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<td>Public Comment on California Energy Commission Business Meetings</td>
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BUSINESS MEETING
BEFORE THE CALIFORNIA ENERGY COMMISSION

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

REMOTE ACCESS ONLY

The California Energy Commission's December 22, 2020 Business Meeting will be held remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The public is able to participate and observe the meeting consistent with the direction in these Executive Orders. Instructions for remote participation can be found in the notice for this meeting and as set forth below in this agenda.

TUESDAY, DECEMBER 22, 2020
1:00 P.M.

Reported by:
Martha Nelson
APPEARANCES

Commissioners (Via Remote)

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

Staff Present: (Via Remote)

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

Agenda Item

Laurie ten Hope 1, 2
Alan Ward 1, 2
Gabe Herrera 1
Elizabeth Flores 2
Carousel Gore 3
Garry Maurath 3
Greiana Williams 3
Chris Davis 3
Katharine Larson 4
Camille Remy-Obad 5

Others Present

Public Comment (Via Remote)  

James Hendry, San Francisco Public Utilities Commission 4
Scott Tomashefsky, Northern California Power Agency 4
Mario DeBernardo, Southern California Public Power Authority 4
Matthew Freedman, The Utility Reform Network 4
Barry Moline, California Municipal Utilities Association 4
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Proceedings

1. Gabe Herrera

Proposed resolution recognizing and commending Gabe Herrera for his contributions to the CEC.

2. Elizabeth Flores

Proposed resolution recognizing and commending Elizabeth Flores for her contributions to the CEC.

3. Chris Davis

Proposed resolution recognizing and commending Chris Davis for her contributions to the CEC.


Proposed resolution to adopt a Negative Declaration under the California Environmental Quality Act (CEQA), and also to adopt modifications to the existing regulations establishing enforcement rules and procedures for the Renewables Portfolio Standard for local publicly owned electric utilities, in Title 20, California Code of Regulations (CCR), sections 3201, 3202, 3204 – 3208, and 1240, and address provisions required by Senate Bill (SB) 350 (Stats. 2015, ch. 547), SB 1393 (Stats. 2016, ch. 677), SB 100 (Stats. 2018, ch. 312), and SB 1110 (Stats. 2018, ch. 605).

Contact: Katharine Larson.

a. NEGATIVE DECLARATION. Consideration for possible adoption of the Negative Declaration for Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly
Owned Electric Utilities. This proposed adoption comes after a 30-day public comment period necessary to comply with CEQA guidelines.

b. ENFORCEMENT PROCEDURES FOR THE RENEWABLES PORTFOLIO STANDARD FOR LOCAL PUBLICLY OWNED ELECTRIC UTILITIES. Proposed adoption of amendments to Title 20, CCR, sections 3201, 3202, 3204 –3208, and 1240 implementing, interpreting, and making specific several provisions of Public Utilities Code (PUC) sections 399.13, 399.15, 399.16, 399.18, 399.30, and 399.33. The rulemaking also updates other aspects of the program to facilitate implementation and improve clarity. The proposed action is taken under the authority of sections 25213 and 25218(e) of the Public Resources Code and section 399.30 of the PUC. This proposed action comes after 45-day and three subsequent 15-day public comment periods.

5. Energy Conservation Assistance Act—Education Subaccount (ECAA-Ed) Competitive Loan Program, PON-19-101. Proposed resolutions approving two ECAA-Ed loans to local educational agencies (LEAs) at zero percent interest to finance energy efficiency and renewable energy projects. Program Opportunity Notice 19-101 evaluated applications from LEAs on a competitive basis based on priority criteria: number of students, geographic region, percent of students eligible for free or reduced-price meals, and energy savings. (Clean Energy Job Creation Fund) Contact: Camille Remy-Obad.

6. Minutes

7. Lead Commissioner or Presiding Member Reports
   Member Reports

8. Executive Director's Report
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## a. Pursuant to Government Code Section 11126(e), the CEC may adjourn to closed session with its legal counsel to discuss any of the following matters to which the CEC is a party:

### i. In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)

### ii. Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)

### iii. State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court, Case No. 34-2016-00204586)

### iv. Natural Resources Defense Council, Inc., et al. v. United States Department of Energy (Federal District Court, Northern District of California, Case No. 17-cv03404)

### v. In re: PG&E Corporation and In re: Pacific Gas and Electric Company (United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 19-30088)
INDEX

vi. State Energy Resources Conservation and Development Commission v. HyGen Industries, Inc. (Sacramento County Superior Court, Case No. 34-2019-00252543)

vii. Olson-Ecologic Testing Laboratories, LLC v. CEC. (Orange County Superior Court Case No. 30-2019-01115513)

viii. Interlink Products International, Inc. v. Xavier Becerra, Drew Bohan, Melissa Rae King (United States District Court for the District of New Jersey Case No: 2:20-cv-10566)


b. Pursuant to Government Code Section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the CEC, which might include personnel matters.

Adjournment 106

Reporter's Certificate 107

Transcriber's Certificate 108
DECEMBER 22, 2020

CHAIR HOCHSCHILD: Good afternoon and welcome everybody to the final business meeting of the Energy Commission for 2020. Everyone should give themselves a pat on the back to get to the end of this extraordinary challenging year, so happy holidays to everyone, as well.

With that, let’s begin.

Commissioner Monahan, if you could lead us in the Pledge of Allegiance?

(The Pledge of Allegiance is recited.)

CHAIR HOCHSCHILD: Thank you, Commissioner.

Again, you know, with COVID, this is sort of the darkest hour before the dawn. And while it’s very promising, the vaccines are out and, you know, first responders and so forth are getting vaccinated, we are still in the middle of a very intense surge. So please continue to exercise vigilance, wear your mask, wash your hands frequently, keep your distance, and let’s all stay safe.

Today’s business meeting is being held remotely without a physical location for any participant, consistent with Executive Orders N-25-20 and N-29-20, and the recommendations from the California Department of Public Health, to encourage social distancing in order to slow the
spread of COVID-19. The public may participate and/or observe the meeting, consistent with the direction of these Executive Orders. Instructions for remote participation can be found in the notice for this meeting as set forth on the agenda posted to the CEC website link for this business meeting.

We’re using a combination of Zoom and Verizon for remote access. In case Zoom shuts down today, we’ll continue the meeting with our Verizon phone line. Call Verizon, 1 (888) 823-5065. The pass code is “business meeting.”

The Energy Commission values public participation and stakeholder engagement. Pursuant to California Code of Regulations Title 20, 1104(e), any person may make oral arguments on any agenda item. To ensure the orderly conduct of business, such comments will be limited to three minutes per person as to each item listed on the agenda that will be voted on today. Any person wishing to comment on information items or reports, which are non-voting items, shall reserve their comment for the general public comment portion of the meeting agenda. And you’ll have three minutes total to state all of their remaining comments.

I want to remind everybody. We are very mindful of California’s economic recovery efforts. And today we’re
seeking over $1.2 million in grants and funding which will help support our economic recovery, as well as advance our clean energy future.

With that, let’s turn to item one to recognize and commend Gabe Herrera for his contributions to the Energy Commission. I will now read this, Resolution 20-1222-1.

“Whereas Gabriel Herrera has worked for the State of California for 34 years, first for 7 years as an Engineer at the California Air Resources Board where he attended McGeorge School of Law at night, and then for 27 years in the California Energy Commission’s Chief Counsel’s office,

“And whereas, Gabe successfully represented the CEC in challenges to various contract solicitations and awards and protests before the Department of General Services and helped initiate collection actions on defaulted CEC loans,

“Whereas, Gabe worked on intellectual property issues, including working with the CEC’s Media Office in establishing the initial term of use for CEC’s national website, filing copyright applications on CEC’s behalf, and jointly serving as the CEC’s representative on the Natural Resource Agency’s Intellectual Property and Legal Team,
“And whereas, Gabe’s responsibility expanded to include work on personnel and employment law-related matters where he successfully represented the CEC in appeals before the State Personnel Board and the Department of Personnel Administration, and in complaints filed with the Department of Fair Employment and Housing,

“And whereas, Gabe’s responsibilities also expanded to include work on the CEC’s various renewable energy programs and renewable energy renewable portfolio standard, where he worked closely with the Commission’s executive office and technical staff to implement the programs,

“And whereas, one of Gabe’s superior accomplishments was recognized his work in recovery of approximately $634,000 from various Enron entities.” Thank you for that Gabe. “The CEC had awarded production incentives to them and later learned the entities had misrepresented their eligibility, given Enron’s filing for bankruptcy protection in 2001 following California’s energy crisis, the Attorney’s General Office was not interested in pursuing and State Law claims against Enron based on the claims act, Gave was able to negotiate a settlement for the recovery funds as part of a Federal Energy Regulatory Commission
proceeding.

“In a press release in 2003, then Governor Gray Davis said, ‘I commend the California Energy Commission for its dogged determination in reclaiming the money with interest, intervening in two proceedings before the Federal Energy Regulatory Commission,’

“Whereas another of Gabe’s superior accomplishment awards was in recognition of his work on an ARRA-funded program, and his work on a public awareness campaign for the New Solar Homes Partnership and Go Solar California. Regarding the latter, Claudia Chandler, the CEC’s Chief Deputy Director at that time, acknowledged Gabe’s work on a related agreement with Wells Fargo, commented that, ‘Wells has 15 lawyers on this project and we have Gabe, Amy, and Rachel.’” What a better team? Way to go.

“Whereas Gabe’s colleagues from the Chief Counsel’s Office will miss his tremendous experience, maybe a little of his constant pranks and teasing, they also will now have a much easier time in the annual pirate gift exchange, and the CEC will cooperate fully with the U.S. Government to clean up the superfund site, you know, his office.

“Therefore, let it be resolved that the CEC hereby recognizes and commends Gabe Herrera for this great
contributions to the CEC and the people of the state of California, and wishes him all the best in his future endeavors.”

And, Gabe, let me say, I asked to read this because I have had the privilege to work with you very closely, particularly when I was lead Commissioner on renewables. And, Gabe, I just want to say, you’re one of a kind. You bring a dedication. You’re one of the hardest working people in state government, incredibly committed, incredibly ethical, decent. And I am having trouble with your retirement. I can’t imagine the Energy Commission without you.

And I think, you know, in your next chapter, you have a lot to contribute in many, many ways. But I think, you know, one thing we’ve seen where Staff, like yourself, have been here a long time, the youngins’ come in and see what it looks like to be successful at the Energy Commission, and the hard work and dedication, and how that could pay off. And so I really hope you take personal pride in the incredible achievements that you’ve been a part of here. I’m really proud to be able to congratulate today and wish you well.

And with that, let’s turn, I guess to Staff comments first, and then Commissioner; right, Noemi?

MS. GALLARDO: That’s correct. This is Noemi
Gallardo, the Public Adviser.

So we do have two people who would like to speak.

So first off, let me clarify that we’re going to give them up to one minute each to speak. We will start with Laurie ten Hope, who, I believe, is coming through Zoom.

Laurie, I see you. Go ahead. Laurie, you’re muted. Please make sure you un-mute on your screen.

MS. TEN HOPE: Okay.

MS. GALLARDO: There you go.

MS. TEN HOPE: Can you hear me now?

CHAIR HOCHSCHILD: Yeah, we can hear you.

MS. TEN HOPE: I’m so sorry. Okay. Wonderful.

Thank you for this opportunity to acknowledge and thank Gabe. We heard his many accomplishments. But for ERDD (phonetic), it’s pretty much all about ethics. And I want to just acknowledge the role that Gabe had in, first, guiding us through EPIC authorization a decade ago, and then bringing this home for EPIC renewal earlier this year.

Gabe has an incredible attention to detail, meaning he cross-references everything to ensure accuracy and ensure we’re adhering to the multitude of CPUC decisions and requirements. He would often challenge us, but it was always in a gentle and respectful way, to make sure that what we were saying and putting forth was really our best information. And, as mentioned, he has a much
appreciated sense of humor. So it was a fruitful partnership. We’re now set to continue our groundbreaking research for another ten years.

And I just want to thank you, Gabe, on behalf of all of ERDD and wish you the best in your next chapter.

MS. GALLARDO: Thank you, Laurie.

So next up is Alan Ward. And Alan, I believe, is coming through the Verizon phone line. So if we could open up his line to speak?

MR. WARD: Yes. This is Alan. Can you hear me?

CHAIR HOCHSCHILD: Yeah, we can hear you.

MS. GALLARDO: Yes, we can.

MR. WARD: Okay. I’ve worked with Gabe for many years in the Energy Commission’s Chief Counsel’s Office. And it’s a pleasure to say positive things about him in a public format.

As an attorney, he is incredibly hardworking, putting in long hours. He’s thorough and always has a great depth of knowledge, providing advice, also within the historical context; you always get the full picture.

As a coworker, his office was right next to mine all these years. He is a tremendous amount of fun and I’ve really enjoyed getting to know him. I really appreciated sharing stories of our families over all of these years.

Given how hard he has worked, Gabe, more than
most, has definitely earned his retirement. I just wish
him and his family all the best in this next great phase
for them.

Thank you.

CHAIR HOCHSCHILD: Alan, I didn’t realize your
office was right next to Gave. My condolences for that.

MR. HERRERA: (Laughing.)

MS. GALLARDO: And then next up we have Darcie
Houck.

Darcie, feel free to turn on your video.

MS. HOUCK: Okay. Can you hear me now?

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

MS. HOUCK: I just want to echo all the
statements that I’ve heard.

I met Gabe a long time ago. I was a junior
attorney when I first worked here during the energy crisis
from 2000 to 2005. And at that time he was, you know, just
really gracious in walking me through things, or if I had
questions, I could stop by his office. Again, we didn’t
work together very long then. But now I’m back as the
Chief Counsel and he has just been invaluable to the office
and has worked on so many things in the short time that
I’ve been back. And you can count on him to step in and
help on just about anything. And he has been really great
at walking some of the junior attorneys through coming up
to speed on the renewables issues. In particular, he’s
really helped mentor a lot of the folks in the office,
which is just really invaluable. And he is going to be
greatly missed.

So when you get bored with retirement and want to
come back as a retired annuitant, let us know. And we
really wish you the best and are going to miss you
tremendously, so thank you, Gabe.

CHAIR HOCHSCHILD: Thank you, Darcie.

Let’s turn to -- before we go to Gabe, let’s turn
to Commissioners for comment.

Maybe, Commissioner Douglas, would you want to
start?

COMMISSIONER DOUGLAS: Yes, I would. I would
love to start.

So I would also like to congratulate Gabe on his
retirement. I have had just a tremendous amount of respect
for Gabe and enjoyed working with Gabe over the years.

I second the sense of humor part of it. It’s
been pretty fun to have Gabe in meetings and find ourselves
enjoying a good laugh of two in many of them.

I’ve also had a chance to work with Gabe on some
of the harder issues I’ve worked on in my time at the
Commission and it’s been great.
So I want to thank him for his many years of dedicated service at the Energy Commission, the long hours he’s worked. It used to be that if you needed an attorney and it was after 7:00 p.m., you could usually find Gabe, and that, right there in his office. And that made sense because he’s -- I don’t know if there’s a CEC program he hasn’t been tasked to work on at some point in time.

He’s made really significant contributions to our work and been integral to many of our successes, including the EPIC proceedings that were mentioned, and the launch and implementation of the RPS Program.

He’s thorough. He’s very, very, very detailed, very detailed, and very straightforward and great to work with.

In addition to some of the high-profile matters he’s worked on, he’s also worked tirelessly behind the scenes on personnel matters and other issues that really don’t get a lot of call-out but also require a tremendous amount of integrity and empathy and discretion and hard work and attention to detail and all of that. And so, you know, we will miss Gabe.

Gabe, we’ll miss you a lot and wish you well in your retirement. And, anyway, thank you very much.

CHAIR HOCHSCHILD: Thank you, Commissioner Douglas.
Any other Commissioners wishing to make a
comment?

Commissioner McAllister.

COMMISSIONER McALLISTER: Yeah, just briefly.

Gabe, yeah, congratulations. I won’t pile on too much and repeat what everybody just said. And I think in the last few years we haven’t worked together quite as much.

But when I first came to the Energy Commission, it was in the middle of the ARRA period, and just lots to talk about. And I was lead on renewables there for a bit. And I just remember you just being a really positive element in the room, and always very knowledgeable and informed, and just straightforward and fun. And that’s a leadership quality. It’s such an asset, really, to the CEC and to the whole environment, you know, younger attorneys and everything, as Darcie said.

So, anyway, it’s been good to get to know you and work alongside with you. And really wish you all the best in, you know, quote unquote, “retirement.” It sounds like you have a little bit of work to clean out your office. You’re, maybe, not quite gone yet, I take it.

CHAIR HOCHSCHILD: That excavation is going to require a while.

COMMISSIONER McALLISTER: Yeah. But, in any
case, congratulations. And --

CHAIR HOCHSCHILD: Vice Chair Scott?

Oh, sorry.

COMMISSIONER MCALLISTER: -- hope to see you soon.

CHAIR HOCHSCHILD: Let’s go to Vice Chair Scott.

VICE CHAIR SCOTT: Yeah. I just kind of wanted to pile on here, Gabe, with everyone else and just let you know that I have the highest respect for your knowledge and your expertise.

And I really enjoyed working with you on the renewal of the EPIC Program. It’s just, it’s such a huge deal. It’s a huge win for the people of California to be able to continue to move forward in all of the clean energy work and entrepreneurship and innovation and science that we do. And we couldn’t have done that without you and your amazing team helping us get that across the finish line. And I know that’s just one of many, many impactful things that you will have left that make the state of California a much better place.

And so I just really want to say thank you so much to you for all of your excellent work. And I want to wish you just the warmest wishes for a relaxing and, hopefully, adventurous and fun retirement, until we pull you back in to work with us a retired annuitant, so happy
retirement to you.

CHAIR HOCHSCHILD: Thank you, Vice Chair Scott.

Commissioner Monahan?

COMMISSIONER MONAHAN: Well, now I feel like I wish I had worked more with Gabe. I feel like I didn’t get to benefit from Gabe’s like, well, obviously, amazing attorney skills, but actually it’s the sense of humor that I feel like I’m particularly bereft of experiencing.

So, Gabe, I think you do need to come back. And I think we need to work together more closely. And I think you need to show your sense of humor to me.

So thank you for all your years of service here at the Energy Commission. It’s really amazing to hear everybody’s compliments of you and just how wonderful you were to work with. And it’s a loss for us.

CHAIR HOCHSCHILD: Well said. Thank you, Commissioners.

All right, Gabe, the floor is yours.

MR. HERRERA: So now I get to speak?

CHAIR HOCHSCHILD: Yes.

MR. HERRERA: Okay. So good morning, Chair, Vice Chair, Commissioner Douglas, Commissioner McAllister.

Commissioner Monahan, I’m sorry we did not have a chance to work together, but maybe as a retired -- who knows.
First of all, I just want to put down the stories that my office is a mess. It’s turned into a superfund site. I’ve been working on that.

And for my family members who may be participating by Zoom, my wife Karen and my kids, Austin, Julia, my office really isn’t that dirty. It’s not like the office at home.

And so let me just say a couple things that I wrote down. I feel choked up. I mean, this is kind of sad, bittersweet to be retiring, but I’m really deeply honored and humbled by the recognition and your kind words.

When I announced my retirement, I fully planned to quietly slip away from the Energy Commission’s Legal Office without a lot of fanfare, just like a lot of my more talented colleagues in the Legal Office have done. But then, you know, Alan Ward planned this nice retirement roast for me, and that was very enjoyable and very considerate. And now, to be recognized at a business meeting by Commissioner and the Commission, it’s a really nice surprise.

And it’s nice that my family can join through Zoom and see this and appreciate me sometimes by virtue of what others have to say. Because sometimes at home, I feel like I’m, you know, like perhaps my family doesn’t recognize me enough. Anyway, if you hear a lot of hooting
When I came to the CEC as a young attorney, I really felt what I wanted to do was work at the Attorney General’s Office. I mean, I just didn’t know any better; right? And I thought my stop here was just going to be a short pit stop on my way there. But I found second family here at the CEC in the Energy Commission’s Legal Office, a team of very committed, knowledgeable attorneys that cared about the environment and that cared about the public good. And I found work that was challenging and appealed to my technical interests and my technical background. And so I never left. And that was over 27 years ago.

It’s been a great run with a lot of great individuals, both inside the Energy Commission’s Legal Office, and technical staff outside the Legal Office. I’m so proud that, you know, I’ve been able to contribute to the good work the Energy Commission has done and for everything that it has been able to accomplish. And I’m proud to have worked alongside just a lot of qualified, innovative, super talented, and extraordinarily committed individuals.

It’s been a good run. It’s been a privilege to work here at the Energy Commission. And I just want to thank you for the opportunity and the challenges and the learning and the teamwork and the friendship. And I’m
going to miss a lot of folks here at the Energy Commission, so thank you very much.

CHAIR HOCHSCHILD: Well said, Gabe. And your absolutely right. You know, it is more than a job. It’s a mission. And I think we’re all lucky to be on the team together. And we’re not going to let you go too far, so I have some high hopes for your next chapter. All right.

Thank you, Gabe, and everyone.

With that, let’s move on to item two, the recognition and accommodation of Elizabeth Flores for her contributions to the Energy Commission.

Let’s turn to Darcie.

MS. GALLARDO: Darcie, you need to un-mute.

CHAIR HOCHSCHILD: We can see you, Darcie, but are you double muted?

MS. HOUCK: Okay. Can you hear me now?

CHAIR HOCHSCHILD: Yes, we can.

MS. HOUCK: Okay. And for clarification, are you asking that I read the resolution or will one of the Commissioners be reading that?

MS. GALLARDO: Darcie, you’re reading the resolution.

MS. HOUCK: Okay. Hold on. Give me one moment. I think I must have read this wrong. Okay. And I will start here, that, you know, Liz has been an invaluable
member of our Chief Counsel’s Office, working on a wide range of issues. And the resolution that’s before the Commission is acknowledging the contributions of Elizabeth Flores.

“Whereas Elizabeth “Liz” Flores worked in the California Energy Commission’s Chief Counsel’s Office for 22 years, and whereas, Liz contributed to the success of many CEC efforts and programs, including the ECAA Loan Program and its complicated bond requirements, the Siting Division’s Power Plant Peak Workload contracts, the Food Production Investment Program, the Renewable Energy for Agricultural Program, and countless variety of contracts for the CEC’s Small Offices,

“And whereas, Liz successfully defended the CEC against a legal challenge to one of the Siting Division’s contracts, an effort that took months of research and ingenuity, and also successfully defended the CEC against a big protest on moving services contract,

“And whereas Liz earned numerous superior accomplishment awards, as well as the respect and admiration of her colleagues who will miss her wisdom, leadership, unparalleled organizational skills, and great sense of humor,
“And therefore, be it resolved that the CEC hereby recognizes and commends Elizabeth Flores for her great contributions to the CEC and the people of the state of California and wishes her all the best in her future endeavors.”

I, also, would just like to specifically recognize the work that Liz has done. This isn’t in the resolution part of it. But she really stepped up on the ECAA to be our bonds counsel during that endeavor and did an amazing job. And she does a lot of work in our office for contracts that keep things going, like our Westlaw (phonetic), to make sure that we’re able to do our jobs, and a lot of the things that aren’t as exciting that have to be done.

And without Liz, we wouldn’t be able to do our work in the Legal Office. And she has taken on a roll of mentoring junior attorneys, as well as staff people in the Contracts Program. And Liz just does so many things, I can’t even list them all off, that we’re still trying to figure out who’s going to be doing.

And unlike Gabe’s office, Liz’s office is very organized. And she’s got all of her files transitioned to SharePoint so that all of the attorneys can find them and know where everything is.

So we just are going to miss you tremendously,
Liz. And we’ll probably be calling you right along as we need to. So thank you for everything.

MS. GALLARDO: All right, Chair, this is Noemi, the Public Advisor. We do have a couple of folks who also want to make comments here.

So first we’ll start with Laurie ten Hope, who, I believe, is coming through Zoom again.

MS. TEN HOPE: Hi Liz. ERDD does its best to keep the Transaction Unit busy.

So -- but besides really thanking you for all the work that you’ve done on EPIC and PIER, I especially want to thank you for your help in launching the Food Production Investment Program, affectionately known as FPIP. Your role was super important to us in helping us research a new program. It was our first Cap and Trade Program, figuring out the documentation requirements for cap and trade, reviewing the guidelines for the FPIP program, developing new terms and conditions, reviewing applications, and getting us all set up and finally reviewing the FPIP agreements as they came through.

So I just want to thank you for the role to really help us launch that program in a really speedy and successful launch. It’s been sort of a pride of the division. And I want to thank you for your role and wish you the best in your retirement. Have a lot of fun. I’m
sure you will.

MS. GALLARDO: This is Noemi again, the Public Advisor. So Alan Ward is also going to make a comment. He’s on the Verizon line.

MR. WARD: Can you hear me?

MS. GALLARDO: So we’ll open up your line, Alan.

Go ahead. Yes, we can hear you.

MR. WARD: Okay. Thank you. Again, this is Alan Ward. And I’ve worked with Liz Flores for many years in the Chief Counsel’s Office at the Energy Commission.

She is one of the most organized, detail-oriented, accomplished attorneys I have ever met. For every complex issue she has faced she has a chart, checklist, or other mechanism to make it easy to understand and be able to communicate it and deal with it. She has taught, advised, and served as a lead for all of the transaction attorneys for many years.

As a coworker, she is just a wonderful person. She is thoughtful, kind, funny. She really genuinely cares about people and her coworkers in and outside of the office.

While many people rightfully finally want to enjoy many self-indulgences during their retirement years, Liz is, instead, going to focus on how she can even contribute more to her community, and has some fantastic
ways that she’s got planned for doing that.

I just wish nothing but the best for her and her family. And I will definitely miss working with her but I am so happy for what she’s going to be doing in retirement.

Thank you.

MS. GALLARDO: This is Noemi, the Public Advisor.

That was the last comment from Staff.

So, Chair, you can turn it over -- we’ll turn it over to you now.

CHAIR HOCHSCHILD: Yeah. Let’s go to Commissioners, starting with Commissioner Douglas.

COMMISSIONER DOUGLAS: All right. Well, Liz, congratulations. And we will miss you so much. We want to thank you for your many years of service to the Energy Commission.

Liz, as has been noted, is an attorney’s attorney. She’s got this incredible work ethic. She’s incredibly thorough. She’s incredible. She works through options and researches the options and presents them all in this wonderful one-pager style that has become a model for the Legal Office as they deal with Commissioners and high-level management at the Energy Commission and help us make decisions in a clear, concise, efficient, and effective way.

She has been the lead attorney on very tricky
bond matters. She’s been a resident expert for us on all kinds of matters relating to contracts and finance. And we just really appreciate Liz’s hard work over the years, her guidance and judgement and help with many, many types of contracts and other agreements.

And so, you know, we’ll miss you, Liz. I wish you the best for your retirement.

Thank you.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Let’s go to Vice Chair Scott.

VICE CHAIR SCOTT: Yes. I would just like to say how inspired I am by getting the opportunity, Liz, to work with people like you. This stuff just doesn’t go forward without the amazing and dedicated, detail-oriented work that you bring to the transactional, all the transactional stuff that we do here at the Energy Commission. And it gives us just this really solid and robust foundation to launch the work that we’re trying to accomplish from. And we couldn’t do it without folks like you.

And so I’m just, I’m so inspired by your dedication and the amazing set of people that we get the opportunity to work with. Again, you know, carrying out work on behalf of the people of California.

And so I want to thank you, as well, for your work. I feel like Alan left a little bit of a teaser in
there about what you’ll be doing next. But I also really
want to wish you, also, a very restful and relaxing, but
also adventurous and fun retirement. And I’ll say the same
thing I said to Gabe. Keep your eyes out for those retired
annuitant feelers because we’ll probably be sending them
your way as well. So thank you so much for your work.

CHAIR HOCHSCHILD: Thank you, Vice Chair Scott.
Let’s go to Commissioner McAllister.

COMMISSIONER MCALLISTER: Just super quick.

It’s been a pleasure working with you, Liz, on,
particularly, the ECAA program, is where we probably most
intersected and worked together. Lot’s of detail there. A
long history of that program. And it’s just so invaluable
to have someone who is intimately familiar with the details
and the history and how everything has unfolded. And that
really, you know, in this day and age, it really matters.
You know, there’s an inertia in any given program. And
that deep knowledge is really invaluable.

And the final thing I’ll say and, perhaps, most
importantly is it’s so clear that you have this ethical
core that’s just paying attention to the right things at
time, and just bringing that 360 degree view of
everything and all the different angles. And that’s what
we obviously need in our, you know, our counsel, looking at
the legal side of things, but also just dedication
personally to the endeavors of the Energy Commission, it’s just such a great signal/example for everyone else at the Commission. And just thank you for holding that banner high and waiving it proudly. So we really appreciate all your service.

CHAIR HOCHSCHILD: Thank you.

Commissioner Monahan?

COMMISSIONER MONAHAN: Well, I want to thank you for all the work you’ve done with the Fuels and Transportation Division. And, you know, we’re navigating some hard things right now, which you have helped in terms of shepherding. And really just appreciate, as everybody has said, your attention to detail. And you know, as we try new strategies, the fact that you’ve been there kind of helping us think through how to do this in the most robust, legally robust way. So just thank you for your service.

And, again, if you want to, like Gabe, come on back. Because we’re not at the finish line yet with those legalities, so we can use you maybe another six to nine months. So I wish you all the best in your retirement.

CHAIR HOCHSCHILD: Thank you, Commissioner.

And, Liz, adding my thanks, as well, for all your professionalism and dedication. Thank you. The floor is yours, Liz.

MS. FLORES: Thank you so much, Commissioners,
Darcie, Alan, Laurie. It’s hard to believe that it has been over 22 years since I started work at the Energy Commission. I didn’t know at that time that this work would be so meaningful. And to be a part of something so important, it’s been exciting, working on new programs, old programs, everything from research, efficiency, renewables, fuels.

And, of course, the best part has been working with so many great people over many years and many different programs. And I will really miss my coworkers in the Legal Office, such a fantastic group of dedicated people.

Thank you again.

CHAIR HOCHSCHILD: Thank you so much, Liz. We’re proud of you.

With that, let’s turn to item three and recognize and commend Chris Davis for his contributions to the Energy Commission.

Carousel, I believe, you’ve got it from here.

MS. GORE: Thank you, Chair, Vice Chair, and Commissioners. It is my honor and pleasure today to recognize Chris Davis and read the resolution for Chris.

“Whereas, Chris graduated from UC Riverside as an acting major in 1975 and whereas Chris began his career in local news and became a news director before
he headed to the Department of Consumer Affairs in 2000, and whereas he continued exercising his vocals, spending many evenings as a DJ, and whereas Chris served as a Power Plant Information Officer from 2001 to 2006 with the Media and Public Communications Office at the Energy Commission, and whereas he joined the California State Water Resources Control Board in 2006, one of the six branches of the Environmental Protection Agency, and whereas Chris returned to the Energy Commission with the Efficiency Division in 2007, and whereas he has accumulative experience to join the Siting, Transmission, and Environmental Division in 2008 to 2020, where he concluded his stellar career,

“And whereas, Chris has invested in his community, volunteering in various local nonprofits,

“And whereas, Chris has been a devoted member and Chair of the Energy Commission’s Disability Advisory Committee from 2017 through 2020,

“Therefore, be it resolved that the California Energy Commission recognizes and commends Chris Davis, who remains an honorary member of Staff and the Disability Advisory Committee for his many great contributions to the people of the state of California, and wishes him good health, happiness, and all the best in his future
If I can just add a very personal note?

Chris, it has been so wonderful to work with you. From my first day, walking in the door as the coordinator for the agency for our disability advisory role, it was nice just how welcoming you’ve been from day one, how you’ve always included me, always been very gracious about listening to my many, many ideas and suggestions of things that we could do, as I am never out of those. But you are like that with everyone.

And you -- I want you to know that you have certainly set the bar high and will leave legacy here that I think will not only continue to positively impact the Disability Advisory Committee, which has a positive role in including our employees with disabilities and making sure that we are accessible as an agency for all of our coworkers with disabilities, but also set up the standard for other employee resource groups who can do the same for other affinity groups.

So my many thanks, my best wishes, my greatest congratulations to you. And just thank you so much, Chris.

CHAIR HOCHSCHILD: Thank you, Carousel.

Noemi, we have some Staff comments; correct?

MS. GALLARDO: That is correct, Chair. So, again, this is Noemi, Public Advisor. We are going to
start off with Garry Maurath, who will be coming through
the Verizon line. So if we could open up his line?

Garry Maurath? Garry, your line is open. Please
feel free to begin.

MR. MAURATH: Hi Noemi. Thank you so much.
I wanted to take a moment to really express my
gratitude for Chris. He and I joined the DAC at the same
meeting. And when the two of us joined the membership on
the DAC mushroomed to six people. And during Chris’s
tenure of leading the DAC, his vision and focus has been
unwavering. And I think one of the signs of an absolutely
true leader is as he leaves the DAC, we’ve got triple the
membership we did than when he joined.

And although every state agency must have a DAC,
I believe our DAC is the most vibrant, active DAC of all
state agencies, and that’s due to Chris’s leadership. And,
again, sign of a true leader, when he steps down from the
DAC, he is leaving the DAC in a much better position,
focused going forward, active, vibrant.

It’s just been an absolute joy to work with you.
And I’m a fortunate person that, in your regular day job, I
also get to work with you in Compliance where your
leadership has been a breath of fresh air. And you are
going to be sorely missed. So congratulations. Hope you
have a happy holiday. And wherever you go, I know things
are going to be better.

Thank you.

CHAIR HOCHSCHILD: Thank you.

MS. GALLARDO: So this is Noemi. Next up is Greiana Williams. She is also on the Verizon line.

Greiana, your line is open. Please begin.

MS. WILLIAMS: Thank you, Noemi.

So I just want to say, as the Vice Chair of DAC, and on behalf of the entire Disability Advisory Committee, I’d like to thank Chris for his very kind disposition and his hard work to make the CEC a more inclusive and accessible place for all Staff.

Just on a personal note, Chris, you have made a profound impact on me that I will carry with me throughout my career and just in my life, so thank you so much. We’ll miss you and we wish you the very best.

MS. GALLARDO: This is Noemi, the Public Advisor. That was the final comment, Chair. I will turn it over to you.

CHAIR HOCHSCHILD: Okay. Thank you.

Commissioners? Would any of the Commissioners like to -- wish to make a comment?

Commissioner Douglas.

COMMISSIONER DOUGLAS: Well, I just wanted to speak up. So as the Lead Commissioner on Siting, and with
the STEP Division, I just wanted to recognize Chris for his many years of work in the STEP Division. He’s been involved in some way in virtually every power plant application that’s gone through there in quite a long time. And he has always been active, presenting items at every step. The Lead Commissioner meeting, he’s prepared, he’s ready to dive into the details. I’ll definitely miss seeing Chris at all of these meetings and in the work at the STEP Division.

So congratulations on your retirement, Chris.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Any other Commissioners wishing to make a comment?

Vice Chair Scott?

VICE CHAIR SCOTT: Yeah, I’ll jump in as well. I just wanted to say, on the topics where you could come in and brief me, Chris, I always knew that I was going to get an excellent, thoughtful, and thorough briefing. I was always happy to see you come to my office.

And I just kind of wanted to note a little bit that it’s kind of -- it’s bittersweet to say goodbye to folks in general, but it’s really bittersweet to say goodbye to folks in 2020 where we don’t have the opportunity to see one another in person. And so I hope and counsel strongly for everyone to come back when we can.
all see one another so we can all hug each other and see
each other in person again.

But it’s -- I just wanted to say thank you,
Chris, to you for your service to the people of California.
And also to wish you the very best in your retirement as
well. I hope it’s relaxing and restful, and also fun and
adventurous, so thank you so much.

CHAIR HOCHSCHILD: Thank you, Vice Chair.
Other Commissioners? Thank you.
Well, Chris, just -- I didn’t get a chance to
work with you closely, but I just wanted to extend my
gratitude to you for your service. And we did have a
request from our Executive Director Drew Bohan to thank
you, and the other two as well.

So maybe let’s turn to Drew now?

EXECUTIVE DIRECTOR BOHAN: Thanks very much,
Chair. Drew Bohan, Executive Director. Just wanted to
make a quick thank you to all three.

Gabe, Liz, Chris, I’ve had the pleasure of
working pretty closely with all three of you. It’s really
nice to hear so many nice comments from all your colleagues
and from the Commissioners. So to the three of you, best
of luck and thank you so much.

CHAIR HOCHSCHILD: Thank you, Drew. All right.

COMMISSIONER MCALLISTER: Chair, I’ll just say --
CHAIR HOCHSCHILD: Oh, I’m sorry, Commissioner McAllister, did you want to --

COMMISSIONER MCALLISTER: Yeah. Sorry. I didn’t want my silence to be anything other than just tacit support, so I’ll just speak out.

You know, we did have a number of workings together over the years and I really just appreciated that. You know, I was not -- I haven’t been involved recently in the STEP Division’s work. But, certainly, just the quality overall, and your support for the institution and, as others have said, just your great representation of the Commission and the fabulous work you’ve been doing, so thank you so much for that.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Okay, with that, Chris, any words from you?

MR. DAVIS: Well, yeah. I want to thank everybody at the Commission. There have been so many great people there and people with passion. That really made a difference for the people of California and given me an opportunity to do work that’s probably the most important in my career in the last 20 years. I mean, it wasn’t quite as much fun as having people call me up on the radio and say I have a nice voice or winning a dozen broadcast news awards.

But in 2001, when California had rolling
blackouts, we were able to license power plants in as little as 19 days and get them online at the end of that summer to stop the rolling blackouts and the gaming that was going on.

When I became a Compliance Project Manager and was going and visiting power plants that were under construction, literally, there were concrete results every time and I’d go and see them, and it was so satisfying. And during the ARRA projects, 2010, with Genesis and the other solar-thermal projects, again, we rallied to make a difference. And this year, which has been probably the most bizarre in my lifetime, and hopefully the most bizarre that any of us will have to live through, we were able to rally, change processes that relied on paper, in large part, to electronic processes and make the switch like that.

The compliance project managers, I’ve said this before, I really think, ironically, somehow it helped in team building, that a group came together when we needed. When I told the compliance project managers, you’re going to have to work for the weekend, we need to get every megawatt on the grid we possibly can, there was no complaint. Everybody jumped in and was so helpful.

And then, finally, I wanted to thank Carousel especially. Working with her on the Disability Advisory
Committee was, again, was really satisfying. And there are people that donate their time, this is above and beyond what they’re doing to get their salaries, but donate time, and don’t just come to meetings but actually contribute.

There’s so much positive going on at the Commission. And you’re all positioned to continue to have a strong impact on people’s lives in California. And to me, you just can’t ask for much more. And I just thank you all for the opportunity.

CHAIR HOCHSCHILD: Thank you so much, Chris.

Best of luck to you.

Unless there’s any comments on that, let’s move on to item four, Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Publicly-Owned Utilities.

We have -- I think Katharine Larson is going to present here.

MS. LARSON: Good afternoon, Chair Hochschild, Vice Chair Scott, and Commissioners. My name is Katharine Larson and I’m the Staff Lead for the Renewables Portfolio Standard Enforcement Regulations for Local Publicly-Owned Electric Utilities. With me today on the phone are Gabe Herrera, Staff Counsel for the Rulemakings, Natalie Lee, Deputy Director of the Renewable Energy Division, and Greg Chin and Malachi Weng-Gutierrez, Renewable Energy Division
I’m here to present the proposed regulations and the associated mega declaration under CEQA for you to consider for adoption.

For purposes of the Administrative Procedure Act, this business meeting also serves as our public hearing.

Due to the complexity of the issue and the level of public interest, the presentation may take a little longer than typical business meeting items.

So the Renewable Portfolio Standard, or RPS, was established by the legislature and requires local publicly-owned utilities, or POUs, and resale sellers of electricity to procure increasing quantities of renewable energy generation. The legislature identifies unique benefits to California from the RPS, which are codified in Public Utilities Code section 39911(b). Broadly, the objective includes reducing climate impacts of electricity sources serving California. The proposed regulations will provide improved direction and guidance to POUs on how the CEC will interpret, apply, and enforce the RPS, which will result in a more uniform and consistent application that promotes the underlying benefit.
resale sellers to procure increasing quantities of renewable energy. And compliance is assessed on a multi-year basis.

In 2011, Senate Bill, SB X12, generally made the requirements of the statewide RPS program applicable to POUs and established new procurement requirements, including a target of 33 percent by 2020 for both resale sellers and POUs.

Subsequent legislation increased the procurement targets to 50 percent, and then 60 percent, by 2030 and beyond. The figure on the right here broadly illustrates the increased RPS targets for the final year of each compliance period. And the estimates of annual soft targets for intervening years from the start of the RPS through 2030.

The RPS enforcement regulations for POUs specify how the CEC will assess a POU’s procurement actions and determine whether they meet the RPS requirements. Regulations also specify a public process by which the CEC may issue a notice of violation and refer noncompliance to the California Air Resources Board, or ARB.

The CEC’s first RPS regulations for POUs took effect in 2013. And subsequent amendments to the regulations took effect in April 2016. These regulations are specific to POUs. The CPUC oversees the RPS
requirements, compliance, and enforcement for retail sellers.

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Since the CEC last amended its RPS regulations, four pieces of legislation have modified RPS requirements applicable to POUs. These will affect multiple aspects of the RPS program. And some of the major changes include increasing and accelerating procurement targets after 2020, establishing a new long-term procurement requirement, changes to excess procurement and optional compliance measures, and changes to special exemptions and adjustments, among others.

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The broad objective of this rulemaking is to implement the RPS statutory changes for POUs in a manner that’s consistent with statute, consistent, to the extent possible and appropriate, with implementation of parallel requirements for retail sellers, can reasonably apply to a diverse set of locally controlled POUs which vary widely by service area, geography, and the size, demographic, and distribution of the customer base.

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As you can see, these regulations are several years in the making and are the product of robust public engagement. After pre-rulemaking activities, the formal
rulemaking was initiated on May 8th, 2020 with publication of a Notice of Proposed Action and initial rulemaking package, pursuant to the Administrative Procedure Act. The 45-day public comment for the express terms ran through June 22nd.

On July 9th, Staff published an initial study and proposed Negative Declarations for the proposed regulations, along with the Notice of Intent to adopt the proposed Negative Declaration, in accordance with the California Environmental Quality Act, or CEQA.

During the course of the rulemaking, Staff conducted two Lead Commissioner workshops, and issued three sets of 15-day language updating the proposed express terms in response to comments. Staff worked with stakeholders and stakeholders also worked together to submit a consensus proposal for implementation of certain elements of the long-term procurement requirements.

A third round of 15-day language issued on December 1st represents the final version of the proposed regulations. The comment period for the 15-day language ended on December 16th. Staff has reviewed all comments and will provide responses in the final Statement of Reasons as required by the Administrative Procedures Act.

The most significant aspect of the rulemaking is
the new long-term procurement requirement, or LTR, enacted by SB 350. This new requirement generally specifies that beginning in 2021 at least 65 percent of procurement must come from a resale sellers contract of ten years or more in duration, ownership, or ownership agreement. The law makes the LTR applicable to POUs by requiring POU governing boards to adopt consistent requirements, and also provides a mechanism for voluntary early compliance beginning in 2017.

The purposes of this new long-term procurement requirement, based on comments, are the support and development of new resources and major capital investments in existing resources, and to assist with long-term planning and market stability, all of which ultimately support the state’s clean energy goals.

As part of the CEC’s oversight role to the RPS enforcement, regulations must address how compliance with the long-term procurement requirements will be assessed. While this seems straightforward on its face, addressing the range of contracting scenarios and clarifying the effect of various modifications actually gets quite complex.

Furthermore, the proposed implementation had to balance the need for flexible long-term contracting with reasonable safeguards to address some stakeholder concerns.
about potential loopholes for contracts clearly intended to evade the purposes of the requirement and ensure that implementation supports those purposes.

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The proposed regulations implement the LTR as a third separate procurement requirement for which compliances effect independently of the other RPS procurement requirements which are the procurement target and the portfolio balance requirement. This framework treats compliance with each requirement with equal weight. And noncompliance with any one results in the same enforcement process.

The proposed regulations clarify that POUs may adopt and apply the cost limitation or delay of timely compliance optional compliance measures to address a shortfall in the long-term procurement requirement. It is consistent with the established implementation of optional compliance measures for the other RPS procurement requirements.

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The proposed regulations define long-term contracts and short-term contracts for purposes of determining what procurement may be counted for compliance with the LTR. To be classified long-term a contract must have a duration of at least ten continuous years, measured
from the contract start date, defined as the date the POU begins electricity products for the contract, to the contract end date.

For contracts executed or amended after July 1st, 2020, additional criteria must be met for the contract to be considered long-term. They include requiring reasonable consistent contracted-for requirements. This requirement is only applicable to those POUs that file Integrated Resource Plans with the CEC. Limiting the use of unilateral cost-free early termination options such that the buyer cannot just walk away without cause. And requiring minimum pricing or quantity terms sufficient to show the procurement obligation.

For POUs with long-term contracts that don’t conform to these additional criteria, a POU can still claim the contract as long-term by showing that one of several conditions are satisfied, or by showing that the contract represents a procurement commitment consistent with the purposes of the long-term procurement requirement.

Staff proposed the additional criteria apply only to contracts that executed after July 1st in recognition that POUs had to execute long-term contracts for a compliance for and beyond prior to adoption of these regulations.

And in the event that the POU is contracting with
a third-party supplier, all these requirements should apply both to the POU’s contracts and to any upstream contracts with the RPS facilities.

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So the proposed regulations clarify how the long-term contracts apply in different contracting structures. A POU’s contract to procure electricity products from an RPS facility must have a duration of at least ten continuous years, and if executed after July 1st must meet the additional long-term contract criteria. This structure is shown in the icon on the top right.

If the POU’s contract was with multiple facilities, then the procurement commitment with respect to each facility must satisfy the long-term contract requirements.

The regulations also address jointly-negotiated contracts which include joint contracts between multiple POUUs at an RPS facility, separately executed contracts with individual POUUs in the same RPS facility if the separate contracts identify the joint parties and provide the right to reallocate procurement among them, and contracts executed by a joint powers agency or other third party on behalf of multiple POUUs.

In the jointly-negotiated contract structure, each POU’s procurement commitment must meet the long-term
contract requirements. And the contract with the RPS facility must meet the same except that the aggregate joint procurement would be used to assess reasonable consistent variations.

The separately executed joint procurement structure is shown in the middle icon on the slide.

And for contracts between a POU and a third-party supplier, both the POU’s contract and the upstream contract with the facility must meet the long-term contract requirements, or the facility must be owned by the third-party.

With regard to contract duration, the upstream contract with the RPS facility must have at least ten years remaining when the POU’s own contracts starts. The requirement for this long-term contract structure are illustrated on the lower right-hand side of the slide.

Several stakeholders have argued that a POU’s contract with a third-party supplier should be assessed as long term only based on the POU’s contract and not on any upstream contract with the facility on the basis that this is contrary to statute and the CPUC’s implementation for resale sellers.

In Staff’s assessment, however, a POU’s long-term contract with a third party in which the third party forces generation from a portfolio of short-term resources doesn’t
appear to support the purposes of the LTR. Furthermore, the CEC and CPUC have different roles and responsibilities for affecting procurement actions.

Some stakeholders also argue that the requirement to have a remaining duration of at least ten years would diminish the value of existing third-party long-term contracts under the (indiscernible) authority. In fact, this remaining duration requirement provides comparable treatment for POU contracts in the upstream third-party contracts. Just at the time the POU’s ten-year contract starts, the third-party’s contract also has at least ten years remaining, regardless of the start date.

Finally, some stakeholders have argued that any third-party contracts with RPS facilities shouldn’t be subject to the ten-year duration requirement unless the POU’s contract is executed after July 1st, arguing that POUs weren’t aware of the requirement and might not have access to the upstream contracts.

Staff rejected this alternative as the ten-year duration is the core element of the LTR, and the proposed reporting requirements are intended to alleviate any access issues by allowing third-party attestations or direct submission of contract excerpts for those contracts executed prior to July 1st.

In all cases, long-term contracts require a long-
term procurement commitment by a POU and a long-term
commitment with the RPS facility, which is necessary to
ensure all procurement that POUs count for compliance with
the LTR is sourced through long-term contracts.

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In addition to specifying long-term contract
requirements for these contract structures, the proposed
regulations clarify the classification of long-term
procurement under different scenarios. In general,
procurement for the long-term contract is expected to be
long term unless amendments or modifications change the
status of the long-term contract. The proposed regulations
clarify when contract amendments are treated as part of the
long-term contract and when they’re treated as a new
agreement. They also clarify when replacement energy or
quantity of exceeding the POU’s obligation under the long-
term contract are treated as part of the contract.

The proposed regulations clarify that additional
long-term contract criteria don’t apply to renewals or
extensions of a POU’s federal hydropower contract with the
Western Area Power Administration. These renewals will be
assessed by the POU’s contract duration to account for
provisions that might allow for early termination of
changes in quantity based upon actions by WAPA and FERC.

The proposed regulations clarify that ownership
or ownership agreements are presumed to be permanent. So
unless the ownership agreement specifies a duration of less
than ten years, procurement will be classified as long-
term.

Finally, procurement from PCC 0 contracts, as
well as a POU’s historic carryover and any prior banked
excess procurement, will be classified as long-term. PCC 0
contracts count in full toward the RPS procurement
requirements. And prior banked excess procurement met the
requirements for a ten-year contract duration in place at
the time.

Next slide please.

So beyond the long-term procurement requirement,
the proposed regulations implement statutory changes and
provide necessary clarifications to the other RPS
procurement requirements and optional compliance measures.
Changes to RPS procurement requirements include
implementing the new compliance periods established by
statute through 2030 and establishing three-year compliance
periods thereafter, implementing the new final-year
procurement targets, culminating at 60 percent by 2030 and
an average of 60 percent for each compliance period, and
also establishing annual soft targets for the intervening
years of each compliance period, and clarifying the
applicability of the portfolio balance requirement to the
new compliance periods, and clarifying existing equations. Changes to optional compliance measures include implementing new excess procurement rules effective in 2021 and implementing a process for voluntary early compliance with the long-term procurement requirement that would allow the new excess procurement rules to take effect early, in this third compliance period.

POUs are generally required to adopt optional compliance measures prior to the end of the compliance period in which they are used. But due to the date of adoption of this update, the proposed regulations provide that the rules allowing POUs to elect early compliance must be adopted within 30 days of the effective date of these regulations.

And the other changes include implementing new conditions by which a POU may delay timely compliance with the RPS requirements and implementing simplified requirements for POUs to adopt and apply cost limitations. Next slide please.

The proposed regulations also implement statutory changes and provide necessary clarifications to multiple exemptions and adjustments to POU RPS procurement requirements. Broadly, these exemptions and adjustments recognize specific circumstances and effectively allow POUs to reduce or remove an RPS procurement requirement in
limited cases. However, the nuances in eligibility criteria or the exemption calculations can be quite complex. I'll highlight a few here.

First, the proposed regulations implement an option allowing POUs to exclude from their RPS retail sales the quantity of qualifying generation procured for voluntary green pricing or shared renewable generation program customers. This optional adjustment effectively lowers a POU’s RPS obligation by lowering the retail sales used to calculate RPS soft targets.

To illustrate how this adjustment works, consider a POU that has 10,000 megawatt hours of retail sales this year, including sales to green pricing program customers, and the annual soft target percent is 33 percent. If the POU procures 1,000 megawatt hours of qualifying generation for those customers, the voluntary program customers, the POU may exclude that quantity from its retail sales for purposes of RPS compliance obligation. The POU’s adjusted retail sales are equal to 10,000 megawatt hours minus the 1,000 megawatt hours procured through the participating customers, or 9,000 megawatt hours. The adjusted amount of retail sales is then used to calculate the POU’s soft target for that year. So 33 percent of 9,000 is 2,970 megawatt hours.

Absent the adjustment, the POU's soft target
would be calculated as 33 percent of its annual retail sales, or 33 percent of 10,000 megawatt hours, which is 3,300 megawatt hours, so the difference of 330 RECEIVES.

As you can see, excluding qualifying green pricing program generation for retail sales has the effect of lowering a POU’s RPS soft target but does not count toward RPS compliance.

And consistent with the statutory requirements, the regulations require that qualifying generation for this exclusion meets the requirements of PCC 1, meaning that the electricity and associated RECs must be procured bundled; that the associated RECs be retired on behalf of participating customers, meaning that any RECs retired for purposes of RPS compliance, including banked excess procurement or historic carryover, would not be qualifying generation; and that the associated RECs not be used for RPS compliance or be further sold, transferred, or otherwise monetized for any purposes. The proposed regulations clarify, for purposes of this provision, that “monetized” means the RECs were used to earn revenue or financial value other than through the program tariff or subscription.

The statutory requirements also specify that, to the extent possible, POUs seek to procure qualifying generation from RPS facilities located in reasonable
proximity to participating customers. The proposed regulations clarify this locational requirement as within a California balancing authority area. Some stakeholders contend that the regulations should specifically recognize that procurement from green tariffs used in the ARB’s Low Carbon Fuel Standard program is eligible for this RPS retail sales exclusion, and that otherwise POUs would need to double retire RECs. The statutory requirements prohibit the exclusion of any RECs that are not retired on behalf of the participating customer or that are further sold, transferred, or otherwise monetized for any purpose.

The proposed regulations require that the RECs be retired in a WREGIS subaccount designated for the benefit of participating customers. Staff believes that RECs retired for purposes of the Low Carbon Fuel Standard represent a monetization of the retired RECs and so rejected this proposal.

Furthermore, the assertion that double retirement would be needed is a mischaracterization. As illustrated in the example, the RPS soft target is calculated as a percent of retail sales, so reducing retail sales does lower the target but only by a portion of the amount of qualifying generation.
The proposed regulations also implement a partial procurement target exemption that allows POUs that receive more than 40 percent of annual retail sales from qualifying large hydroelectric generation to adjust their soft target that year to ensure that the combination of RPS procurement and large hydro procurement does not exceed 100 percent of retail sales. This exemption is available to qualifying POUs through 2030.

Some stakeholders have argued that the exemption should be available after 2030, as long-term federal hydropower contracts extend past that date. While we understand parties’ concerns, the question of the exemption end date is a statutory, rather than regulatory, issue as the compliance periods for which the exemption is effective are specified in statute and end in 2030.

The proposed regulations also implement a partial procurement target reduction that allows POUs with qualifying publicly-owned gas-fired power plants with outstanding public indebtedness and that meet certain operational considerations over a compliance period to adjust their RPS procurement target beginning with the 2025-2027 compliance period.

Some stakeholders have argued that this exemption should be evaluated and applied annually as a soft target adjustment. And while we acknowledge that annual soft
target adjustments would provide greater relief for bond
payments on the facilities that are due annually, the plain
language of statute and the legislative history indicate
that this exemption should apply and be evaluated on a
compliance period basis.

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The proposed regulations update annual and
compliance reporting to address or conform to statutory
changes and provide necessary clarification of existing
requirements, including clarifying when the POU must report
on newly executed contracts, specifying that documentation
on third-party contracts must be submitted upon request,
and clarifying that such documentation may include
attestations by the POU. For contracts executed prior to
July 1st, an attestation may also be submitted by the
third-party to alleviate possible access issues.

Consistent with current reporting, a POU may
refer to information submitted in prior annual reports,
which could now include information submitted by a third-
party, in lieu of resubmitting it every year.

In addition, a number of new reporting deadlines
were updated in the third 15-day language to address the
possibility that the regulations might not be effective by
next July, in which case reporting deadlines for new
requirements would be within 30 days of the regulation
effective date. While it is staff’s intent for the regulations to take effect prior to next July, we acknowledge this might not be possible as the normal OAL review period of 30 business days has been extended through executive orders by an additional 120 calendar days.

The proposed regulations also implement a two-step compliance reporting process with modified information submitted in the annual report for the last year of a compliance period, followed by a compliance report submitted after the CEC has completed initial verification. In addition, the proposed regulations extend the compliance report deadline to 90 days after the CEC sends the POU draft verification results and specify that POUs may request extensions following the process identified in the RPS Eligibility Guidebook.

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Consistent with current verification practices, CEC staff will review contracts to verify the claimed classification as long term. Staff will complete the review following annual reporting on long-term contracts. And the proposed regulations provide that, to the extent possible, POUs will be notified of contract determinations within one year of the submission of complete and accurate information in the annual report. If the POU disagrees with staff’s verification of contract classification as

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long term or short term, the POU may appeal staff’s
determination to the Executive Director. The appeals
process is specific to verification of the contract as long
term or short term.

Any existing contracts that the POU has already
reported to the CEC, and for which the POU seeks to
classify as long term for purposes of the LTR, must be
reported to the CEC in the annual report due next July or
within 30 days of the effective date of the regulations,
whichever is later. The CEC will verify those contracts as
part of verification activities for compliance period
three.

The proposed regulations also include a process
by which POUs may request early review of a long-term
contract. The voluntary early review process is available
only for contracts executed after July 1st and only for
contracts that don’t, on their face, meet the additional
long-term contract criteria, for example, contracts for
which procurement quantities vary by more than the
reasonable consistency standard, that include unilateral
cost-free termination options, or that do not include
minimum pricing or quantity terms.

To the extent possible, the Executive Director,
with staff recommendation, will issue a determination
within 90 days of a complete request for review. A POU may
appeal the determination by filing a petition for reconsideration.

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In accordance with CEQA and APA requirements, staff evaluated the environmental, economic, and fiscal impacts of the proposed regulations. The resultant Negative Declaration concludes that there is no substantial evidence, in light of the record before the agency, that these regulations may have a significant effect on the environment.

Furthermore, the associated economic and fiscal impact analysis indicates that the direct and indirect impacts of these regulations won’t exceed the $50 million threshold of major regulations.

Finally, staff concludes that these regulations meet the objectives of the rulemaking. The regulations are consistent with and necessary to implement the purpose of statute, provide consistent or comparable treatment with retail sellers to the extent possible, and apply reasonably to a diverse set of local publicly-controlled entities.

Consequently, we recommend the Commission first adopt the Negative Declaration for the proposed regulations, and then adopt the proposed regulations as reflected in the third 15-day language. Gabe, Natalie, Malachi, Greg, and I will be available to answer any
questions you have.

And I’d also just like to quickly echo the appreciation for Gabe that was heard earlier in the business meeting and thank him for all his valuable assistance and insight, especially in this rulemaking.

And with that, thank you for your consideration.

CHAIR HOCHSCHILD: Well, thank you, Katharine.

And I think, as your substantial report indicates, this was not an easy process, very complex. And I want to thank you for all your hard work, and the rest of your team, to get us to this point.

So let’s go first to public comment.

Madam Public Advisor, do we have some folks on the line?

MS. GALLARDO: This is Noemi, the Public Advisor. Yes, we do. We have about five people.

So I want to remind folks in the queue for this item number four that they will have up to three minutes each to speak. We have a timer that will show. Only one representative per organization is allowed. After your line is opened, please spell your first and last name, state your affiliation if you’re representing an organization, and do not use the speaker phone when talking because we won’t hear you as clearly. If you’re also on Zoom, either mute or leave Zoom to avoid feedback.
And with that, we are going to begin with James Hendry. He is on the Verizon line. And let’s open up his line so that he can begin. So that’s James Hendry. James, if your line is open, please begin.

MR. HENDRY: It is open. Hello?

MS. GALLARDO: We can hear you, yes.

MR. HENDRY: Okay. Great.

MS. GALLARDO: Go ahead.

MR. HENDRY: Good afternoon. This is James Hendry, H-E-N-D-R-Y, with the San Francisco Public Utilities Commission.

As noted in Staff’s presentation, a publicly-owned utility may exclude from calculating its obvious obligation, sales made under Green Tariff Program. However, Staff goes on to indirectly conclude that a green tariff customer may not use green tariff participation to document it is using greenhouse gas green energy to power its electric vehicles. This reduces about 40 percent, the amount of LCFS credits. It contradicts the California Air Resources Board’s goal to expand, not limit, the use of green tariffs to promote electric vehicle development. And it will make it harder to achieve Governor Newsom’s order, executive order, to receive and have 100 percent electric car sales by 2035.

As noted in Staff’s presentation, in order to
participate in the Green Tariff and LCFS Program, you would have to double retire a renewable energy credit. Staff claims you’re not double retiring a credit because you can also offset your partial compliance with the RPS requirements. So, perhaps, a more technical definition is, with the 33 percent RPS, if you’re having to require one-and-two-thirds renewable energy credits in order to participate in the Green Tariff and LCFS Program, slightly less than two but still enough to make the program uneconomic or less economic for a customer to participate.

This double retirement or increased retirement obligation was not envisioned when CARB developed its regulation. And Staff’s interpretation that these RECs must be, you know, double retired or subsequently increased retired is based on an incorrect of the phrase otherwise monetized in statute. We’ve sent extensive comments explaining why this is not consistent with the statute. And if you strictly implemented it, it would mean that the customers use for green tariff participation for any program, such as LEAF certification or green marketing that provides financial value, as the Commission staff has identified the term, should also be prohibited.

The interpretation is inconsistent with the Commission’s own treatment in February of a similar green tariff program where the California Energy Commission
unanimously concluded that there was no need for a double retired. That program, the Shared Solar Program, was identical to the LCFS Program. As Staff noted, there was a requirement that you had to retire the RECs to a specific subaccount. It provided financial value. And it was used to document participation in other programs.

Despite that, in February the Commission’s unanimously said there was no need to double retire renewable energy credits. And we believe the similar treatment should apply to the Low Carbon Fuel Standard Program.

The achievement of California’s electric vehicle goals should be promoted, not hindered, by the use of a green tariff. And we urge the Commission to address this issue when it’s preparing its final Statement of Reasons.

I’m available for any questions if you have any. Thank you and we appreciate your time.

And, also, I wanted to also give a shoutout to Gabe Herrera I’ve appreciated working with him over the past ten years, mainly on RPS issues, and even when, as today, we have disagreements over statutory interpretation.

Thank you.

CHAIR HOCHSCHILD: Thank you, James.

MS. GALLARDO: This is Noemi, the Public Advisor.

So next up we are going to have Scott Tomashefsky.
And I remind folks to please spell your first and last names, especially if I mispronounce them, and I apologize for that.

And then after Scott, we will have Mario DeBernardo.

So, Scott, your line is open. Please begin.

MR. TOMASHEFSKY: Thank you. My name is Scott Tomashefsky, T-O-M-A-S-H-E-F-S-K-Y, enough letters for you today. On behalf of NCPA, we’re pleased to offer our support for the adoption of the third set of 15-day amendments to the enforcement procedures.

While the focus of much of the changes between the second day -- second set of language and the third set that was released on December 1st has been focused on long-term procurement, it’s important to step back for a minute and recognize the wide range of topics that have been debated over the four years that brings us to today.

I would think most parties would agree, and as the Staff presentation highlights, there are key topic areas that literally took years to reconcile within the draft regulations, which is not an easy task for any of us, including all the stakeholders involved, Energy Commission staff, management, and Commissioners.

With regard to the long-term procurement provisions, we’d like to express our appreciation to the
Commission for coming up with a package that’s acceptable to move forward, even though it doesn’t necessarily include 100 percent of what we would have liked to see. That’s the nature of negotiations in these processes.

Most implementation for us, the proposed regulations appear to balance the need for the Commission to do its work to evaluate whether a contract meets the criteria of long-term procurement under the statute with the flexibility that we believe is needed for smaller POUs to successfully comply with the long-term procurement requirement.

I do want to acknowledge the leadership of Commissioner Douglas in all this to getting us to the finish line here, including her commitment to working with my POU colleagues and other stakeholders to facilitate a workable solution during a pretty challenging four months, I mean, on top of the fact that we’re doing this all in a virtual mode.

And, in particular, I also want to thank Katharine for her tireless efforts, because she’s been dealing with us in the trenches for years. We’re a pretty diverse POU community. And she has always been accessible and willing to kind of deal with our nuances and family squabbles that we tend to have. So I want to provide that as well.
And then, finally, given the fact I’m a CEC alumni, I’m going to get on the Gabe Herrera train here and personally thank him, and also note that his professionalism and candor has served the Commission well over the years. I think we both started the Commission about the same time, 1992/’93 time period. So I just want to wish him all the best as he moves on to bigger and better things. And as it sounds like from the Commission discussion, we may have opportunities to continue to work with them as a retired annuitant.

So with that, I’ll just say thank you, and wish you all a safe and joyous holiday season.

MS. GALLARDO: Thank you, Scott.

This is Noemi, the Public Advisor. Next up will be Mario DeBernardo. After him will be Oren Weiner. And I remind you to please spell your first and last name and indicate your affiliation, if you have one.

So, Mario, your line is open. Please begin.

MR. DEBERNARDO: Good afternoon. Mario DeBernardo with the Southern California Public Power Authority. The last name is D-e-B-E-R-N-A-R-D-O. I’m the Government Affairs Director for SCPPA. And I just, very briefly, want to express my appreciation -- well, the Agency’s appreciate to the Commission and Staff for their hard work through this process, working with the
stakeholders to come up with a regulatory proposal that is
more workable for the POUs.

SCPPA members, as well as the general POU
community, take their responsibilities to meet the state’s
clean energy goals very seriously. RPS is, obviously, a
big part of that. And an important aspect of the program
is to ensure that it is able to accommodate the differences
and the special natures of the POUs.

So we appreciate that the Commission and the
staff took the time to work with the stakeholder groups,
including SCPPA, to make, like I said, the proposal more
workable, so thank you very much.

MS. GALLARDO: Thank you, Mario.

This is Noemi, the Public Advisor. We’ll now go
to Oren Weiner. And after Oren will be Matt Freedman.

Oren, we’re going to open up your line. And
please make sure to spell your first and last name.

All right, I’m waiting for the line to be opened
up for Oren Weiner.

Oren, if your line is open, please feel free to
begin.

COMMISSIONER DOUGLAS: Noemi, we got a chat
saying that Oren does not wish to speak.

MS. GALLARDO: Thank you so much. I appreciate
that. Okay.
So we will move forward to hear from Matt

Freedman.

MR. FREEDMAN: Hi. This is Matt Freedman.

MS. GALLARDO: Or Matthew Freedman. Excuse me.

MR. FREEDMAN: Hi.

MS. GALLARDO: Go ahead.

MR. FREEDMAN: This is Matthew Freedman, M-A-T-T-H-E-W F-R-E-E-D-M-A-N, speaking on behalf of The Utility Reform Network. And I want to offer our support for the proposed Renewable Portfolio Standard Regulations.

The success of the RPS Program is contingent upon the development of carefully crafted regulations that faithfully implement the intent of the underlying statutory provisions, provide appropriate flexibility for market participants and load-serving entities, and prevent loopholes that would otherwise permit market participants to engage in practices that undermine the achievement of core program objectives. The proposed regulations manage to accomplish all of these goals with respect to the publicly-owned utilities.

The extensive and exhaustive process associated with the development of the proposed regulations has allowed the Commission to consider views from a range of stakeholders. We appreciate the thoroughness of the process and, in particular, the incorporation of language
to address a variety of concerns raised by public interest representatives, like TURN.

The implementation of the long-term contracting requirement established pursuant to Senate Bill 250, as you’ve heard, has been a central flashpoint for disagreement between the stakeholders. And despite initial disagreements, TURN worked collaboratively with representatives from the POU community to develop a compromise proposal that balances a variety of competing considerations. I’m happy that the final regulations reflect key elements of this compromise proposal, and they represent a meaningful approach to ensuring that only legitimate long-term procurement commitments will be eligible to meet the compliance obligation.

I want to thank the program Staff and Commissioner Douglas for all the hard work they put in and the diligence that they demonstrated in the development of these regulations. Their sustained efforts to ensure that the regulations comprehensively addressed the key issues are greatly appreciated.

And, as other commenters have noted, I’ll just say that based on my 20 years of experience dealing with Gabe Herrera, he is worthy of all the praise you’ve heard. I’ll just pile on and offer my congratulations to him for many years of his high-quality contributions to the Energy
Commission and to the State of California.

Thank you.

MS. GALLARDO: Thank you.

The is Noemi Gallardo, Public Advisor. So next up I have Barry Moline or Barry Moline. And after that will be Steve Uhler.

Barry, your line is open. You may begin.

MR. MOLINE: Thank you. I’m Barry Moline, B-A-R-R-Y M-O-L-I-N-E. I’m the Executive Director of the California Municipal Utilities Association. And I’d like to sincerely thank the Commission and Staff for all their work to develop these regulations.

And looking back to joint POU agencies of CMUA, NCPA, and SCPPA had significant concerns with the second 15-day language. But through the collaborative stakeholder process that Commissioner Douglas and Staff led, there were major improvements. With these changes we’re able to support the regulations as amended by this third 15-day language.

Our joint POU comment did request some minor clarifications. We believe that an explanation in the final Statement of Reasons will be sufficient and that these issues do not merit any further changes to the regulations being considered.

We urge the Commission to adopt the regulations.
today. And we look forward to continuing to work with the
Commission as we progress into the future.

And that concludes my remarks. Thank you and
happy holidays.

MS. GALLARDO: Thank you, Barry.

Next up we have Steve Uhler.

MR. UHLER: Hello.

MS. GALLARDO: Your line is open, Steve. Please
begin.

MR. UHLER: Hello. My name is Steve Uhler,
S-T-E-V-E U-H-L-E-R.

I’d like to echo San Francisco Public Utilities
Commission’s sentiments on the exclusion under 39930(c)(4),
and also note that WREGIS is not a place for somebody to
identify legal title to certificates in their terms, as
stated in their terms of service.

So, yeah, how would a business or anybody know
whether or not they are -- they actually have or own this.
Since this appears to allow mandating of somebody’s
account, and that’s mandating, as in the dictionary, that
you’re allowed to make transactions on another person’s
bank account.

Also, I’m concerned about how relevant this will
be, particularly since you don’t use the same test that the
court’s use to determine when electricity is a product.
Renewable energy credits are generated and measured on the high side of a transformer. I don’t know anybody, any end user, who can use voltages at that level. So -- and all, according to WREGIS rules, all renewable energy credits are unbundled from electricity. So I’m concerned about the temporal issue under 39930(c)(4) for proximity of are you going to count in the exact hour that the participant would be using electricity to determine that it’s actually bundled?

So, let’s see, what else do I got here?

Yeah, in particular, I am amazed. You know, maybe it’s the difference between using Westlaw versus Witkin, that you don’t have anything to show, according to your public librarian, that you ever considered that the courts, through decisional law, do not consider electricity a product until it crosses a meter at the end use point.

I want to work out -- you should be aware that even though we reach, quote, “60 percent renewables in 2030,” it’s going to have to be heavily de-rated because it’s not going to displace 60 percent of fossil fuel.

So I urge you to at least table this or go back and rethink this and, particularly, tell the public what is a product as electricity is termed in your rules?

Thank you.

MS. GALLARDO: This is Noemi, the Public Advisor.
Chair, that was the final comment, so I’ll turn it over to you.

CHAIR HOCHSCHILD: Well, let me thank all the members of the public for those comments. And let’s turn to Commissioner discussion, starting with Commissioner Douglas.

COMMISSIONER DOUGLAS: Sorry. I was battling my un-mute button there.

So I want to also thank Katharine for her very thorough presentation. It really did take that long to cover the substantive portions of what we’re presenting today. And also thank the public commenters.

And I thought it would be helpful if I just ask Katharine to respond to one or two of the comments that came up today, particularly the one raised by SFPUC, and also the electricity product issue, and anything else, Katharine, that you think would be helpful?

MS. LARSON: Great. Thank you. Sure.

So in response to the comment from SFPUC, I just want to clarify that Staff has found RECs retired for purposes of the Low Carbon Fuel Standards are monetized as both LCFS RECs -- or excuse me, LCFS credits that are issued have a monetary value and can be traded or sold for monetary gain and are directly affected by the quantity of RECs retired.
We will respond to all the other examples that were raised of other programs in the final Statement of Reasons. But we found that any economic benefits associated with those other programs would be indirect and not based on monetization of the retired RECs themselves, so that’s the difference there.

Regarding the comment about electricity products, I do want to clarify that the CEC’s regulations already define electricity products for purposes of the RPS. And that definition is consistent with how the term is used in the RPS code sections that establish the portfolio balance requirement and the RPS POU procurement requirements.

The case that has been mentioned doesn’t deal with the definition of electric vehicle products for purposes of the RPS. It does have a definition to determine when electricity becomes a product for purposes of strict liability for defective products. But that case isn’t controlling with respect to the definition of electricity products that are used for purposes of RPS compliance.

COMMISSIONER DOUGLAS: Anything else or --

MS. LARSON: I don’t think so.

COMMISSIONER DOUGLAS: All right. I had a few comments I’d like to make.

Are there any other clarifying questions from my
colleagues before I do that? I don’t see anybody.

COMMISSIONER MCALLISTER: Not to -- I’ll just --
I did get a briefing, so the presentation here was consistent with the in-depth briefing that I got, so appreciated that.

COMMISSIONER DOUGLAS: Fantastic. Thank you.
So I just wanted to say a few things about the proposal.

First of all, as has been noted, this rulemaking was a long process, it was a very intensive process, and it was very complex. The issues covered were very complex. The diversity of the POUs and just the reconciliation of many different requirements, and also over the time that this package was in process, actual changes to the statutory framework that had to be addressed, all made this a real effort.

I want to thank Katharine for the presentation and for her superb work in this process. She’s been amazing. And I don’t exactly know how anyone can hold all of this together in their head at the same time but Katharine seems to.

I also want to thank Natalie, Gina, Armand, Greg, Teresa, and others in RED for their hard work and diligence on this package, as well as the legal team, Gabe, of course, as well as Nick Oliver, Jimmy Qaqundah, and Chair
Hochschild’s team, who worked on this before I took over as Lead Commissioner.

One of the most challenging aspects of this rulemaking was crafting reasonable regulations that were informed by real-world circumstances and examples to implement the long-term procurement requirement, and you’ve heard a number of stakeholders speak to that here. This included determining what is and is not a long-term requirement, and how can you tell, and maintaining the ability of the POUs to meet their contracting needs and to procure what they need to procure in a world where project developers have their own needs and requirements. And sometimes you have multiple entities pulling together to help a project come to fruition.

And it was not easy to find the balance that these regulations, these proposed regulations strike, and the complexity of them reflects that. I think it was really the willingness and commitment of our stakeholders, particularly the POU representatives and TURN, working with Energy Commission staff to get us over that final challenge of reconciling our approach on the long-term procurement issue in a way that has the protections that we need, preserves and meets the needs of the POUs, and is implementable and capable of being applied by the Energy Commission in a reasonable way.
And one of the things that gives me the most comfort and satisfaction out of the process that we just went through, which was very intensive, particularly towards the end, as has been referenced, is that I really feel like all of us, the stakeholders, the interested public interest community, the POUs, the Energy Commission staff and attorneys are really on the same page with what we’re looking for now. And that’s going to help us tremendously as we move forward into implementation, so I’m very happy about that. I want to thank, again, the stakeholders for their participation in the development of this package.

And so I’m ready. I’m prepared to make a motion on this package. I’ll just pause a moment and see if my colleagues would like to add anything?

CHAIR HOCHSCHILD: Are there any other Commissioners wishing to make a comment?

Vice Chair Scott?

VICE CHAIR SCOTT: Yeah. I just wanted to jump in right quick and also kind of echo something that you just heard Commissioner McAllister say. I had a chance to review in detail the materials, including the comments, the handful of comments that came in, you know, late last week on the third iteration of the 15-day language. And I also got a really thorough briefing on all of the details of
this program. It is quite complex.

And so with that, I wanted to say, thank you to Commissioner Douglas for her leadership on this, and also to Katharine and the whole team for putting this package together in the way that they did and bringing it across the finish line.

CHAIR HOCHSCHILD: Thank you, Vice Chair.

Unless there are comments from Commissioner Monahan, Commissioner Douglas, would you be willing to move the item?

COMMISSIONER DOUGLAS: Yes. And my notes say I should first move the Negative Declaration for this package; is that correct? Anybody?

CHAIR HOCHSCHILD: Darcie, can you speak to that?

MR. HERRERA: That’s correct, Commissioner Douglas. This is Gabe.

COMMISSIONER DOUGLAS: All right. Thank you, Gabe.

So I’ll start by moving the -- moving approval of the Negative Declaration for this rulemaking package for RPS.

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

VICE CHAIR SCOTT: Yes, I second.

CHAIR HOCHSCHILD: Okay. All in favor, say aye.
Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Vice Chair Scott?

VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner McAllister?

COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAH: Aye.

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

Commissioner Douglas, did you want to move the other item?

COMMISSIONER DOUGLAS: Yes. Yes. So now I move approval of the modification of regulations specifying enforcement procedures for the Renewables Portfolio Standard for publicly-owned utilities.

CHAIR HOCHSCHILD: Thank you.

Vice Chair Scott, are you willing to second that?

VICE CHAIR SCOTT: Yes, I second that.

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

Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Vice Chair Scott?

VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner McAllister?
COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAN: Aye.

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

Let me thank all of the stakeholders for participating, and especially Katharine. This was an incredibly heavy lift that may be the most lengthy presentation we’ve had in the last few years, but it was because it needed it, and there’s many, many different facets to this. So thank you to you and all your team for all of the hard work, getting through those details.

Let’s turn now to item five, Energy Conservation Assistance Act, Education Subaccount.

MS. REMY-OBAD: Hello. Good afternoon, Chair Hochschild and Commissioners. My name is Camille Remy-Obad. I’m with the Renewable Energy Division’s Local Assistance and Finance Office. And I’m here to request your approval for two Energy Conservation Assistance Act Education Finance Program, and that’s quite the mouthful so we call it ECAA-Ed, loan agreements, one with the Monson-Sultana Joint Union Elementary, and the other with the Golden Plains Unified School District.

Next slide please.

So ECAA loan benefits to California include
energy efficiency and renewable energy generation which lowers utility bills and promotes a clean energy economy. These loans are investments in energy projects located in areas where low-income and disadvantaged communities reside. Energy projects also benefit a healthy living environment.

Next slide please.

So the Monson-Sultana Joint Union Elementary is proposing to finance an energy project using a zero percent interest loan in the amount of $690,508. Staff has reviewed the supporting documentation and concur that this project is technically sound. The project involves installing a ground-mounted 150 kilowatt PV solar array at the elementary school site.

Next slide please.

The Golden Plains Unified School District is proposing to finance an energy project using a zero percent interest loan in the amount of $534,990. Staff CHAIR ABARBANEL: also reviewed the supporting document and concur that this project is also technically sound. The project replaces lightbulbs and light fixtures with upgraded high-efficiency LED lighting totaling 278 exterior and 3,121 interior lights. The improved lighting saves energy and costs, in addition to providing for a healthier learning environment within the classrooms, benefitting
both students and educators at six school sites, plus the
school district’s administrative office.

Next slide please.

The Monson-Sultana Joint Union Elementary project
is saving approximately 319,000 kilowatt hours of
electricity annually, resulting in a projected annual cost
savings of $61,700. The Golden Plains Unified School
District energy efficiency project is saving approximately
280,500 kilowatt hours of electricity annually, resulting
in a projected annual cost savings of $81,000. The
repayment term for the Monson-Sultana loan is approximately
11 years. The repayment term for the Golden Plains loan is
approximately seven years. Both loan repayment terms are
well within the 20-year ECAA-Ed repayment requirements.

Next slide please.

Legal Staff has found these projects are exempt
from the California Environment Quality Act. And the
Energy Commission Staff recommend approval for these loans.

I thank you for your consideration. If you have
any questions, we would be happy to answer them.

CHAIR HOCHSCHILD: Thank you, Camille.

Madam Public Advisor, do we have any public
comment?

MS. GALLARDO: This is Noemi, the Public Advisor.

There are no public comments for this item.
CHAIR HOCHSCHILD: Thank you.

Now let’s turn to Commissioner discussion, starting with Commissioner McAllister.

COMMISSIONER MCALLISTER: Yeah. Hey, so you are all familiar with the ECAA programs in its various flavors. Thanks, Camille, for that, another couple of good projects. I really like to see schools in the San Joaquin Valley, well, these are down around Fresno, roughly. And, obviously, these are the kinds of areas we want to target and, hopefully, can build on with AB 841 implementation and get some additional resources to those schools. And I don’t have anything further to say about these.

It’s good to see both EV and lighting. Obviously, solid investments at this point. And good to be able to offer these no-interest loans to the schools. So I’ll move this item, if there are no further comments.

CHAIR HOCHSCHILD: Seeing no comments from my colleagues, let’s go ahead and move the item.

COMMISSIONER MCALLISTER: I’ll move item five.

CHAIR HOCHSCHILD: Okay. Let’s see, Commissioner Douglas, would you be willing to second?

COMMISSIONER DOUGLAS: Yes, I second.

CHAIR HOCHSCHILD: Okay. All in favor, say aye. Commissioner McAllister?
COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Vice Chair Scott?

VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAN: Aye.

CHAIR HOCHSCHILD: And I vote aye as well. Item five passes unanimously.

Let me thank the staff and the stakeholders for working on that.

The one other thing I would add is that in the stimulus package that just passed, actually, they got an extension of the solar tax credit, a two-year extension of the ITC of 26 percent with a commence construction clause that goes through 2025, so effectively, you know, a five-year tax credit. So for, you know, a lot of the solar projects going forward, that’s, you know, that’s going to help reduce costs, so that’s a new development.

Thank you.

Let’s turn now to item six, approval of the December 9th business meeting minutes.

MS. GALLARDO: This is Noemi Gallardo, the Public Advisor. We do have someone wanting to make public comment on this item.
CHAIR HOCHSCHILD: Okay.

MS. GALLARDO: That would be Steve Uhler.

Steve, your line is open. Please begin.


A question about item 13, public comments in the minutes, it says there was none. But pursuant to Title 20, I requested the Public Advisor to relate my points. I want to confirm why the minutes don’t show my name there?

CHAIR HOCHSCHILD: Okay. Thank you. Was that your only comment, sir?

MR. UHLER: Well, no. No. I’ll continue. I was expecting a response. I’m taking it that you don’t recognize that I made a public comment at the meeting, that it didn’t happen. So perhaps you can further inquire into the Public Advisor why she didn’t relate my comments, actually, in the last few meetings.

So, yeah, that’s my point. You can vote for it. That will confirm that she did not relate my comments.

Thank you.

CHAIR HOCHSCHILD: Darcie, sorry, were you going to say something?

MS. HOUCK: Chair, we can check with the Public Advisor. I’m not sure if that was a docketed comment that Mr. Uhler is referring to.

MR. UHLER: Well, ma’am, am I still heard?
CHAIR HOCHSCHILD: Yeah.

MR. UHLER: What’s the docket have to do with it?

The docket is not publicly relating in a meeting, so she should not be -- she proposed that because I put something in the docket, apparently even the public can’t come and then point you to that item in the docket just by saying, hey, you know, did you read my item in the docket? That’s basically what she’s saying.

I was in a similar discussion with the prior Public Advisor when I later found out she had left the Energy Commission on the same subject.

MS. HOUCK: Chair --

MR. UHLER: So --

MS. HOUCK: -- this is --

MR. UHLER: -- yeah, this is a tough time for us folks out here. We don’t get to come down there and sit and look you in the eye. You should at least --

CHAIR HOCHSCHILD: Let’s let --

MR. UHLER: -- make sure your Public Advisor --

CHAIR HOCHSCHILD: -- let’s let Darcie respond.

MR. UHLER: -- sticks to Title 20.

CHAIR HOCHSCHILD: Yeah. Thank you. Let’s let Darcie --

MR. UHLER: Is somebody talking over me?

CHAIR HOCHSCHILD: Darcie --
MS. HOUCK: Chair --

CHAIR HOCHSCHILD: -- go ahead.

MS. HOUCK: -- we thought Mr. Uhler’s commented noted for today’s meeting. And we will follow up with the Public Advisor and get back to Mr. Uhler to clarify the process and distinction between the docket and the public comments.

CHAIR HOCHSCHILD: Okay. Thank you, Darcie.

MR. UHLER: Okay. Well, I just want to know that the Commission actually would -- by accepting that, is approving her taking this position on that. You’re the Chair. You’re the guy who signs your name to telling us that we can’t talk on items that you may later vote on, so I want to know.

CHAIR HOCHSCHILD: Okay. Thank you.

MS. HOUCK: Chair, just for --

CHAIR HOCHSCHILD: Yeah, go ahead.

MS. HOUCK: Yeah.

CHAIR HOCHSCHILD: Go ahead, Darcie.

MS. HOUCK: We’ll get back to him.

MR. UHLER: This is an agenda item. You can speak on it. You can talk to whether or not that was properly done or whether the meeting minutes are wrong.

MS. HOUCK: And you’ve done that, Mr. Uhler, so I just am clarifying for the Chair. So I think that’s the
comments that we have for today. And I don’t want to get
into a back and forth with you on this, sir --

MR. UHLER: Okay. Just as long as you put it in
writing --

MS. HOUCK: -- so thank you.

MR. UHLER: -- in the docket exactly, because I
do not want any verbal anything. I want it in writing
explaining why she didn’t publicly relate my points at
those two meetings.

Thank you.

CHAIR HOCHSCHILD: Thank you, Mr. Uhler.

Okay, are there any public comments on item six, Noemi?

MS. GALLARDO: This is Noemi, the Public Advisor.

There are no more public comments.

CHAIR HOCHSCHILD: Thank you.

Can we get a motion to approve item six? Maybe, Vice Chair Scott, would you be willing to move that item?

VICE CHAIR SCOTT: Yes. I move approval of item six.

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

COMMISSIONER DOUGLAS: I second.

CHAIR HOCHSCHILD: All in favor, say aye.

Vice Chair Scott?
VICE CHAIR SCOTT: Aye.

CHAIR HOCHSCHILD: Commissioner Douglas?

COMMISSIONER DOUGLAS: Aye.

CHAIR HOCHSCHILD: Commissioner McAllister?

COMMISSIONER MCALLISTER: Aye.

CHAIR HOCHSCHILD: Commissioner Monahan?

COMMISSIONER MONAHAN: Aye.

CHAIR HOCHSCHILD: And I vote aye as well. Item six passes unanimously.

Let’s move on to item seven, Lead Commissioner or Presiding Member Reports.

Let’s start with Commissioner Monahan.

COMMISSIONER MONAHAN: Yeah. I’ll just be brief.

So we’re -- the team has drafted the AB 2127 Report, which you all probably remember is the analysis of changing needs. And originally, it was just for 5 million EVs.

And then I’m very happy to report that the team has actually, together with using some data from the Air Resources Board, looked at the charging needs for meeting the new executive order, and at least through 2030. And so, hopefully, this will be published in the next several weeks, maybe as soon as the end of this calendar year. And we’re also -- the team is also publishing AB 8 report on hydrogen.
So I think that, you know, as we look forward to the upcoming year and to the success that the Clean Transportation Program only has until 2023 of funding, I think these reports are really setting us up for really identifying the infrastructure needs to be able to meet our targets for zero-emission vehicles.

And together with that, we also, I think I kind of mentioned in the past, that we have -- we’re working with an EV Charging Infrastructure Strike Force that I’m co-chairing with Kathy Zoe (phonetic) and working with Chief Counsel’s Office to figure out what kind of format makes the most sense for the Strike Force. And we’re looking at having it be a BK (phonetic) group eventually. And, you know, just really wanting to make sure that we are strategically using that group and the Fuel Cell Partnership to ensure that we have the right set of partners to be able to meet our goals for expanding both charging infrastructure and hydrogen refueling infrastructure.

So I think that this is a big issue for today.

CHAIR HOCHSCHILD: Thank you, Commissioner.

Let’s move on to Commissioner McAllister.

COMMISSIONER McALLISTER: Yeah, just briefly. You know, we gave our thank yous last time. And this is -- so we want to keep this meeting short. I won’t go into
lots more detail on all the great that have happened over
the course of the year.

I do want to just highlight that Staff and the
Efficiency Division and the Assessments Division have been
working together on the Building Decarbonization Report
that is sort of entering the homestretch, a lot of great
modeling and a lot of great sort of background there in
modeling. And then some really kind of, I think, bold
directions that we’re going to take in building
decarbonization, both for new and existing buildings.

That’s the AB 3232 Report that Assembly Member Friedman
passed a couple years ago that targets 40 percent below
1990 levels for building decarbonization for building-based
emissions by 2030.

So I want to just thank my staff, Bill O’Brien,
Fritz, and the whole joint division’s staff that’s been
working on this report. And I think it’s going to provide
a good foundation for our discussion next year in the IEPR
where we’ll expand on the building decarbonization which,
obviously, is a key strategy for the state going forward
with the climate urgency that we’re seeing.

So, anyway, just wanted to highlight that. And
we’ll be seeing that in the coming weeks, okay?

Thanks very much.

CHAIR HOCHSCHILD: Thank you, Commissioner.
Let’s go on to Vice Chair Scott.

VICE CHAIR SCOTT: All right. Just a couple of brief updates for you all since last time.

Believe it or not, we had our 45th anniversary which was wonderful. We had a business meeting after that, so we had a nice chance to talk about that with each other.

After that, though, we did the Clean Energy Hall of Fame awards. And I just wanted to note how much fun those were, how inspirational those were. It is so wonderful how many people all around California are working every day to create jobs, to bring more clean energy, and to really just help us move in the right direction in terms of getting clean energy, which helps address climate change and clean air. And I was just really inspired by all of the folks that we had an opportunity to meet and to honor at the Hall of Fame Awards.

I imagine, Chair Hochschild, you or our Madam Advisor Public Advisor Noemi might talk about that a little bit more. But I just wanted to also note how much fun that was.

And with that, I will also just be brief in my remarks as well. I want to wish everybody a really healthy and safe, restorative, very, very happy holiday season, and a happy new year. It’s been quite a 2020. But, yeah, just relaxation, restoration, everyone stay safe and healthy,
and happy new year.

CHAIR HOCHSCHILD: Well said, Vice Chair.

Commissioner Douglas?

COMMISSIONER DOUGLAS: I have no report. I’ll just pile onto Janea’s wishes for the holidays and the new year.

Thank you.

CHAIR HOCHSCHILD: Thank you.

Yeah, I’ll just add that it was really special to do this Clean Energy Hall of Fame Awards. We’ve been wanting to do that for a number of years. And I am really, really excited about that. I think there are so many inspiring people on the front line. You think about the people who got honored, I mean, Pam Quan spends most days on a 45-degree pitch roof, you know, putting on solar. And these are folks who are just so inspirational but don’t get the attention they deserve.

And so this is going to be an annual event. And we’re going to keep honoring people, really, on the front lines who represent, you know, all corners of the state in all types of work.

And I want to just especially thank Noemi for partnering on that. It was just phenomenal.

And Vice Chair Scott for an equally beautiful and inspirational 4th Anniversary Symposium. Just to see the
sweep of history from CEC over the years, that video that
you worked with the media team to produce was just
magnificent. And so thank you for relating that for the
Commission.

I have no additional updates from last meeting.
I just wanted to offer my congratulations to Alex Padilla,
who was named Senator by the Governor. I met him 25 years
ago. We both did the (indiscernible) together. And he was
impressive then, he’s impressive now, and has had an
incredible run at the State Senate and as Secretary of
State, and I think going back to (indiscernible)
Congressional Delegation representing California in the
U.S. Senate. Really proud of his work and look forward to
what he’ll do for the people of California in this overall
aisle (phonetic).

So I want to just recognize Ana O’Leary, who
served as Chief of Staff for Governor Newsome for that last
two years. That job, I think, is the hardest job in the
state. And doing it in 2020, you know, you deserve a
medal, just an incredible volume of issues you got to deal
with, and challenges, and so really grateful for her
service. And I’m sure we’ll be crossing paths in the
future.

So that was it on my end.

Let’s turn now to item eight, Executive
Director’s Report.

EXECUTIVE DIRECTOR BOHAN: Good afternoon Commissioners. Drew Bohan here.
I just want to say happy holidays to everyone, Staff, you guys, and everybody who participated in this meeting. Take care.

CHAIR HOCHSCHILD: Okay. Thank you.

Public Advisor’s Report.

MS. GALLARDO: Hi there. Sorry about this. This is Noemi, the Public Advisor.
I just wanted to give a big thank you to the public for being patient with us and cooperating as we figured out how to go virtual. And also appreciate the feedback that I have received from the public about how we can be better and just serve Californians in a, you know, more equitable way.
So with that, I will conclude my report.

CHAIR HOCHSCHILD: Okay. Thank you.

Before we go item ten, I just wanted to say, one thing the Vice Chair mentioned, I just wanted to reemphasize it for Staff especially, just really try to GE to some rest this holiday and restore. This has been an incredibly intense and exhausting year. I feel it myself. I know I speak for all my fellow Commissioners, you know, on that point. We’ve all been working just enormously hard
and very, very productively and fruitfully. The amount of things that got over the finish line this year is extraordinary.

And next year, you know, we’re going to be moving close to three-quarters of a billion dollars of grants for all sorts of good stuff, from schools to building decarbonization to EV charging and so much more, solar microgrids on tribal lands, and all that. So we all need to rest. It is a marathon and not a hundred yard dash.

And so I hope, really, for the staff on the line today, take a breath, take a bow, and really try to recharge your batteries and rest and restore.

So with that, let’s move on to item ten, public comment.

Do we have anyone wishing to make a public comment on item ten?

MS. GALLARDO: So, yes, we do have one person on the queue -- or in the queue, excuse me, for item number ten, that is Steve Uhler.

So just give a reminder to please spell your name. And your line is open, Steve. You may begin.

MR. UHLER: My name is Steve Uhler. And I wish the Public Advisor would utilize the Title 20 where the Public Advisor would simply introduce me without me spending any time on it.
I’m very concerned about what happened in August, mid August. You might remember, some people had their power cut off with very short notice. And I’ve read the Governor’s letter to the Energy Commission, concerned about your ability to forecast.

I’ve come a couple of times and talked about a different approach you should take. And so I think I can simplify how to identify whether or not your modelers have even a chance of identifying what happened in August.

All the modelers that I’ve seen treat the grid as batch and queue when the grid is just in time. In fact, as we go to more renewables, it will become more and more just in time.

Also, just as you passed your RPS enforcement procedures for POUs, it’s going to be very important for the public to want to support that. How can the public support a green pricing program where they’re not actually given a product? And I’m talking about a product that they could sue over if they’re injured by. Because if the state doesn’t think you can sue on it under strict liability, it’s not a product. So you need to correct that issue.

But very much -- and it’s -- as far as back to the modelers, it’s very easy to tell if it’s batch and queue. Just count how many times they average something or put a factor in there without any supporting evidence.
I’ve worked in -- as a manufacturing engineering technologist for over 40 years. And you could easily have predicted what was going to happen, what your margins were. And more importantly, good resource planning would have said, hey, why did you drop out a power plant, meanwhile you’re exporting power to other areas? So -- and, you know, those are covered in the report that you and, I guess, the PUC and others had done.

But you really need to consider moving away from this batch and queue modelers. And if you need any help with that, like I say, I have over 40 years of experience. And if I could get some good, solid information, because QFER doesn’t even have all of the power plants that are -- that EIA has for the same type of over-megawatt power plants. And so that’s going to be a real problem. You haven’t identified everything. You can’t possibly be modeling everything that will go on.

So please pay attention to that. I stand at the ready and hope to have plenty of information for you to get you to change your mind on how you’re even looking at some of these modeling for the IEPR.

Thank you.

MS. GALLARDO: Thank you, Steve.

CHAIR HOCHSCHILD: Thank you.

MS. GALLARDO: This is Noemi, the Public Advisor.
We have one more person wanting to comment, that is Ben Davis.

Your line is open, Ben. Please proceed.

MR. DAVIS: Thank you very much. Am I coming across here?

CHAIR HOCHSCHILD: Yes, we can hear you.

MS. GALLARDO: Yes.

MR. DAVIS: Oh, good. This is Ben Davis. And I’m a citizen of California. And I’ve also been very active in the nuclear power movement in California. I’ve attended all of the Energy Commission hearings post Fukushima concerning nuclear power.

And because of my concerns about nuclear power, I contacted your staff when the news hit about the hacking that is currently gone on in America and asked whether or not there was some way to find out if the Energy Commission could consider whether or not Diablo Canyon could still be operated safely considering this, whether or not we had enough information about the hacking to determine whether or not the power plant could be still operated safely? And I asked if there was a way of requesting that Energy Commission convene an emergency meeting, unless it can be determined that the plant is safe, to convene an emergency meeting to consider whether or not that was the case? And they suggested that this hearing, this meeting that you’re
having today, may be the appropriate time to ask you to do so.

So that’s what I am doing at the moment, is asking you to consider whether or not an emergency meeting to determine whether Diablo Canyon is safe to run, given this hacking problem, might be in order? With that in mind -- or perhaps you can suggest why there would be no need to consider that? There might be something I’m missing that would suggest that there’s some other appropriate channel, and that that has already been determined?

So with that in mind, I’m going to read a few questions into the record, and I would like you to answer them today verbally, if you can, or tell me that you can’t today so that I’ll know to wait for an answer later, or to look into it further myself. These questions are as follows.

Has the Energy Commission looked into whether Diablo Canyon has been hacked? That’s the first question. And is there any specific evidence it has not been hacked?

Next, I wonder if PG&E uses software or hardware that is from either of the companies -- any of the companies that are involved? I can’t remember their names offhand, but there was a company in Texas, I understand, that was sort of seminal to this whole problem. And I
wonder if PG&E uses that software or if the Energy
Commission is aware of whether or not they might use this
software?

And lastly, although I do have one other question
at the conclusion of my remarks, can anyone at this meeting
answer whether or not further study -- without further
study, at the moment, Diablo Canyon is worth the risk of
operating, given this whole hacking problem. Now,
potentially, if my understanding is correct, potentially,
Diablo Canyon can be shut off with -- as a fairly routine
matter. It’s routinely shut down for maintenance. And
sometimes shuts itself down because of some kind of
mechanical problem. So I don’t believe I’m asking for the
world in having somebody consider whether or not the plant
might be shut down while --

CHAIR HOCHSCHILD: Thank you, sir. Thank you.
Your three minutes have expired. And the public comment
period is not really intended for a meeting. It’s really
intended for members of the public to state their comments.
And if you want to have a meeting, please follow up with
the Public Advisor afterward.

Let’s move on to item 11, Chief Counsel’s Report.

MS. HOUCK: Thank you, Chair. I just want to
echo some of the comments that were made earlier about the
challenges of this year and how impressed I am with my
staff and Commissioners and Executive Office stepping up.
And I’m very proud to be part of this team.
And with that, I wish everybody a happy new year.
And I have no further report.
CHAIR HOCHSCHILD: All right. Thanks everybody.
Happy holidays. Happy new year. See you in 2021.
(The Business Meeting adjourned at 3:10 p.m.)
CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of January, 2021.

[Signature]

MARTHA L. NELSON, CERT**367
CERTIFICATE OF TRANSCRIBER

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

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

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

MARTHA L. NELSON, CERT**367

January 13, 2021