMMISSIONER MCALLISTER: Aye.

9 CHAIR HOCHSCHILD: Commissioner Douglas?

10 COMMISSIONER DOUGLAS: Aye.

11 CHAIR HOCHSCHILD: And I vote aye as well. Item
12 3 passes unanimously. Thanks, everyone.

13 MR. OLSON: Thank you.

14 CHAIR HOCHSCHILD: Let's move on to Item 4, 2021
15 Integrated Energy Policy Report Scope process.

16 MR. BOHAN: Great. Good morning, Chair,
17 Commissioners. This morning staff would like to provide
18 you with an overview of the topics we've been considering
19 for the 2021 Integrated Energy Policy Report. The formal
20 scope is going to take place a little bit later this year
21 in December. This morning we just want to invite your
22 input on the main topics we're considering before we move
23 to the formal scope.

24 As you know, as we speak, we're still finalizing
25 the 2020 IEPR Update that focuses on decarbonization of one

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1 of the most important sectors, which is transportation.
2 And so my colleagues this morning are going to briefly
3 describe each of the four topics we're contemplating for
4 2021.

5 Briefly, the first is reliability. It is
6 paramount that we work with our sister agencies to do
7 everything in our power to avoid electricity interruptions.

8 Second is SB 100, our SB 100 work has revealed
9 that achieving 100 percent carbon free electricity is
10 achievable. And it's also revealed that we will need
11 substantial new electricity resources in the coming years
12 to meet our goals.

13 The third topic is building decarbonization. And
14 we want to focus on how all of our different building and
15 decarb efforts work together to reduce GHGs from the
16 building sector.

17 And finally natural gas, as California continues
18 to decarbonize its economy through electrification of end
19 uses, increased use of RNG, hydrogen and other fuels, it's
20 essential to comprehensively discuss the strategy
21 transition away from fossil natural gas.

22 And finally, as we heard earlier, we need to
23 listen to DACAG and others and be mindful of how our
24 activities impact low-income customers and disadvantaged
25 communities. And as the Commissioners pointed out, this is

1 a must have, not a nice to have.

2 I expect you'll have comments and questions, so
3 I've asked each of my colleagues to be very brief. Siva
4 Gunda will be our first presenter.

5 MR. GUNDA: Yep, thank you, Drew.

6 If I can ask the slides to be moved a couple, to
7 the next one, please?

8 Thank you Chair, Vice Chair AND Commissioners,
9 the current slide provides a summary of the three
10 contributing causes that CPUC, CAISO and CEC collectively
11 identified in the Preliminary Root Cause Analysis that was
12 published in October, as having led to the outages in
13 August. And first, the very first chart you see there, the
14 existing liability planning processes are not designed to
15 fully address an extreme heat storm like the one
16 experienced in mid-August. CPUC's audit process currently
17 plans for one-in-two demand with a 15 percent PRM or
18 Planning Reserved Margin. And we have experienced a demand
19 way past that, because of the heat storm we experienced.

20 Second is the deficiency in planning, which is
21 essentially saying that as we are transitioning to a
22 reliable clean and affordable resource mix, planning
23 targets have not kept pace to lead to sufficient resources
24 that can be relied upon to meet demand in the early evening
25 hours, not just the peak hours. As you see in the second

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1 chart there the outages actually occurred during the net
2 peak times and not the peak times. This makes balancing
3 demand and supply more challenging. These challenges were
4 further amplified because of the heat storm that we've
5 experienced. As seen in the second chart, again pointing
6 out that that really the outages actually occurred at the
7 net peak hours and not the peak hours.

8 Finally, the third chart in there just points to
9 some of the market practices and deficiencies that occurred
10 in the day ahead energy market. And this has since been
11 addressed by CAISO and they're continuing to work on, as a
12 part of the recommendations. But the first two of these
13 three causes are part of active investigation and
14 assessments for CEC moving into 2021. The data request --
15 move to the next slide, please?

16 So as part of the preliminary root cause analysis
17 we've developed a bunch of recommendations collectively.
18 And the recommendations fundamentally fell into four
19 categories, so ensuring emergency procurement to ensure
20 that we have a liability in summer 2021, if we were to
21 experience a similar heat storm again.

22 And second, improve situational awareness by
23 developing a variety of assessments that will actively
24 inform the decision makers and the planning agencies to
25 adequately consider the needs of resource adequacy.

1 Third improve communications protocol to make
2 sure that all three agencies as well as the state as a
3 whole is on alert. If we were to forecast an event like
4 the one that we experienced in August or September to occur
5 with adequate time to react to it.

6 And finally, as we found out what are the issues
7 with the market practices and continue to enhance them.

8 The CEC has an active role in the first of the
9 three bullets that are mentioned here. CEC committed to
10 developing a statewide summit assessment by April 2021,
11 providing an assessment of resource efficiency for summer
12 of 2021.

13 CPUC in its proposed OAR due to be voted on
14 November 19th, aimed to identify and execute all actions
15 within its statutory authority to ensure reliable electric
16 service in the event that an extreme heat storm occurs in
17 the summer of 2021. Noted that if the CEC develops a
18 summer assessment report before the summer of 2021 the data
19 from this report could be used to revise the resource
20 adequacy procurement requirements.

21 The summer assessment will be a springboard to
22 augment, expand, and revise analytical products aimed at
23 assessing statewide and required resource sufficiency in
24 the (indiscernible) timeframe for resource adequacy 10
25 years ahead framework for transmission planning. And the

1 25-year time horizon, which is the SB 100.

2 A critical element of the planning processes
3 moving forward into 2021 is really the harmonization of
4 these different aspects and ensuring that reliable, clean
5 and affordable electricity is available for the state.

6 With that I will pass it on to my colleague,
7 Terra, to discuss the continued work in SB 100.

8 MS. WEEKS: Great, thanks Siva. So next slide
9 please?

10 And I'll start by saying that the analysis we did
11 for this SB 100 report is just the first step in the
12 modeling process and will be fine-tuned to reflect
13 reliability considerations as well as land use planning and
14 a number of other factors.

15 But what we did get from this year's analysis is
16 directional insight into the amount and types of resources
17 that will be needed to implement SB 100. And so what we're
18 projecting is an approximate tripling of the current
19 electric grid in terms of in-state resource build out. And
20 I'll point out that this is driven by the requirement to
21 switch to clean energy resources, but also overall
22 increases in electricity demand and electrification trends,
23 including transportation.

24 So what you can see here on this slide is that
25 this will require sustained record setting build rates for

1 new generation. So on the left here are historic build
2 rates for solar, wind and battery resources. And these are
3 on average about one gigawatt for solar, 330 megawatts for
4 wind. And in the storage build that has been fairly
5 minimal historically.

6 And the single largest build out year for solar
7 is about 2.7 gigawatts. And about 1 gigawatt for wind.

8 And so now, looking ahead to our projected 2045
9 portfolio under the high electrification assumptions that
10 we're looking at needing average build rates that are equal
11 to those max levels for solar and wind every year for 25
12 years. And this annual storage build out -- and the annual
13 storage build out is projected to be somewhere around 2
14 gigawatts per year.

15 So even if these numbers change somewhat due to
16 new storage or flexible generation options that can impact
17 what a 2045 portfolio might look like we are directionally
18 still expecting an incredibly high new resource build out
19 needed over the next 25 years. So this is a major topic
20 for consideration in upcoming IEPRs. And with that, I will
21 hand things over to Bryan Early to talk about building
22 decarb.

23 MR. EARLY: Thank you, Terra. Next slide,
24 please? There we go.

25 Hi, everyone. I'm Bryan Early with Commissioner

1 McAllister's Office. I'm here to briefly discuss our plans
2 for building decarbonization and the 2021 IEPR. There are
3 many pieces of statute that govern the Energy Commission's
4 work on buildings. A central goal of the 2021 IEPR will be
5 the scope out a pathway to help ensure that these disparate
6 buildings activities are all working with building
7 decarbonization as a primary objective.

8 In this way, a 2021 IEPR will help provide a
9 unified pathway for building decarbonization while
10 satisfying the Energy Commission's buildings statutory
11 requirements. Central to this work will be continuing the
12 analysis called for by Assembly Bill 3232. AB 3232
13 required the CEC to assess the potential of achieving a 40
14 percent reduction in GHG emissions and buildings by 2030.
15 The Energy Commission intends to publish a draft of this
16 report next month, and to follow up with a final report
17 early next year.

18 To satisfy AB 3232 Energy Commission staff
19 conducted a cost assessment of building decarbonization
20 strategies that took into account both supply and demand.
21 These strategies included fuel substitution or replacing
22 gas appliances with highly efficient electric appliances
23 like heat pumps, space and water heaters, and induction
24 cooktops.

25 This was the strategy found to have the most

1 decarb potential at achievable costs: building and
2 appliance energy efficiency, rooftop solar, load management
3 or electric load flexibility strategies, a decarbonization
4 trajectory of the electricity system, and the potential for
5 the decarbonization of the gas system. IEPR 2021 will
6 continue to refine this analysis.

7 Additionally, IEPR 2021 will revisit Senate Bill
8 350's requirement that the Energy Commission periodically
9 update targets to achieve a statewide doubling of energy
10 efficiency by 2030. We'll be focusing on the extent to
11 which the trajectory to achieve the goal -- which when we
12 last conducted analysis in 2019 it was looking difficult --
13 could be changed for the better by taking into account the
14 efficiencies achieved by the fuel substitution called for
15 by AB 3232.

16 Additionally, we will continue our action
17 planning on how to achieve deep investments in existing
18 buildings, as called for by Assembly Bill 758 since
19 building decarbonization is primarily an existing building
20 problem.

21 For new buildings, the 2021 IEPR will help
22 summarize the Energy Commission's addition to decarbonize
23 new construction via the 2022, 2025 and subsequent new
24 building code cycles.

25 Lastly, we will be continuing our focus in the

1 2021 IEPR on electric load flexibility in buildings, both
2 as a building decarbonization strategy, but also primarily
3 as a grid reliability, and cost containment strategy.

4 Now let's turn it over to Courtney Smith to
5 discuss the gas system.

6 MS. SMITH: Thanks, Bryan.

7 Another critical topic we propose be tackled as
8 part of the 2021 IEPR is an exploration of the future of
9 the natural gas system in California. California's
10 ambitious clean energy and climate global goals are
11 dramatically remaking our energy system here in California
12 and our natural gas system is no exception.

13 In short, meeting the state's ambitious mid-
14 century carbon neutrality goals cannot be done if we
15 continue to use fossil natural gas into the future as we
16 are today. As the state transitions away from fossil
17 fuels, it's critical that we do so in a thoughtful
18 strategic way. In a way that doesn't compromise
19 reliability, that protects customers from avoidable cost
20 increases, and that does not lead to the unfair burdening
21 on some customers of the financial liability of the entire
22 natural gas system.

23 We also have to ensure pipeline and system safety
24 for workers and communities, especially in light of recent
25 disasters that have occurred, including the 2011 San Bruno

1 Pipeline explosion and the 2017 Aliso Canyon leak.

2 Recognizing the need for long-term natural gas
3 system planning, the CPUC opened a proceeding at the
4 beginning of this year to examine many of these issues and
5 has recognized the need to coordinate their work with us.
6 So to best position the CEC to collaborate with the CPUC,
7 and to establish an evidentiary record to inform future CEC
8 policy and programmatic decisions, we propose conducting a
9 comprehensive assessment of the natural gas system as part
10 of the 2021 IEPR.

11 This assessment will look at anticipated natural
12 gas use in California, issues surrounding natural gas
13 infrastructure, including how and where we appropriately
14 downsize the distribution system, natural gas design
15 standards to inform possible updates to protect safety and
16 reliability. And it will look at the impacts this
17 transition may have on gas prices and rates.

18 Through the CEC's robust public engagement
19 process, we're confident we'll be able to help lead the
20 state's efforts to transition away from fossil fuels in a
21 way that's strategic and doesn't leave anyone behind. I'd
22 like to now turn it over to Heather Raitt.

23 MS. RAITT: Thank you, Courtney.

24 And good morning Commissioners, I'm Heather
25 Raitt, the Program Manager for the IEPR. I'll just close

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1 by giving some more information about the schedule building
2 (indiscernible) as already mentioned.

3 We will be posting a draft scoping order for the
4 2021 IEPR before the end of this calendar year. The public
5 will have an opportunity to comment on it. Under the
6 direction of the Lead Commissioner, we will carefully
7 consider public comments received before releasing a final
8 scoping order in early 2021.

9 I also wanted to mention that the schedule for
10 the 2020 and 2021 IEPRs are overlapping. The draft 2020
11 IEPR update, which is being led by Commissioner Monahan
12 also will be posted for public review next month in
13 December. We will then develop the final report and
14 consideration of public comments with possible adoption
15 plans for March.

16 The schedule for the 2020 IEPR update is a little
17 delayed, largely because we had to pivot to virtual
18 workshops due to COVID-19. But as you can see on the
19 slide, we were able to make the workshops engaging and we
20 will likely continue to hold virtual workshops again next
21 year.

22 I hope that clarifies the next steps. And with
23 that I'll turn it over, back to Drew. Thanks.

24 MR. BOHAN: Thank you, Heather, and thanks
25 Courtney, Bryan, Terra and Siva.

1 With that Commissioners, we invite you to share
2 any thoughts you may have or ask questions of the team.

3 CHAIR HOCHSCHILD: Thank you, Drew. And let me
4 just thank Heather and Courtney and Bryan, Terra, Siva,
5 incredible work and just so fortunate to have all the
6 talent that we do on staff to lead us through this.

7 So just to reiterate, I've asked Commission
8 McAllister to be Lead on the 2021 IEPR. I will be
9 Associate Commissioner, and I want to just give a special
10 appreciation to Commissioner McAllister, because as I
11 reflect back I've been now on the Energy Commission coming
12 up on eight years in March. And every year I kind of look
13 at the portfolio of each of the Commissioners and the
14 workload. And you know, I usually look at it and say, "Oh,
15 this is a big year for Commission McAllister." And it's
16 sort of been that way every single year.

17 And this trend continues, because in addition to
18 be willing to take on the IEPR for next year, Commission
19 McAllister has been a fantastic help to me on SB 100 and on
20 all our reliability challenges. As well as getting the
21 build program up and running and supporting the Vice Chair
22 in getting 841 up and going. And so I don't know how you
23 do it, Andrew, but I just wanted to recognize the
24 incredible work and thank you for taking on the IEPR,
25 again.

1 COMMISSIONER MCALLISTER: Absolutely. Should I
2 comment, is this my cue?

3 CHAIR HOCHSCHILD: Yeah, go ahead.

4 COMMISSIONER MCALLISTER: Well, thanks Chair and
5 I mean yeah, totally it does -- I guess maybe that's I'm
6 feeling a little bit overworked. Maybe, just a little bit.

7 But one of the great things about this job is
8 that for those of us, you know, who have been so inclined -
9 - and I've been an energy person since I took
10 thermodynamics in college and just found that as my calling
11 really -- and I know all my colleagues have some similar
12 analogous story. But the ability to be at the Energy
13 Commission doing this work is just an incredible gift.

14 And we have incredible stakeholders, we have a
15 big state, and incredible this huge diversity. And lots of
16 needs obviously, lots complexity. But that's where a rich
17 environment, you know, a rich complicated petri dish is
18 where life originates, right? So I think that's the beauty
19 of working in California at this moment. And it has been
20 over the last four years, particularly so. I think we've
21 particularly kind of been singled out as a key place where
22 innovation was critically needed, more so than ever.

23 Certainly, looking forward to having sort of
24 broader partnerships in a thicker deeper network, you know,
25 both within the state and particularly beyond the state's

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1 borders. But yeah, thanks for trusting me with this IEPR.
2 This will be my third IEPR. And this one in particular, I
3 think the timing is quite is good. And I just wanted to
4 make a couple of comments here.

5 First of all, I wanted to thank the staffs,
6 Heather and her team of course, but all of the staffs that
7 have informed the presentations that you just saw, the
8 modules there that you just saw. But in particular the
9 Assessments Division staff and the Efficiency Division
10 staff. I think probably this IEPR will be a particularly
11 heavy lift for EAD. And I just want to acknowledge all the
12 work that they've been doing to prepare for this on the
13 forecast, on getting our data ducks in a row, the modeling
14 supporting SB 100, the natural gas work, which we've made a
15 ton of progress kind of becoming subject matter experts in
16 areas across the board in gas, electricity, planning,
17 modeling.

18 That really those sharpened skills are going to
19 come or are going to be critical for the IEPR this coming
20 year. And so I'm excited to be leading it. It really is -
21 - there's an incredible urgency and the various efforts
22 that you just heard about are foundational to putting
23 California on a firm decarbonization track. You know, the
24 system level, the fuels and how we integrate the discussion
25 across fuels instead of in silos. That really with fuels

1 substitution there's a lot of nuance to that appreciation.
2 We're building the tools to actually quantify how that
3 needs to move forward in terms of the interplay between
4 fuels.

5 And so I think there's a -- and then the
6 buildings, obviously we have the system level, you know, on
7 the planning with ISO and the PUC procurement and
8 transmission and reliability, which is incredibly
9 foundational. Reliability is job one, all the way down to
10 the buildings, individual buildings, devices within those
11 buildings and the protocols that link the top to the
12 bottom. And so that's how we're going to manage the grid
13 for decarbonization and reliability. And so I think those
14 themes will be stitched together through the process of
15 this either in a way that will really last. I think it'll
16 provide a great basis for the coming decades as we move
17 towards 2030, 2045. So very looking forward to that.

18 I do want to make a point about natural gas. I
19 want to sort of exhort us to extirpate the word "natural."
20 You know, there are different flavors of gas and we need to
21 be more precise. And so as sort of a best practice, I
22 think there's fossil gas, there's renewable gas, there's
23 synthetic gas, there's hydrogen gas, lots of different
24 flavors of gas. Whether or not they're natural, I think
25 increasingly a material and "natural" is kind of just an

1 imprecise word. So I want to kind of start thinking about
2 our terminology that we use, so we can be more precise.
3 And really understand the complexity that is emerging in
4 this arena.

5 So, yeah, I think the last thing I wanted to say
6 is just this is, I think, also a reflection of the fact
7 that the joint agency work is more critical than ever. So
8 it's certainly top of mind and functionally in place at the
9 100 for example. But and in the forecast, where we produce
10 the forecast and that the PUC and the ISO are consumers of
11 that forecast. But the iteration between agencies is ever
12 more fast.

13 You know, it's quicker every day and the
14 reliability discussions really forcing those together with
15 the ISO, the PUC, and the ARB to really keep in touch. And
16 so we're building tools that are going to enable that,
17 communications that are going to really I think
18 functionally enhance our relationship over time as well.

19 And the timing here is opportune, because with
20 the RA discussion certainly the three energy agencies
21 involved with that, the natural gas rulemaking at the PUC,
22 we'll be able to build on as Courtney said our discussion
23 in the IEPR for next year. And then beyond that the
24 scoping plan at ARB, so the timing, the sequential nature
25 of it is really important. So this work next year in April

1 will be foundational.

2 So anyway, I wanted to just highlight a few of
3 those aspects of the IEPR. And why the themes that you
4 just heard about are actually there, because they are
5 really critical and they're time critical as well for
6 moving forward in the broad decarbonization discussion in
7 the state.

8 So thanks for entrusting me with that and I look
9 forward to working with you all on it. So, and working
10 with you, Chair.

11 CHAIR HOCHSCHILD: Thank you, Commissioner.

12 Comments from other Commissioners, Vice Chair
13 Scott? Or yeah, Vice Chair?

14 VICE CHAIR SCOTT: I do. I do have some
15 comments. I want to say again, thank you to Commissioner
16 McAllister for his strong lead coming up on this next IEPR.
17 It's a lot of critical topics, which as we all know are
18 just important for the state. And thinking about how to
19 accelerate the progress that we're making, so that we're
20 able to stay under the 1.5 degrees warming. So that we're
21 transitioning in a really smooth and smart way, is just
22 incredibly important.

23 And I appreciate the presentation from the whole
24 team, the thought and care that's gone into scoping out
25 this upcoming IEPR. There's just so many critical pieces

1 that we need to think through and talk about right now.
2 And so including the critical items for reliability and
3 resource adequacy. And I think it's just a really -- we
4 need to take a thoughtful look at our overall energy
5 systems to truly understand the actions that we need to
6 take to make sure this transition to a decarbonized world
7 goes smartly and smoothly.

8 And one of the things that I think that is the
9 power of the IEPR is the ability to bring together deep
10 knowledge and expertise across the realms that we'd like to
11 talk about. And also to have decision makers from across
12 the state, and even we've often had federal folks sitting
13 with us on the dais as well to really listen and hear this
14 level of information. I mean, it's like PhD level
15 information sometimes I think that we have at these
16 workshops to really get everything on the table that we
17 need in order to think through how to make a smooth, smart,
18 fast transition.

19 So I appreciate the care that's gone into shaping
20 the scope. And Commissioner McAllister, again, thanks for
21 your upcoming lead on that. Anyway, I just wanted to weigh
22 in briefly there.

23 CHAIR HOCHSCHILD: Thank you, Vice Chair Scott.
24 Any other comments, Commission Douglas?

25 COMMISSIONER DOUGLAS: You know, I just wanted to

1 say that I appreciate the presentation. I think it was
2 really great to just hear the thinking on some of these
3 different topics. And I certainly think that these are the
4 right topics for the Energy Commission to cover in 2021.
5 I'm really glad to see it and I look forward to working
6 with Commission McAllister, and the Chair, and really all
7 of my colleagues as this process moves forward. So thank
8 you.

9 CHAIR HOCHSCHILD: Thank you.

10 Any comments, Commissioner Monahan?

11 COMMISSIONER MONAHAN: Well, I was thinking that
12 maybe Commissioner McAllister can also take over my
13 transportation electrification portfolio, because I just
14 think he doesn't have enough to do so. So yes, kudos to
15 Commissioner McAllister for taking this on, and for his
16 leadership broadly, and for the whole team. I agree these
17 are the right set of issues.

18 I was really glad to hear Commissioner McAllister
19 talk about the distinction of all the gases. I think it
20 really is -- and I'm assuming that means that we're going
21 to be looking more broadly at all the gas. Is that right,
22 Commissioner McAllister?

23 COMMISSIONER MCALLISTER: Yeah. I'm definitely
24 going to be starting the various -- you know there are
25 different phases. So it's not all like lock step, but yeah

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1 absolutely. We've got to start making those distinctions.

2 COMMISSIONER MONAHAN: Yeah, I mean think we have
3 a shared interest in learning more about what is the role
4 of hydrogen in our grid. And more broadly for urbanization
5 beyond transportation, so I'm glad that at least we'll be
6 starting to scratch the surface of that topic in this IEPR.

7 And I want to say, working with Heather and her
8 team has been fabulous. That they really are tracking all
9 this and making sure that we are, as much as possible,
10 meeting our deadlines. It can be hard in the year of COVID
11 to do that.

12 And I think we're finding that the remote -- at
13 least in this last IEPR, (indiscernible) using new kind
14 works. In some ways it works a lot better, so that people
15 don't have to fly everywhere. We can reduce carbon
16 emissions and be in our own homes with our dogs barking in
17 the background. For good or for bad there's some benefits
18 to being able to branch out to a broader set of
19 stakeholders, when we are remote.

20 So I'm looking forward to the upcoming year and
21 to all of the workshops.

22 CHAIR HOCHSCHILD: Thank you so much,
23 Commissioner, and thanks to all the staff.

24 I believe, Linda Spiegel had a comment. Is that
25 right, Noemi?

1 MS. GALLARDO: Yes, she has her hand raised. So
2 let me open up her line real quick.

3 Linda, your line is open. Please feel free to
4 speak.

5 MS. SPIEGEL: I'm sorry, that was an error.

6 MS. GALLARDO: Okay, thanks Linda.

7 CHAIR HOCHSCHILD: Well, Linda. We're always
8 eager to hear from you whenever you have anything to say
9 so.

10 Okay, this is a non-voting item, so we're not
11 otherwise taking comments I believe. So unless there's a
12 further Commissioner discussion let's move on to Item 5,
13 West Coast Code Consultants, Incorporated. Chris Davis?

14 MR. DAVIS: I'm the Compliance Office Manager for
15 Siting, Transmission and Environmental Protection Division.
16 I'm here this morning to request approval of an agreement
17 with West Coast Code Consultants, Inc. or WC3 are on-call
18 (indiscernible) professional services.

19 Back in June the Commission released the
20 (indiscernible) -- (audio cuts out.)

21 CHAIR HOCHSCHILD: I'm sorry, Chris. We're
22 losing you, can you still hear us?

23 MR. DAVIS: I can hear you, am I losing my audio?

24 CHAIR HOCHSCHILD: You're fading in and out there
25 and now you're on mute it looks like.

1 MR. DAVIS: There was just that it --

2 COMMISSIONER MONAHAN: Sometimes it helps, Chris,

3 if you turn off everything that you're using on your

4 computer that might be taking bandwidth.

5 MR. DAVIS: Okay.

6 CHAIR HOCHSCHILD: Maybe go, Chris if you maybe

7 just go turn off your video and just go all audio that

8 might help a little bit too.

9 MR. DAVIS: (Indiscernible) at my house for some

10 reason. Is that better?

11 CHAIR HOCHSCHILD: It's a little better. Yeah.

12 MR. DAVIS: Okay, let's see, next slide please?

13 (Audio continues to cut in and out.)

14 MS. GALLARDO: Hey, Chris? We're losing you, are

15 you on mute?

16 (Colloquy re: audio issues.)

17 CHAIR HOCHSCHILD: I'm going to make a

18 suggestion, which is maybe, Chris, you call in to do it by

19 phone without video. And in the meantime we go on to Item

20 6 and come back to this one?

21 Noemi, does that make sense to you?

22 MS. GALLARDO: Yes, that works. And we can have

23 Patty and Stan reach out to Christ to help set him up.

24 CHAIR HOCHSCHILD: Yeah, let's do that. Chris,

25 just stand by and we'll come back to you after we do Item

1 6. So let's move on to Item 6, City of Oakdale. Is Monica
2 Rudman ready to present?

3 MS. RUDMAN: Good morning, Hochschild and
4 Commissioners. My name is Monica Rudman and I am with the
5 Renewable Energy Division and I'm here to present an
6 agreement with the City of Oakdale for a \$3 million ECCA
7 loan.

8 The ECCA program is a long-standing successful
9 program established in 1979 and provides energy efficiency
10 upgrade loans to public entities like the City of Oakdale.
11 Next slide, please.

12 Benefits to California of ECCA loans may include
13 improved health outcomes, especially for communities like
14 Oakdale that are considered low-income disadvantaged
15 communities. The project will also create construction
16 jobs and economic benefits. This slide reflects Oakdale as
17 a pollution burdened area according to CalEnviroScreen 3.0.
18 Next slide, please.

19 The City of Oakdale is proposing to finance this
20 energy project using a \$3 million ECCA 1 percent simple
21 interest loan. Staff reviewed the supporting documentation
22 and concur that the project is technically sound. The
23 project involves adding solar voltaic systems to four
24 sites. These are 115.2 kW AC carport system installed on
25 an existing parking lot cover structures at the City Hall.

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1 A 36 kW AC roof mounted system at the community center. A
2 27 kW AC roof data system at the senior center. And a 625
3 kW AC ground mounted system on an abandoned and unused
4 retention basin at a wastewater treatment facility. Next
5 slide, please.

6 The project is estimated to generate 1,644,860
7 kilowatt hours of electricity, resulting in projected
8 annual cost savings of \$180,772. This reduction in energy
9 bills will benefit the City of Oakdale. The simple
10 repayment terms on the \$3 million loan is 16.6 years, well
11 within the 20-year ECCA requirement. It's actually 17
12 years for the ECCA regular, ECCA-Ed would be 20 years.

13 Legal staff found this project exempt from the
14 Environmental Quality Act. And Energy Commission staff
15 recommend approval of this loan. Thank you for your
16 consideration. And if you have any questions, I'd be happy
17 to answer them.

18 CHAIR HOCHSCHILD: Thank you.

19 Let's see if there's any public comments on Item
20 6, before we go to Commissioner discussion.

21 MS. GALLARDO: This is Noemi Gallardo, the Public
22 Advisor, there is no public comment.

23 CHAIR HOCHSCHILD: Okay. You said this is an
24 ECCA, correct?

25 MS. RUDMAN: Yeah, ECCA regular loan.

1 CHAIR HOCHSCHILD: Well, let's go to Commissioner
2 McAllister.

3 COMMISSIONER MCALLISTER:

4 Sure. Thank you, Monica, I appreciate that. And
5 I don't have any particular comments about this, but I
6 think your description of ECCA is an apt one. We all know
7 it's very successful. And I think, you know, just by way
8 of general comment about ECCA I think that this model and
9 both our grant programs and our loan programs are going to
10 really need to be amped up if we're going to do all the
11 things we talked about earlier with the DACAG. And get to
12 the billions of dollars into our existing building stock
13 and across all building sectors, and so I think it's a
14 model that that is replicable and scalable.

15 So it's really great to have it announced here,
16 but I honestly support this project.

17 CHAIR HOCHSCHILD: Any other Commissioner
18 comments before we vote for the item?

19 (No audible response.)

20 CHAIR HOCHSCHILD: Okay, hearing none, Commission
21 McAllister, would you be willing to make the motion?

22 COMMISSIONER MCALLISTER: Yes, I will move this
23 item.

24 CHAIR HOCHSCHILD: Commission Douglas, would you
25 be willing to second?

1 COMMISSIONER DOUGLAS: Yes, second.

2 CHAIR HOCHSCHILD: Okay. All in favor say aye.

3 Commissioner McAllister?

4 COMMISSIONER MCALLISTER: Aye.

5 CHAIR HOCHSCHILD: Commissioner Douglas?

6 COMMISSIONER DOUGLAS: Aye.

7 CHAIR HOCHSCHILD: Vice Chair Scott?

8 VICE CHAIR SCOTT: Aye.

9 CHAIR HOCHSCHILD: Commissioner Monahan?

10 COMMISSIONER MONAHAN: Aye.

11 CHAIR HOCHSCHILD: And I vote aye as well, so
12 that it passes unanimously. Let's return to Item 5 and see

13 Chris Davis is ready to present to us by telephone

14 Chris, are you there?

15 (No audible response.)

16 CHAIR HOCHSCHILD: Drew had texted me that he's
17 available to present the item if Chris is not. Drew, would
18 you like to take this one?

19 MR. BOHAN: Yeah, happy to do so why don't we go
20 to the next slide. And I think Chris talked about this.

21 Let's go to the next one.

22 So this was a competitive process where we select
23 DCBO and their job is to make sure that the power plants
24 that we license are certified properly. So the list, you
25 see before you are the things that the power plants are

1 required to comply with. So obviously all the conditions
2 of certification imposed by you, when you vote all LORS as
3 we call them, Laws Ordinances Regs and Standards. And of
4 course other applicable law, including the Warren-Alquist
5 Act. Next slide.

6 The DCBO that we will be hiring, WC3, supports
7 all 79 facilities in the state. And there are work
8 authorizations that we utilize to have them do particular
9 work in any one of those when the need arises. And as you
10 see here, there are a number of particular ones that have
11 that are listed here. But it varies year to year. Next
12 slide.

13 And with that, we just ask that you approve this
14 contract. Thank you.

15 CHAIR HOCHSCHILD: Can I just ask a question?
16 You know, when we contract out something like this what is
17 -- and if Sean is online maybe he'd to speak to this, or
18 Commissioner Douglas, just in terms of what we believe we
19 can do effectively in-house versus contracting out? Just
20 the thinking on the skill sets there.

21 COMMISSIONER DOUGLAS: You know, if Sean's on he
22 can take this, but I can speak to it as well. So Sean turn
23 on your video if you want to speak to this.

24 I think, you know, one of the benefits of the
25 DCBO contract is that we can very quickly act on amendments

1 or emergency compliance issues such as when some facilities
2 were affected by fires, for example. And we need to get
3 somebody out there quickly or we need to do code
4 compliance. You know, a lot of these jurisdictional power
5 plants are all over the state. And so the DCBO is somebody
6 who will most likely be on site and will sometimes make
7 multiple site visits or personally supervise aspects of
8 construction, for example, or demolition or whatever the
9 case may be on site.

10 So I think there's a lot of efficiency in having
11 a contract, so that we can have quick access to resources
12 to do that. But I will ask Chris, I see he's back on if he
13 wants to address that question.

14 Chris, did you hear the question?

15 MR. DAVIS: Yeah, DCBOs provide services that we
16 don't have at the Commission like reviewing the plans for
17 power plants. And those include all kinds of things like
18 for earthquake safety, so that they have engineers that
19 review the plans. And they also have inspectors that are
20 out there and make sure that each step of the construction
21 is done according to the California Building Code.

22 And so those are very specific skill sets that
23 the Commission doesn't have. And it's one of those kinds
24 of things where there's a need and then there's not. And
25 so it's hard to keep a group of people on staff with all

1 those skill sets that we need to conduct this function.

2 CHAIR HOCHSCHILD: Great, thank you.

3 MR. DAVIS: Does that answer your question?

4 CHAIR HOCHSCHILD: Yeah, that's very helpful and
5 makes perfect sense to me.

6 So let's go to public comment on Item 5. Madam
7 Public Advisor do we have anyone wishing to make public
8 comment on this item.

9 MS. GALLARDO: Yes, this is Noemi, the Public
10 Advisor. We have one person on the line for comment. That
11 is Chris Kimball, Vice President of West Coast Code
12 Consultants.

13 MR. KIMBALL: Yeah, hi. Can you hear me?

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

15 MS. GALLARDO: Yes, we can.

16 MR. KIMBALL: All right, good. Thank you. Thank
17 you, I appreciate this opportunity is to speak, but I just
18 wanted to say we had a previous contract (indiscernible)
19 on-call DCBO work for the CEC. And we really, really
20 enjoyed it. We've worked with the CEC as the DCBO on a lot
21 of projects throughout the past decade or so, and really,
22 really enjoyed the energy work.

23 And just to let you know a little bit about it.
24 We do have -- we have offices in Northern California and
25 Southern California. And have qualified inspection staff

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1 that have experience on energy projects. So that we can
2 quickly go to a lot of these sites that occur throughout
3 the state.

4 And as Chris Davis was saying, it is it is hard
5 to have all of the required qualifications to review these
6 grants. To make sure not only are they meeting the
7 Conditions of Certification, but also all the laws
8 ordinances regulations and standards. And then the same
9 thing with inspection staff. And so it's very hard to do
10 that.

11 When we do it we, if there's a plan review that
12 we have to do to issue permitted documents before
13 inspections occur, we break it up by discipline. Where
14 you'll have a licensed structural engineer Look at the
15 seismic items like Chris mentioned. You'll have a licensed
16 electrical engineer looking at their specific scope,
17 mechanical engineer, or a certified accessibility
18 specialists and things that look at their specific scope.

19 And it really does vary what the needs are. It's
20 like Chris said, in the previous three-year contract there
21 wasn't a lot that we did the first year-and-a-half. And
22 like this last year that there's actually been quite a lot
23 of work that's been occurring on these on-call projects.
24 And you just never know when they're able to do it and you
25 have to be able to just go at a moment's notice to assist.

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1 And because we have offices and people located assisting a
2 lot of jurisdiction throughout California, we're able to go
3 and hit these spots as needed.

4 But we love working for the Energy Commission,
5 and we really look forward to continuing to do so.

6 CHAIR HOCHSCHILD: Well, thank you.

7 Unless there's any other public comments, let's
8 move on to Commissioner discussion, Commissioner Douglas?

9 COMMISSIONER DOUGLAS: I just want to say I
10 definitely support this item. It's a very important part
11 of allowing us and enabling us to fulfill our obligations
12 efficiently and quickly. And so I recommend it for
13 everyone's support here.

14 CHAIR HOCHSCHILD: Okay, any other Commissioners
15 wishing to make comments on this item?

16 All right, hearing none, Commissioner Douglas,
17 would you like to make the motion?

18 COMMISSIONER DOUGLAS: Yes, I move approval of
19 this item.

20 CHAIR HOCHSCHILD: Okay, Vice Chair Scott, would
21 you be willing to second?

22 VICE CHAIR SCOTT: Yes. I second.

23 CHAIR HOCHSCHILD: Okay, all in favor,
24 Commissioner Douglas?

25 COMMISSIONER DOUGLAS: Aye.

1 CHAIR HOCHSCHILD: Vice Chair Scott?

2 VICE CHAIR SCOTT: Aye.

3 CHAIR HOCHSCHILD: Commissioner McAllister?

4 COMMISSIONER MCALLISTER: Aye.

5 CHAIR HOCHSCHILD: Commissioner Monahan?

6 COMMISSIONER MONAHAN: Aye.

7 CHAIR HOCHSCHILD: And I vote aye as well. That
8 item passes unanimously thanks to all the staff.

9 Let's move on now to Item 7, Frito-Lay,
10 Incorporated.

11 MR. UY: All right. Greetings, Chair, Vice Chair
12 and Commissioners. My name is Kevin Uy and I'm with the
13 Energy Research and Development Division. Staff is
14 providing a presentation on the Food Production Investment
15 Program, followed by a recommendation to approve one award.
16 This presentation summarizes the results of the Food
17 Production Investment Program over the past two years.
18 Next slide, please.

19 The Food Production Investment Program or FPIP
20 funds drop-in and emerging technologies at food production
21 facilities in California. FPIP is part of California
22 Climate Investments, a statewide initiative that puts
23 billions of Cap and Trade dollars to work reducing
24 greenhouse gas emissions, strengthening the economy, and
25 improving public health and the environment, particularly

1 in disadvantaged communities. Next slide, please.

2 California is the largest food producer in the US
3 with over 5,700 facilities. Food production is a key
4 economic sector in California and contributes \$82 billion
5 annually to the economy, provides 198,000 direct jobs and
6 562,000 indirect jobs.

7 Food production is also a large contributor of
8 greenhouse gas emissions, with about 3.2 million metric
9 tons of CO2 equivalent emissions per year. Next slide,
10 please.

11 Scoping of the FPIP program was done in
12 collaboration with key stakeholders. Before the program
13 started a working group was created, which included public
14 agencies, utilities, researchers, trade organizations and
15 most importantly food producers. On this slide, you'll see
16 the list of organizations represented in the working group.

17 In addition to public workshops, several working
18 group meetings were held to get feedback on the program as
19 it was formed. The result was a program, which was easy to
20 apply to, conforms to the seasonal schedules of food
21 producers, and provided funding for what they needed most,
22 implementing modern technologies. In essence, FPIP was
23 designed by food producers for food producers. Next slide,
24 please.

25 This slide shows a map of FPIP project locations

1 including Tier I and Tier II projects. Tier I provides
2 funding for drop-in technologies such as boilers,
3 compressors and refrigeration systems while Tier II
4 provides funding for emerging technologies such as micro
5 grids, solar thermal, and electrification technologies. 87
6 percent of FPIP projects are located in and benefiting
7 disadvantaged and or low-income communities. Next slide,
8 please.

9 FPIP funding has gone to a variety of facilities
10 including animal feed and ethanol, beverage breweries and
11 wineries, dairy processing, prepared food, meat and
12 rendering and fruits, vegetables and nuts. The number of
13 awards each type of facility are provided on this slide.
14 Next slide, please.

15 This slide shows FPIP by the numbers. FPIP is
16 allocated \$111 million across for 4 funding opportunities
17 to 45 projects, resulting in about 152,000 metric tons of
18 CO2 equivalent annual emission reductions. That's
19 equivalent to removing 33,000 passenger vehicles from the
20 road. Next slide, please.

21 As previously mentioned FPIP is part of
22 California Climate Investments. Updates on FPIP and other
23 CCI programs can be found in the CCI Annual Report to the
24 Legislature. The 2020 report was published in April. On
25 the left, you'll see the title page. In the middle is the

75

1 FPIP summary page. And on the right is a profile write-up
2 for one of our projects at the SUN-MAID raisins facility in
3 Kingsburg. Next slide, please.

4 I will now present the recommended award. Next
5 slide, please.

6 So first, why are micro grid systems beneficial
7 to food production facilities and to California? First,
8 planned and unplanned outages result in significant
9 financial and product losses for California food producers.
10 When they occur it is common for facilities to lose one or
11 more days of production.

12 Second, solar micro grid systems provide not only
13 operational security, but a renewable alternative to diesel
14 backup generators.

15 Finally, battery energy storage systems provide
16 cost savings and resiliency to the customer, while also
17 providing support to the grid through strategic dark
18 charging and discharging. Next slide, please.

19 The proposed project would fund design,
20 installation and operation of a micro grid system at Frito-
21 Lay's snack food manufacturing facility in Rancho
22 Cucamonga. The system will consist of rooftop and carport
23 mounted solar PV panels and a micro grid controller both
24 provided by SunPower. And a battery energy storage system
25 provided by Tesla.

1 The micro grid will be capable of operating an
2 island in mode to provide power to critical loads for up to
3 six hours. The system will produce approximately 35
4 megawatt hours of renewable electricity, and reduce
5 facility greenhouse gas emissions by 850 metric tons of COs
6 annually.

7 Finally, I'd like to note that although this is
8 the final FPIP from the previously released solicitations,
9 staff does plan to release a new FPIP solicitation later
10 this month using funds from previously cancelled projects.
11 That solicitation will be in the amount of \$7 million and
12 will fund Tier I drop-in technologies only. Next slide,
13 please.

14 Staff recommends approval of this award, as well
15 as staff determination that this action is exempt from
16 CEQA. I am available to answer any questions you may have.
17 In addition, Frito-Lay has prepared a written response that
18 they would like read into record. Thank you.

19 CHAIR HOCHSCHILD: Thank you so much.

20 All right, let's go to public comment, Noemi?

21 MS. GALLARDO: Yes, we have one comment from
22 Frito-Lay, which I will read now.

23 "Frito-Lay, a division of PepsiCo, is dedicated
24 to sustainable business practices. As a global food and
25 beverage leader we have a responsibility to help build a

1 resilient and sustainable food system, including driving
2 the systemic change needed to address the challenges we are
3 all facing.

4 "From the way we source our crops to the energy
5 we use in creating and distributing our products, we are
6 taking action throughout our global value chain to drive
7 down emissions. This includes spurring the use of
8 renewable electricity like wind and solar, both in the US
9 and around the world.

10 "The proposed micro grid and battery storage
11 project at the Frito-Lay plant in Rancho Cucamonga,
12 California is part of our sustainability journey. The
13 project will leverage roof mounted and carport mounted
14 photovoltaic panels to offset approximately 15 percent of
15 the plant's current electric grid purchased electricity
16 consumption of 25,433 megawatts per hour a year with a
17 sustainable and renewable alternative. Installation of
18 this technology will reduce the facilities greenhouse gas
19 emissions by 868 metric tons or the equivalent of 188
20 passenger vehicles driven for one year.

21 "In addition, this project will include a battery
22 energy storage system that enables optimal demand
23 management capability to reduce plant load during on-peak
24 hours, while also providing an operational resiliency
25 during times of power disruption. This is an incredibly

1 valuable tool, which will allow critical plant distribution
2 operations to run through unplanned power outages thereby
3 minimizing the impact on our customers.

4 "This project is another meaningful stride in
5 PepsiCo's ongoing commitment to source 100 percent
6 renewable electricity for company owned and controlled
7 operations by 2030. And across all operations, including
8 franchised and third-party operations by 2040."

9 That concludes the comment.

10 CHAIR HOCHSCHILD: Thank you, Noemi.

11 Let's move on to Commissioner discussion, Vice
12 Chair Scott?

13 VICE CHAIR SCOTT: Yes. Well, this really is an
14 exciting project. I want to say thank you to PepsiCo and
15 Frito-Lay for sending in a statement for us to hear about
16 how excited they are also about carrying out this project.
17 And a big thanks to Kevin and the rest of the FPIP team. I
18 really appreciate the FPIP refresher for us, because it has
19 been a little while since we've done a few of those
20 projects.

21 This project, to me, is a really exciting
22 project. You heard all of the details about it, but just
23 two things that I would really like to highlight for you.
24 One is that we will in learn how to install this kind of
25 project in a facility that basically works 24/7. They're

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1 only off maybe one or two days out of an entire year. So
2 how you get upgraded technology, and more efficient
3 technology, into an operation that's running 24/7 will be a
4 really interesting piece of data that we can bring out of
5 this. And talk to other folks who also have these kind of
6 types of 24/7 365 types operations, you can be able to
7 upgrade efficiently and effectively.

8 And I also think, and you heard a little bit
9 about this both from Kevin and in the PepsiCo comments, the
10 ability to take this and replicate it across the industry
11 is huge. And so like so many of these projects, I'm
12 already waiting to see what it looks like when it's
13 finished. And then be able to take the good word onto the
14 road, so that others are able to incorporate these
15 technologies and save energy, which of course then saves
16 greenhouse gases. And oftentimes, saves water in these
17 projects as well.

18 So with that, if there are no other questions or
19 comments, I would move approval of Item 7.

20 CHAIR HOCHSCHILD: Thank you.

21 Any other comments from the other Commissioners?
22 Okay, Commissioner Douglas, would you be willing to second?

23 COMMISSIONER DOUGLAS: Yes, second.

24 CHAIR HOCHSCHILD: All right, all in favor say
25 aye. Vice Chair Scott?

1 VICE CHAIR SCOTT: Aye.

2 CHAIR HOCHSCHILD: Commissioner Douglas?

3 COMMISSIONER DOUGLAS: Aye.

4 CHAIR HOCHSCHILD: Commissioner McAllister?

5 COMMISSIONER MCALLISTER: Aye.

6 CHAIR HOCHSCHILD: Commissioner Monahan?

7 COMMISSIONER MONAHAN: Aye.

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

9 item passes unanimously.

10 Let's turn now to Item 8, approval of the October

11 14th, 2020 Business Meeting Minutes.

12 Any public comments on this?

13 MS. GALLARDO: This is Noemi Gallardo, the Public

14 Advisor, no public comment.

15 CHAIR HOCHSCHILD: Okay, let's move to

16 discussion. Can we have a motion, Vice Chair Scott?

17 VICE CHAIR SCOTT: Yes, I move approval of the

18 minutes.

19 CHAIR HOCHSCHILD: Okay, Commissioner Douglas,

20 are you willing to second? Commissioner Douglas?

21 COMMISSIONER DOUGLAS: Yes, sorry. Sometimes my

22 screen disappears and I have to find it again in order to

23 find my mute button. Yes, second.

24 CHAIR HOCHSCHILD: This is our new Zoom world

25 here.

1 All in favor say aye. Vice Chair Scott?

2 VICE CHAIR SCOTT: Aye.

3 CHAIR HOCHSCHILD: Commissioner Douglas?

4 COMMISSIONER DOUGLAS: Aye.

5 CHAIR HOCHSCHILD: Commissioner McAllister?

6 COMMISSIONER MCALLISTER: Aye.

7 CHAIR HOCHSCHILD: Commissioner Monahan?

8 COMMISSIONER MONAHAN: Aye.

9 CHAIR HOCHSCHILD: And I vote aye as well. Let's
10 move on to Item 9, Lead Commissioner or Presiding Member
11 Reports. Let's start with Commissioner Monahan.

12 COMMISSIONER MONAHAN: Well, I wanted to start
13 just by saying something, which I think is shared among all
14 the Commissioners, which is this real deep appreciation for
15 how the CEC is turning its attention to equity inside the
16 organization and outside the organization. And I think
17 that Stan and the DACAG presentation is an action of some
18 of our work outside the agency.

19 But internally I just was really touched by the
20 diversity celebration that Noemi and other members of the
21 Idea End Group (phonetic) helped pull together. And if you
22 haven't seen it, Courtney, I mean carousel singing at the
23 end was pretty -- will bring tears to your eyes.

24 And just this idea that this is an area that
25 never arrived at a perfectly equitable fair system, but we

1 have to strive for it. And recognizing especially I think
2 of the issues around racial justice over our country's
3 history and it's just really important that we as an
4 organization, just always strive to do better. And I feel
5 like we're doing that.

6 And I want to give the Chair recognition for the
7 speaker series. I mean, it's really been phenomenal and
8 again has brought equity to the forefront in helping us
9 wrestle more with what does it mean to tackle these really
10 challenging issues? And really critically important to
11 make sure that we are a fair organization and we're
12 creating a fair society going forward. So I just want to
13 say thank you to everybody that's been involved in this.
14 There's a lot of folks involved in the IDEA N and the IDEA
15 X. (phonetic) And I know there's a lot of interest within
16 the CEC staff. And participating in this I just feel
17 really good about the fact that we are taking this on. So
18 thanks to everybody who's been involved in in that.

19 So I also wanted to just touch on the fact that
20 we're exploring securitizing The Clean Transportation
21 Program, which if you are like me and you didn't know what
22 that meant at first is basically means moving monies
23 forward that you would otherwise be spending at a later
24 date. And the Chair has really been pushing us to look
25 more creatively at how we can help implement the Governor's

1 executive order on electric vehicles.

2 And looking at creative financing, that's all
3 part of that. So GO-Biz has been really helpful. And Dan
4 Adler, in particular, has been a thought leader on this and
5 Hannon Rasool is leading that work within the Fuels and
6 Transportation Division. And he's really taking this on in
7 a really thoughtful way with other team members, so I don't
8 know where we're going to land on that. But I think this
9 exercise is really important. And I think we're learning
10 new things about what we can and cannot do. So hopefully
11 at a future date we can either share that with you or you
12 all can reach out to Hannon on your own. But it may be
13 something eventually we want to bring to a business meeting
14 just to socialize what we're learning.

15 And in that same space the CPUC, Commissioner
16 Shiroma reached out to Commissioner McAllister and me about
17 participating in OIR on financing. So basically, it's
18 going to be examining options to assist electricity and
19 natural gas customers to decrease energy use, reduce GHGs,
20 and use creative financing to be able to do that.

21 I would say like us, everybody's trying to figure
22 this out. And they engaged members of the Air Resources
23 Board, GO-Biz, the Office of Planning and Research to help
24 brainstorm ideas. They want to have a kickoff in Q4 with a
25 workshop on this topic. And Commissioner McAllister and I

1 decided that, because of PK (phonetic) issues we wanted to
2 be like super sensitive and err on the side of caution and
3 not have both of us. So I guess I don't know if I drew the
4 big straw or the short straw at this point, so there'll be
5 more on that agency collaboration.

6 And lastly we're in the midst of trying to get --
7 on the staffing side we're in the midst of trying to get
8 another executive fellow. We had a rock star last year
9 with Pilar Manriquez, who is now actually at the CEC. And
10 we're looking to have another executive fellow continue the
11 work that Pilar started on equity and other issues around
12 the (indiscernible) program implementation. So fingers
13 crossed, we'll know today and that's it.

14 CHAIR HOCHSCHILD: Thank you, Commissioner.

15 Let's move on to Vice Chair Scott.

16 VICE CHAIR SCOTT: All right. Hello, can you
17 hear me?

18 CHAIR HOCHSCHILD: Yeah.

19 VICE CHAIR SCOTT: I don't see myself popping up.
20 Okay. All right, great. Well, I had a couple of things
21 that I wanted to speak with you all about. I wanted to
22 echo what Commissioner Monahan said about our diversity
23 celebration. I thought it was really wonderful and I
24 appreciate the heartfelt stories that we heard from our
25 staff as part of that. And really the whole celebration of

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1 diversity, just it was very meaningful. There were points
2 in time where I had tears in my eyes and I'm sure that
3 others did too.

4 And it really is one of those things that gosh
5 you want to do in person, because you just want to hug
6 everybody and celebrate being together. But it was nice to
7 be able to celebrate ourselves over Zoom in that way. So
8 my kudos to everyone for putting that together and making
9 it such a meaningful part of our conversation.

10 I also had a chance to speak at the Bay Area Air
11 Quality Management District's Cleantech Marketplace
12 Conversation. And that was really awesome. It was just a
13 chance to highlight how investments from the state, and
14 also investments from local can really help move clean
15 technologies in any of the areas where we are trying to
16 decarbonize.

17 I was joined by Kate Gordon from OPR and a few
18 others on that excellent panel and enjoyed the ability to
19 highlight the EPIC Program and Peer Natural Gas (phonetic)
20 as well as FPIP. And how these investments that the state
21 makes really can unleash and unlock private capital, and
22 can also accelerate how we're moving in the -- how quickly
23 we move in the clean tech space. That was a fun
24 opportunity. I appreciate the Bay Area for reaching out
25 and inviting me to be part of that and then

1 And then I really wanted -- believe it or not, it
2 feels like our last business meeting was just the other
3 day. But also, like many moons ago. In between our last
4 business meeting and now we have done the EPIC Symposium,
5 the EPIC Symposium was three days: October 19th, 20th and
6 21st. And I thought that it was just really well done. We
7 had all kinds of high caliber speakers.

8 And I wanted to give you some numbers that the
9 consultant shared with me. We had almost 1,700 registrants
10 for the EPIC Symposium, which is fantastic. On the days we
11 had about 975 people who were actually attending and
12 listening. The exciting difference between the attendees
13 and registrants is people have signed up after the
14 symposium, so that they can get access. You just have to
15 sign up, but then you can get access to all of the data and
16 material and information and watch the videos. And so it's
17 exciting that there's that much momentum behind it, so many
18 more people excited to see what we were talking about.

19 We had more than 92 speakers and so I really want
20 to say thank you to everyone who took the time to provide
21 their expertise and lend their knowledge and really helped
22 make the EPIC Symposium exciting. It was more than 15
23 hours of content. All of you helped participate, so thank
24 you so much for that.

25 We had Governor Newsom as well, which I thought

1 was just a really exciting treat and so thankful that he
2 would take some time to join us for a few minutes there.

3 And I want to send a shout-out to the CEC team.
4 I'm going to read the names in by first name alphabetical
5 order. So I want to say thank you to Eric Stokes, to
6 Katrina Leni-Konig, to Lori ten Hope, to Linda Spiegel, to
7 Lindsay Buckley, to Maggie Deng, to Mona Badie, to Rachel
8 Salazar and to Rhetta DeMesa. There's lots of folks who
9 worked on this together. But this was kind of the core
10 team that did a lot of the planning and a lot of the
11 outreach, the day-to-day work with our consultants. And I
12 really appreciate the great work that they did to put
13 together a fantastic EPIC Symposium.

14 You can imagine us in February or March, where we
15 were all just about to go for the in-person one in April
16 and then figuring out how to pivot, what kind of technology
17 can you use to do a meeting where you've got 1,000 people
18 wanting to participate. And getting that pulled off by
19 October was just really impressive. And I really -- my
20 heartfelt thanks to the team.

21 And with that, I might just close by saying also
22 I want to say thank you to the entire Energy Commission
23 staff across every group that we work with, for the
24 continued excellent work. I know the shift to telework and
25 working from home is a challenge. And it's a challenge

1 each and every day. But people I think have really stepped
2 up. We're doing a great job.

3 I think folks around the state government, and
4 also the people that we work with, are pleased with the
5 work that the Energy Commission is doing. And the way that
6 we're engaging with folks in a way that continues to be
7 accessible and transparent in this virtual world. And I
8 know that that's due in no small part to everybody kind of
9 rolling up their sleeves and putting in some extra hard
10 work. And so I do appreciate that. And I want to make
11 sure everyone across our staff knows how much we appreciate
12 the work that they do.

13 So with that, thank you.

14 CHAIR HOCHSCHILD: Thank you, Vice Chair Scott.

15 Let's move on to Commissioner McAllister.

16 COMMISSIONER MCALLISTER: Great. So yeah, just
17 briefly, it feels like it's been a while since the last
18 business meeting, but it hasn't actually been that long.
19 But I guess just highlighting so much speaking. There's so
20 much interest in what we're doing I think we're all getting
21 way more requests to speak than probably we can even do.

22 But there's a lot of interest in how we're
23 weaving together all these narratives and certainly
24 supporting reliability, the Root Cost Analysis, and the
25 follow on work from that. And in my world obviously the

1 buildings and the load flexibility is something whose time
2 has arrived really. And kind of trying to make sure the
3 messaging around that is clear and as concise as possible,
4 even though it's a little bit of a complex issue. So
5 getting upcoming actually talking to the Demand Management
6 Council and a number of other groups about that. Both
7 national and international actually, there's lots of
8 interest in that, so that's good to see.

9 I think a lot of light bulbs are going on across
10 the globe that grid management is something that we can
11 really modernize and bring into the 21st century, so it's
12 pretty excellent.

13 Other than that, I think I have just a bunch of
14 thank yous. Our staff is working so hard and so well.
15 And, you know, for me that means the big lift right now, or
16 one of them, is the Title 24 Update for 2022. There's just
17 a massive effort in the Building Standards Office. My
18 Advisor, Bill Pennington, has just been critical as well:
19 Mazi and Payam and then the whole team in the Building
20 Standards Office. Will DeSent (phonetic) who's the new
21 office manager has really stepped in and gotten both feet
22 wet right from the beginning. So I want to just call out
23 that team .

24 The 3232 team, Mike Sokol who is the Lead of the
25 Efficiency Division, and just various strands within the

1 Efficiency Division, Jennifer Nelson and others there. And
2 then also coordinating with the Assessments Division on the
3 analysis of the building decarbonization, so with Siva and
4 his team and Matt Caldwell and his team.

5 It's really a lot of a lot of innovative work.
6 It's plowing new ground. And so it has a little bit fits
7 and starts, but that's all that learning and it's about
8 figuring out how to do things better. So I really
9 appreciate everyone's volunteerism there.

10 And then the Title 24 data update. We had a
11 workshop in the last couple weeks, a couple workshops about
12 that actually recently. And that is critical for sort of
13 keeping Commissioner Monahan's data comments earlier in the
14 meeting today, keeping that data flowing and sort of
15 formally supported by our regulations in all of our
16 different realms. It really touches all of us and is
17 really foundational work and keeping our I's dotted and T's
18 crossed is really critical. So the Legal team and all the
19 staff involved with that just thank you

20 And finally I think I wanted to just thank my
21 office. Bryan and Bill and Fritz have just been running
22 themselves ragged keeping up with everything. And I think
23 with COVID, being nimble in our communications is more
24 critical than ever obviously. And they've just done a
25 massive, magnificent job really with that. So I want to

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1 just thank all three of them for their efforts supporting
2 everything my office is doing now and across the
3 Commission.

4 And lastly, I just wanted to mention this Friday
5 is the Leslie K. McAllister Symposium on climate and energy
6 law at the University of San Diego. And so I'm going to
7 moderate a session on Friday, actually it started last
8 Friday with they've divided up into two days. But it's
9 about regulation in times of emergency and disruption and
10 it's very topical. And I'm always gratifying to
11 participate in that event.

12 And I really appreciate the care and kindness
13 that goes into that at the University San Diego. So it's
14 got heavy legal content, because it's at the law school.
15 So those of you who are lawyers, you should feel free to
16 chime in. So thanks a lot.

17 CHAIR HOCHSCHILD: Thank you, Commissioner.

18 Let's go to Commissioner Douglas.

19 COMMISSIONER DOUGLAS: Great. Well, it's been a
20 busy month and I'll just report on some of the things that
21 I've been up to. We had our RPS workshop for the
22 regulations. The workshop went very well. As I've been
23 saying repeatedly look for a package to come to the
24 business meeting in December.

25 I also enjoyed very much and appreciated the

1 diversity celebration. It was great to watch and it was
2 great to see our staff kind of providing just some of their
3 own stories and their own experiences. And really it was a
4 very nice event. And so I want to thank everyone who
5 worked hard to put that together.

6 I had a number of speaking engagements as have
7 probably all of you. Geothermal Resources Council, I gave
8 a keynote there. I participated in the Info Cast Clean
9 Energy Virtual Summit talking about our SB 100 goals and
10 technologies that can help us get to those goals. There
11 may have been another one. Oh, I know Redwood Coast
12 Energy Authority, they had a community forum in the evening
13 and I participated in that. That was a really nice
14 discussion. EPIC Symposium, a nice job Vice Chair Scott
15 and others, you know, staff team that event went very well.

16 And the Chair and I are going to be speaking on a
17 panel at the California Tribal Nations Conference today,
18 the conferences yesterday and today. It's organized by the
19 Governor's Office and Christina Snyder, the State's and the
20 Governor's Tribal Liaison. So it's exciting to take part
21 in that. The focus of that is infrastructure and economic
22 development. Of course from our perspective, it's the
23 state's shift towards meeting our clean energy goals and
24 the opportunities that presents in the area of
25 infrastructure and economic development. And our

1 partnership with tribes, which the Energy Commission has
2 developed over years of work now.

3 So I think that -- oh, I also wanted to give one
4 more shout out to the DACAG. I had the opportunity earlier
5 in October to speak to the DACAG about a workshop that the
6 Energy Commission is planning with the PUC and the ISO to
7 look at energy efficiency improvement.

8 And kind of -- well it's not so much energy
9 efficiency, but efficiency improvements at natural gas
10 plants that allow some of these plants to operate more
11 effectively at high temperatures. So that they don't
12 reduce the output as much when temperatures are really
13 high, because high temperatures tend to suppress generation
14 at gas plants. And so there are things that can be done
15 about it such as chillers and other technologies, some of
16 which are very cost effective. And some of which could
17 conceivably be in place by summer 2021.

18 And we had a very nice discussion, a very robust
19 discussion. They were pleased to hear about the workshop
20 and interested in participating in it more importantly.
21 And so I think having the DACAG's participation early and
22 discussion and dialogue early on issues like that is going
23 to be helpful to all of us.

24 So those are some of my updates. I probably
25 could have come up with more, but I think I'll pass on

1 anything else and pass this on to one of my colleagues.

2 Thank you.

3 CHAIR HOCHSCHILD: Great. Thank you,
4 Commissioner.

5 I'll just keep my comments brief. I just wanted
6 to give my thanks to the whole EPIC team and to Vice Chair
7 Lori and everyone. That was I think the biggest and the
8 best EPIC Symposium we've had, I believe 1,600 people all
9 together. And I was thrilled the Governor could join us
10 and all the other luminaries, just tremendous.

11 And the diversity celebration just couldn't have
12 come off any better. We started planning that I want to
13 say eight or nine months ago. And had been hoping to do it
14 in-person with food, which we will certainly do when we're
15 able to gather in person again, as well as music and dance.
16 So that that was just an absolute treat to be able to do
17 it. And I think it'll be even better when we can do it in
18 person. So thank you, Noemi, and everyone else who was
19 involved in making that a success.

20 I also want to give a shout out especially to
21 Alana Sanchez who was instrumental in the success of our
22 California-Germany Symposium. We've been doing that for a
23 number of years. This year we focused for the first time
24 on transportation and had a great dialogue with the Germans
25 on that. And just incredible the momentum we're seeing.

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1 (audio periodically cuts out.)

2 We're going to be having a guest speaker for all
3 Energy Commission staff very soon from Ford, the new CEO of
4 (indiscernible). They're introducing the electric F-150
5 at the end of next year. Their new model (indiscernible)
6 electric vehicle and just another example of the incredible
7 progress, the Ford F-150 going electric, you know? This is
8 something that I just don't think would be happening now
9 (indiscernible) policy leadership. And that electric
10 vehicle ecosystem was able to incubate here.

11 So I'll stop there, but thanks everyone for an
12 incredible year so far. A lot of challenges, but a lot of
13 progress. So with that let's go to Item 10 Executive
14 Director's Report.

15 MR. BOHAN: Thank you, Chair just one item I
16 would like to raise and that is session we held last week
17 with all staff. And it was about rethinking our workplace.
18 We had one of our Zoom licenses that allows up to 500
19 people we maxed, so 500 staff stepped up and wanted to
20 participate. And I know a couple of you did as well. This
21 is on video if anyone wanted to go back and look at it.
22 But I was really heartened to see the questions. We got
23 about 60 questions at the end that staff asked that just
24 reflected an engagement and enthusiasm for figuring it out.

25 It's a brave new world and we wanted to come in

1 as management not with answers, but with questions, and
2 staff stepped up. So we're now doing -- we've put out
3 another survey to really ask questions very specific to
4 telework and what do we want the office to look like, and
5 that sort of thing. And we've established some focus
6 groups in our consultant, RedRhino, which is composed of
7 folks that used to work at WeWork and are just excellent
8 are going to have that conversation. And we're wanting to
9 figure out how we're going to reconfigure our office when
10 we're given the green light sometime next year, presumably
11 to be able to go back. So thank you very much.

12 CHAIR HOCHSCHILD: Yeah, that was absolutely
13 spectacular, Drew. Thank you on behalf of all of us for
14 that.

15 All right, let's turn now to Item 11, the Public
16 Advisor's Report.

17 MS. GALLARDO: Hi there, Chair, Vice Chair and
18 Commissioners. Thank you. I want to start out by saying
19 that I really appreciate you giving kudos to the staff who
20 helped put on the diversity celebration, and all of those
21 who were also willing to share so much of themselves in
22 that celebration. And looking forward, and we're going to
23 hold ourselves accountable to providing food, music,
24 dancing games and whatnot once we're in person to do our
25 next diversity celebration.

1 Also I want to take this opportunity to invite
2 our audience to join us for the Energy Commission's
3 Inaugural Clean Energy Hall Of Fame Awards. We'll announce
4 the winners shortly. It's an incredible cohort, very
5 inspiring work that they've done to contribute to our 100
6 percent clean energy future. And I want to make sure that
7 you can all help us celebrate them, so the awards event is
8 happening on Thursday, December 10th at 2:00 p.m. It'll be
9 virtual on Zoom and we'll send out more detail shortly.
10 Those will also be posted on our homepage of our website at
11 energy.ca.gov.

12 And that concludes my comments. Thank you.

13 CHAIR HOCHSCHILD: Thank you.

14 All right, let's move on to Item 12, Public
15 Comment. Any public comment on this, Noemi?

16 MS. GALLARDO: So Chair, I'll read the
17 instructions first, just to give folks a chance. So this
18 is the period for any person wishing to comment on
19 information items or reports of the meeting agenda. You
20 will have three minutes total to give comments and may be
21 limited to one representative per organization.

22 As a reminder, we are not accepting public
23 comment through the Zoom system. Please call our Verizon
24 line at 888- 823-5065 as you see on the screen. You still
25 have time to hop on if you act quickly. The pass code is

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1 "business meeting." And after your line is opened please
2 spell your first and last name, state your affiliation if
3 you're representing an organization. Do not use the
4 speakerphone when talking, because we won't hear you
5 clearly. And if you're also on Zoom either mute or leave
6 them to avoid the feedback.

7 So I do not have any written comment, Chair, and
8 it looks like we do not have anyone on the line, either.
9 So we can we can move forward to the next item.

10 CHAIR HOCHSCHILD: Okay, thank you, Noemi.

11 Let's move on to Item 13, Chief Council's Report.

12 MR. WARD: Good afternoon. This is Allan Ward,
13 an Assistant Chief Counsel in the Chief Counsel's Office.
14 I'm here just substituting for Darcie Houck. And I wanted
15 to report that we have no report out today.

16 CHAIR HOCHSCHILD: Okay, thank you. Thank you
17 for your report there.

18 And with that we're adjourned.

19 (The Business Meeting adjourned at 12:15 p.m.)

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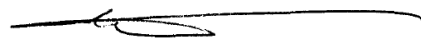
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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under 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 24th day of November, 2020.



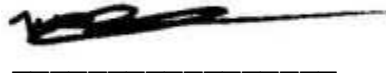
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IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of November, 2020.



Myra Severtson
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