

DOCKETED

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BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY COMMISSION

In the Matter of:)
) 21-BUSMTG-01
Business Meeting)
_____)

REMOTE ACCESS ONLY

As of June 9, 2021, public comment will be accepted solely through the Zoom platform.

The California Energy Commission's (CEC) July 15, 2021 Business Meeting will be held remotely, consistent with Executive Order N-08-21 to continue to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic. The public may participate consistent with the direction in the Executive Order.

Pursuant to California Code of Regulations Title 20 section 1104(e), any person may make oral comment on any agenda item. To ensure the orderly conduct of business, such comments will be limited to three minutes or less per person. Any person wishing to comment on information items or reports (non-voting items) shall speak during the general public comment portion of the meeting and have three minutes or less to address all remaining comments.

THURSDAY, JULY 15, 2021

10:00 A.M.

Reported by:
Martha Nelson

APPEARANCES

Commissioners (Via Remote)

David Hochschild, Chair
Karen Douglas
Andrew McAllister
Patricia Monahan
Siva Gunda

Staff Present: (Via Remote)

Linda Spiegel, Chief Deputy Director
Linda Barrera, Chief Counsel
Noemi Gallardo, Public Advisor
Muoi-Lynn Tran, Chief Counsel's Office
John Heiser, Compliance Project Manager
Geoff Lesh, Engineering Office Manager
Shawn Pittard, Deputy Director, Siting, Transmission, and
Environmental Protection Division
Brett Fooks, Inspections Unit Lead
Tim Smith, Mechanical Engineer
Joseph Hughes, Mechanical Engineer
Steven Kerr, Siting & Environmental Office
Ashley Gutierrez, Technical Expert
Jared Babula, Staff Counsel
Michael Murza, Chief Counsel's Office
Corrine Fishman, Efficiency Division
Mike Gravely, Energy Systems Research Office
Jacqueline Moore, Chief Counsel's Office

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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. <i>In the Matter of U.S. Department of Energy (High Level Waste Repository) (Atomic Safety Licensing Board, CAB-04, 63-001-HLW); State of California v. United States Department of Energy (9th Cir. Docket No. 09-71014)</i>	
ii. <i>Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262). Court of Appeal, First Appellate District, Division Four, Case No. A157299)</i>	

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vi. Southern California Gas Company v. California State Energy Resources Conservation and Development Commission (Sacramento County Superior Court Case No. 34-2021-80003576-CU-WM-GDS).	
b. Pursuant to Government Code, section 11126, subdivisions (a) and (e), the CEC 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 constitute a significant exposure to litigation against the CEC, which might include personnel matters.	
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JULY 15, 2021

10:01 a.m.

MS. MURIMI: The California Energy Commission's Business Meeting will begin shortly. Thank you for your patience.

(Start of Introductory Video.)

Today's Business Meeting is being held remotely. Please note the public comment will now be conducted via Zoom. When the public comment period is announced press the raise-hand feature to indicate you would like to make a comment.

If you are participating by phone to indicate you'd like to make a comment please raise your hand by pressing *9 and then press *6 to unmute. Again, that is *9 to raise your hand and *6 to unmute.

For public comment, please note that comments are limited to three minutes or less per person and one representative for organization. Depending on the number of commenters we may adjust the time for public comment to be fair to everyone who'd like to speak.

After you raise your hand the Public Advisor will announce you using the listed Zoom name or with the last three digits of the phone number used to call into the meeting. The Public Advisor will then open your line. Before making your comment state and spell your name and

1 indicate your affiliation, if any.

2 Finally, to help ensure you're heard clearly
3 speak closely and clearly into the device, do not use the
4 speakerphone feature.

5 Welcome to the California Energy Commission
6 Business Meeting. The meeting will now begin.

7 (End of Introductory Video.)

8 CHAIR HOCHSCHILD: Well, good morning and welcome
9 everyone to our July 15th Energy Commission Business
10 Meeting. Let's begin with Commissioner Douglas leading us
11 in the Pledge of Allegiance.

12 (Whereupon the Pledge of Allegiance was recited.)

13 CHAIR HOCHSCHILD: Thank you so much.

14 I do want to remind everyone, we are in the
15 middle of a summer of severe heat waves and that is causing
16 threats to the grid. And I want to encourage everyone to
17 sign up for the Flex Alert notification at flexalert.org,
18 so you can stay in the know and get energy conservation
19 tips to help support our electric grid in California.

20 Today's meeting is being held remotely consistent
21 with Executive Order N-08-821 to continue to help
22 California respond and recover from and mitigate the impact
23 of the COVID-19 pandemic. The public can participate in
24 the Business Meeting consistent with the direction in this
25 executive order. Instructions for remote participation can

9

1 be found in the notice for the meeting as set forth on the
2 agenda posted on the Commission's website link for the
3 Business Meeting.

4 We are now using Zoom only for remote access.
5 Public comment will be accepted solely through the Zoom
6 platform. In the event that Zoom were to shut down we
7 would use the Verizon phone line for backup at 888-823-5065
8 and the pass code is "Business Meeting," and public comment
9 would then be accepted through Verizon.

10 Pursuant to California Code of Regulations Title
11 20, section 1104(e) any person may make an oral comment on
12 any agenda item. To ensure the orderly conduct of business
13 such comments will be limited to three minutes or less per
14 person as to each item listed on the agenda that is voted
15 on today.

16 Any person wishing to comment on information
17 items or reports, which are non-voting items, shall reserve
18 their comments for the general public comment portion of
19 the meeting agenda and shall have three minutes or less
20 total to state all remaining comments.

21 Once the public comment period begins if you
22 would like to speak, please raise your hand by clicking on
23 the hand icon at the bottom of your screen.

24 If you're joining by phone press *9 to raise your
25 hand and *6 to unmute. After the Public Advisor calls on

1 you to speak spell your name and state your affiliation, if
2 any.

3 Before turning to the agenda items, I am excited
4 to announce that during today's Business Meeting the Energy
5 Commission is seeking to approve over \$33 million in
6 grants. This is part of our investment in our clean energy
7 future and in our state's economic recovery. And I want to
8 thank all the stakeholders and the staff for all the work
9 to prepare those for submission today, in consideration
10 today at our meeting.

11 Turning now to Item 1 the Consent Calendar items
12 will be taken up and voted on as a group. A Commissioner
13 may request that an item be moved and discussed later in
14 the meeting.

15 Madam Public Advisor, do we have any public
16 comment on Item 1?

17 MS. GALLARDO: We do not have any public comment
18 on Item 1 at this point.

19 CHAIR HOCHSCHILD: Okay. Unless there is
20 Commissioner discussion -- oh, I'm sorry, do we have a
21 recusal on -- oh that's later.

22 MS. GALLARDO: No, that'll be later for Item 7.

23 CHAIR HOCHSCHILD: Okay, thank you. Unless there
24 is any discussion, Commissioner Douglas, would you be
25 willing to move Item 1 and Commissioner McAllister will you

11

1 second?

2 COMMISSIONER DOUGLAS: Yes, move approval of Item
3 1.

4 CHAIR HOCHSCHILD: And Commissioner McAllister
5 will you second it?

6 COMMISSIONER MCALLISTER: I'll second it.

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

9 COMMISSIONER DOUGLAS: Aye.

10 CHAIR HOCHSCHILD: Commissioner McAllister?

11 COMMISSIONER MCALLISTER: Aye.

12 CHAIR HOCHSCHILD: Commissioner Monahan?

13 COMMISSIONER MONAHAN: Aye.

14 CHAIR HOCHSCHILD: Commissioner Gunda?

15 COMMISSIONER GUNDA: Aye.

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

18 Let's turn now to Item 2, recognizing and
19 commending Muoi-Lynn Tran for her contribution to the Energy
20 Commission. Let's turn now to Linda Barrera to read the
21 resolution in Muoi's honor.

22 MS. BARRERA: Good morning, Commissioners, thank
23 you Chair. I'll now read the Resolution Number 21-0715-2.

24 "WHEREAS, Muoi-Lynn Tran became a member of the
25 support staff of the California Energy Commission's (CEC)

1 Chief Counsel's Office on August 27,1984 and faithfully
2 served the CEC in many capacities for her entire career of
3 37 years, beginning as an Office Assistant and rising
4 through many promotions to Legal Support Supervisor and
5 Staff Services Manager II; and

6 "WHEREAS, Muoi-Lynn's family fled from China to
7 Vietnam during China's cultural revolution, later escaped
8 Vietnam in an overcrowded boat in the midst of the Vietnam
9 War when Muoi-Lynn was ten-years old, and whereas she
10 literally swam on to the shore of Malaysia where she spent
11 almost two years in a refugee camp.

12 "WHEREAS, Muoi-Lynn's family applied for asylum
13 to every country that had personnel at the refugee camp.
14 Through hard work and perseverance, Muoi-Lynn's family
15 immigrated to the United States and made their home in
16 Sacramento.

17 "WHEREAS, Muoi-Lynn was hired notwithstanding her
18 initial difficulty speaking conversational English, because
19 she effectively communicated that she would diligently work
20 to improve her English and would learn everything she could
21 that was needed to help the Chief Counsel's Office succeed
22 in its responsibilities; and

23 "WHEREAS, Muoi-Lynn quickly became a popular and
24 successful member of the Energy Commission's Legal Office
25 support staff due to her diligence, her competence, her

1 attention to detail, her loyalty to all whom she served,
2 and her innate kindness to others, only causing her Legal
3 Support Supervisor one problem: that nearly every attorney
4 in the office wanted Muoi-Lynn to be assigned to do their
5 work whereas the workload of the support staff had to be
6 shared; and

7 "WHEREAS, Muoi-Lynn began her service to the
8 office as Muoi-Lynn Tien but invited the entire office to
9 her wedding to Thanh Tran in May 1989, a joyous occasion
10 for all who attended; and a wonderful display of how the
11 diversity of cultures make this country great.

12 "WHEREAS, for the first several years of her
13 service, Muoi-Lynn was referred to simply as 'Muoi' because
14 her colleagues did not know that the word 'Muoi' was a term
15 of endearment meaning 'little sister,' and when, many years
16 into her service, she did ask that her name 'Lynn' be used
17 instead, she generously forgave all who had become so used
18 to calling her 'Muoi' that they had a hard time making the
19 change; and

20 "WHEREAS, Muoi-Lynn's career saw the Chief
21 Counsel's Office through a long transition from using
22 clerical staff primarily as typists to the modern legal
23 office of the digital age when both legal and support staff
24 use computers and work together to produce high quality
25 legal products; and

1 "WHEREAS, the promise she made in her hiring
2 interview of diligence in learning new systems and
3 procedures was fulfilled many times over as she became the
4 go-to person in the office for solutions to many computer
5 and software difficulties; and

6 "WHEREAS, Muoi-Lynn developed diplomatic skills
7 that allowed her to serve an informal but hugely important
8 role as liaison between the Chief Counsel's Office and
9 other offices within the CEC, ensuring that the needs of
10 her office were understood and accommodated when possible
11 and assisting the Chief Counsel in understanding when the
12 needs of the office were threatened by resource
13 limitations; and

14 "WHEREAS, all of her current colleagues who have
15 had the pleasure of working with her, and particularly
16 former Chief Counsel, William Chamberlain, who she has
17 continued to serve for nearly 12 years after his
18 retirement, will miss her but wish her and her family the
19 very best for a well-earned retirement,

20 "THEFORE BE IT RESOLVED, that the CEC hereby
21 recognizes and commends Muoi-Lynn Tran for her great
22 contributions to the CEC and the people of the state of
23 California and wishes her all the best in her future
24 endeavors."

25 And if I may add just a personal statement that

1 I've had the pleasure and privilege to have worked with
2 Muoi. And especially she was a great support to me when I
3 became the Chief Counsel. Muoi your immigrant background
4 and your life's journey are emblematic of what makes this
5 country strong. For 37 years you've been the backbone of
6 the Chief Counsel's Office. Your hard work, dedication and
7 commitment have greatly benefitted the Energy Commission
8 through your 37 years of service. It has been difficult
9 for me to accept your retirement, because you're such an
10 integral part of the Chief Counsel's Office. We will miss
11 you, I will miss you very much. But we are excited and
12 happy for your new life chapter, and we all wish you the
13 very best.

14 And now I would like to invite Bill Chamberlain,
15 our first Chief Counsel with the Energy Commission, to make
16 a comment. Thank you.

17 MR. CHAMBERLAIN: Thank you, Linda.

18 I served as the Commission's Chief Counsel for 31
19 years, including 25 of the 37 years in which Muoi-Lynn Tran
20 served the Commission, which was her entire career. I'm
21 immensely proud of my role in the hiring decision that
22 brought her to the Commission.

23 As you've heard she had an extraordinary and
24 tumultuous childhood in Southeast Asia, during which her
25 family had to flee for their lives more than once. And

1 spent two years in a refugee camp before they were
2 permitted to immigrate to Sacramento.

3 Muoi-Lynn more than anyone else helped the
4 Commission's Legal Office make the enormous transition from
5 a time when no one had a personal computer to the modern
6 legal office of the 21st century. She served five chief
7 counsels, each of whom is grateful for her assistance in
8 carrying out their duties. She made a career journey from
9 being reluctant to answer the telephone, because English
10 was her second or third language, to decades of confident
11 diplomacy and problem solving on behalf of the Chief
12 Counsel and others at the Commission.

13 She became the go-to person in our office for
14 technology solutions, as we all struggled with the rapid
15 changes of the digital age. And throughout her 37-year
16 career She maintained her good humor, her kindness to
17 others and her devotion to the work of our Office.

18 Thank you Muoi-Lynn from the bottom of my heart
19 for all you've done for the Energy Commission.

20 CHAIR HOCHSCHILD: Thank you, Bill. I believe
21 Patricia Carlos is going to share a statement from Darcie.

22 MS. CARLOS: Yes, so I'll be reading two
23 statements that were submitted for this item. The first is
24 from CPUC Commissioner and former CEC Chief Counsel Darcie
25 Houck.

1 She says, "I want to thank Muoi-Lynn Tran for her
2 tremendous service to the California Energy Commission.
3 She has spent her career working in the Chief Counsel's
4 Office, her contributions to the organization of the office
5 providing support in complex litigation matters and support
6 to so many attorneys in the Chief Counsel's Office. I
7 speak from personal experience, both as a junior staff
8 counsel that joined the Commission many years ago and then
9 later returning to the Office as Chief Counsel.

10 "Muoi was considering retirement about the time I
11 joined in October 2019, but decided to stay to help me with
12 office management and administrative matters in running the
13 office. I do not know how I would have gotten through the
14 transition without her, especially with the add-on of being
15 a new chief counsel and facing the impacts of the global
16 pandemic on the workplace.

17 "I cannot thank Muoi enough for all of her
18 support, dedication and hard work. The Commission is very
19 lucky to have her as part of its family, and I am sure she
20 will be greatly missed. Thank you, Muoi. Enjoy retirement
21 and you deserve the very best."

22 And the last statement is from Paulette Barbeau
23 (phonetic) former CCO's Supervisor who hired Muoi-Lynn
24 Tran.

25 "In August of 1984 Assistant Chief Counsel Greg

1 Wheatland and I were preparing to meet with a young student
2 from City College to come work part-time in our office
3 under a student program. She walked in the room and
4 introduced herself as Muoi. Greg and I took turns telling
5 her about the CCO and answered all of our questions.

6 "After Muoi left the interview Greg and I knew
7 immediately she was definitely the student we wanted to
8 hire, because Greg and I felt there was something unique
9 and special about this 19-year-old young lady.

10 "Muoi left the CEC only once, until she passed a
11 probation period at another state agency. Then we snatched
12 her right back up to a senior legal typist. Over the years
13 Muoi continued to further development, her career goals,
14 focusing on her individual communication and writing
15 skills.

16 "After I retired, I looked forward to my
17 conversations with my dearest friend Muoi and hearing of
18 the many changes taking place at the CEC and in the CCO.
19 She went from being this quiet young lady to an outgoing
20 and trusted coworker. It was my pleasure and joy to watch
21 her grow from a young teen to wife and mother. What a
22 beautiful success story of a young immigrant girl, whose
23 father brought her and her family to America on a small,
24 overcrowded boat from Vietnam for a better quality of life
25 and opportunities.

1 "In turn, Muoi has raised their two sons and a
2 daughter, who have become success stories as well. I'm
3 proud of you Muoi and your beautiful family. Thank you,
4 Paulette."

5 CHAIR HOCHSCHILD: Thank you so much, Patricia.

6 And Muoi congratulations to you. I just wanted
7 to say, I think, with the Energy Commission as in many
8 agencies, there are people who are in the spotlight a lot,
9 and then there are people who actually make the
10 organization work and really are the true heroes. And you
11 have had an incredibly distinguished career and really have
12 helped lay the groundwork for the success the Energy
13 Commission is having now. Muoi, are you available to make
14 a few comments?

15 MS. TRAN: Yes. Let me unmute myself, yes.

16 CHAIR HOCHSCHILD: There you go.

17 MS. TRAN: Thank you. Well, I don't know how to
18 start, you make me cry. (Becomes emotional.)

19 CHAIR HOCHSCHILD: Take your time. Take your
20 time.

21 COMMISSIONER MONAHAN: And, Muoi, I don't think
22 you're the only one with tears in your eyes right now, so I
23 know there's a lot of folks behind you.

24 COMMISSIONER MCALLISTER: Just breathe a little
25 bit.

1 MS. TRAN: Yes, it's so hard. Well, I want to
2 thank you so much Linda, Bill, Darcie and (indiscernible)
3 and Commissioners. I'm deeply honored and humbled by the
4 (indiscernible) and your kind words. It's so hard to
5 believe it has been over 37 years since I started work at
6 the Energy Commission.

7 But at that time I didn't know what I wanted to
8 do, because I was so young. And I remember when I started
9 at the Energy Commission when I'd walk around people were
10 just laughing at me and looking at me to say, "Hey little
11 girl why aren't you at school? You know, why are you
12 wandering around in here?" And I just laughed, because I
13 can't tell them that I'm working here as a student. And
14 they were just like, "You need to go back to your school."
15 Just like you know. And after a while they'd recognize me,
16 they were just joking at me, because I look so young at the
17 Energy Commission, and I believe I was the youngest, the
18 baby at the office. And then also I believe I'm the baby
19 at the Energy Commission too.

20 And it's hard to see, I mean, working with all
21 those people just one by one retiring and I'm still there.
22 But I'm grateful to be working at the Energy Commission and
23 the Chief Counsel's Office.

24 And then I didn't know what I wanted to do. And
25 I didn't know the work that was in the Chief Counsel's

1 would be so meaningful. And to be part of this, something
2 so important, especially the people that grew into as my
3 second family it's been an honor and pleasure to work here
4 at the Energy Commission.

5 I just wanted to thank you for the opportunity,
6 the challenge, the learning, the teamwork, and the
7 friendship. And I'm going to miss a lot of people here at
8 the Energy Commission. Thank you very much.

9 CHAIR HOCHSCHILD: Well, thank you, Muoi. And
10 it's a well-deserved retirement and an inspiration, your
11 whole career. And the only other thing I would add is just
12 we're exiting a period over the last number of years where
13 I really feel the contributions of immigrants have been
14 denigrated. And your life is an example of the incredible,
15 incredible contributions that immigrants have made and are
16 making to the State of California. And around the Energy
17 Commission so many folks who weren't born to the country
18 have risen to senior positions, including most recently
19 Commissioner Gunda making incredible contributions. Our
20 state is better because of you and people like you. And
21 we're so grateful for your service and we want to
22 congratulate you and wish you well.

23 Are there any other Commissioners wishing to make
24 a comment? If so just speak up. I can't see folks the way
25 my screen is set up.

1 COMMISSIONER DOUGLAS: Absolutely, Chair
2 Hochschild, if I could? This is Commissioner Douglas. I
3 just wanted to also acknowledge and thank Muoi-Lynn for her
4 service to the Energy Commission.

5 As the Attorney Member of the Commission, I have
6 extensive interaction with the Chief Counsel's Office and
7 I've had her name come up time after time after time. And
8 I'm just well aware of her organizational skills and
9 attention to detail and collaborative nature and the
10 critical role she's played over the years that I've been on
11 the Commission and working with the CCO attorneys and the
12 Chief Counsel. And so I just wanted to add my thanks to
13 everybody else.

14 And just to give one example, our Dockets Unit
15 and the way it's just become such a reliable and well-
16 functioning operation. That's one example of Muoi-Lynn's
17 leadership where she really stepped up and helped us get
18 that up and off the ground and did such a great job on it.
19 So thank you, Muoi-Lynn, and all the best in your
20 retirement.

21 CHAIR HOCHSCHILD: Thank you, Commissioner.

22 Any other Commissioners wishing to make a
23 comment?

24 COMMISSIONER GUNDA: Yeah, Chair Hochschild, I
25 will just -- and I have not thought about making any

1 remarks. I haven't had the pleasure of working with Muoi-
2 Lynn that much, but I've heard a lot of good things about
3 her. And as Commissioner Monahan was noting, as she was
4 trying to speak I was also tearing up.

5 I just want to congratulate you and thank you
6 for setting up a great example as an immigrant. And I have
7 plenty to learn from you and I wish you all the best.

8 CHAIR HOCHSCHILD: Well, beautifully said.

9 Anyone else? Okay, hearing none thank you and
10 congratulations, Muoi, we wish you well.

11 Let's turn now to Item 3, Russell City Energy
12 Center Petition for Temporary Safety Modifications.

13 MS. HUBER: Good morning, Chair and
14 Commissioners. My name is Elizabeth Huber. I manage the
15 Office of Compliance Monitoring & Enforcement in the
16 Siting, Transmission, and Environmental Protection
17 Division.

18 With me this morning are from my office are
19 Compliance Project Manager John Heiser. From the
20 Engineering Office, Office Manager, Geoff Lesh.
21 Inspections Unit Lead Brett Fooks and Mechanical Engineers
22 Tim Smith and Joseph Hughes. From the Siting &
23 Environmental Office Assistant Manager Steven Kerr and
24 Technical Expert Ashley Gutierrez as well as our Lead
25 Counsel, Jared Babula.

1 Also with us today representing the project owner
2 from Calpine, are Barbara McBride, Director of Strategic
3 Origination; and Legal Counsel Jeff Harris.

4 We're here to present on Russell City Energy
5 Center's petition to install a temporary safety
6 modification to operate the power plant in simple cycle for
7 approximately four months. Next slide, please.

8 An outage occurred at the 600-megawatt Russell
9 City Energy Center at the end of May, bringing the facility
10 to a complete stop. On June 3rd Calpine submitted a
11 petition to the CEC for a proposed temporary modification
12 that would allow the facility to operate at 58 percent
13 capacity using undamaged equipment as early as the end of
14 July. Staff reviewed this petition and concluded that it
15 met the criteria for staff-approved project change.

16 Staff posted its analysis and conclusions for
17 public comment on June 18th, 2021. In response we received
18 more than 45 comments via the docket and by emails sent
19 directly to the Lead Compliance Project Manager and the
20 Public Advisor's Office. Most of the commentators expressed
21 their concerns about whether the project would operate
22 safely if restarted. And indicated a limited understanding
23 of how the facility would operate at a reduced capacity in
24 this proposed temporary mode, thus expressing their
25 opposition to the facility restarting in simple cycle mode

25

1 without investigation and or the completion of a root cause
2 analysis.

3 Of the 4 percent that expressed their support of
4 the petition the California Independent System Operator
5 filed a letter supporting the petition stating that the
6 Russell City Energy Center, "Would bring critically needed
7 electric supply back into service to support the public
8 health and welfare of the citizens of California."

9 Therefore, with this understanding of the need
10 for electric reliability during these climate-induced heat
11 events and the need to ensure public safety for the Hayward
12 community staff is bringing this petition for your
13 consideration under California Code of Regulations 1769
14 subdivisions (a)(3)(D). Next slide, please.

15 Russell City Energy Center is a natural gas-
16 fired, wet-cooled, combined-cycle electric generating
17 facility located in the city of Hayward within Alameda
18 County. The project was certified in September of 2002,
19 amended to relocate approximately 1300 feet from its
20 original location in October 2007. And finally began
21 operating in August 2013.

22 In February of 2019, the CEC approved a post-
23 certification amendment allowing Russell City to install a
24 10- megawatt battery energy storage system in response to
25 the California ISO's selection of the facility to provide

1 Black Start BESS capabilities when the grid goes black. In
2 other words, battery-stored electricity is sent to the
3 grid, which jumpstarts the system.

4 We are before you today, because at approximately
5 11:00 p.m. on May 27th, 2021, the facility's single steam
6 turbine generator malfunctioned causing it to explode and
7 the power plant to shut down. An investigation is underway
8 to determine the root cause while operating in combined-
9 cycle mode.

10 The Project Owner filed a petition for a project
11 change requesting a temporary modification to allow the
12 facility to operate in simple-cycle mode generating up to
13 350 megawatts of electric power as well as providing Black
14 Start capabilities. The facility will operate as a peaker
15 to support grid reliability only when needed and will not
16 be operating as it does in combined-cycle mode. Next
17 slide, please.

18 As a result of the May incident, Calpine has
19 commissioned a root cause analysis to be conducted by an
20 independent expert firm. Representatives from the Hayward
21 Fire Department, the California Public Utilities
22 Commission, and the CEC's Siting, Transmission and
23 Environmental Protection Division staff have visited the
24 facility to inspect the damage.

25 The CEC will act as the Chief Building Official.

1 And has approved a work authorization for a third-party
2 expert in power plant code compliance known as a Delegated
3 Chief Building Official, to be ready to conduct plant
4 checks and construction inspection for the proposed plant
5 modifications. The CEC-approved contracted experts will
6 provide detailed building code reviews, complete fire and
7 life safety analysis, and thorough engineering inspections.
8 They will be regularly onsite and ensure that all code
9 required inspections are conducted by Calpine's listed
10 third-party independent inspectors.

11 The steam turbine generator failure caused an
12 onsite lube oil fire and threw metal debris on and offsite.
13 The CEC is aware of two confirmed pieces of metal that were
14 propelled beyond the facility's fence line. The CEC
15 initial inspection included verifying that there were no
16 environmental impacts to the waterways leading to the Bay.
17 The lube oil spill was contained within the facility's
18 onsite storm water retention pond. And no injuries
19 resulted from the incident on or off the site. Next slide,
20 please.

21 As indicated, Russell City Energy Center is
22 currently licensed to operate as a combined-cycle power
23 plant. This uses two combustion turbines and a steam
24 turbine generator together to produce up to 50 percent more
25 electricity than a simple-cycle power plant from the same

1 amount of fuel. In a combined-cycle plant, the waste heat
2 in the exhaust from the combustion turbines is used to
3 operate a steam turbine generator. In Russel City Energy
4 Center's case, the waste heat generated an additional 250
5 to 350 megawatts.

6 Since the steam turbine generator, which is
7 needed to operate in combined cycle has failed it needs to
8 be replaced. Thus, the request in front of you today is to
9 approve the proposed temporary modification permitting
10 Russell City Energy Center to bypass the steam turbine
11 generator and to operate the two undamaged combustion
12 turbines in a simple-cycle mode for the duration of the
13 summer and early fall. Next slide, please.

14 While in simple-cycle mode, Russell City Energy
15 Center would be able to operate the two natural-gas-fired
16 combustion turbines generating up to 350 megawatts of
17 electricity. The temporary modifications include placing
18 an isolating plate, or blind, at the expansion joint
19 between the condenser and steam turbine generator
20 essentially capping it off. And then installing a rupture
21 disk and a pressure-relief ball valve.

22 Steam would still need to be generated by the
23 combustion turbines to control temperatures within the heat
24 recovery steam generation system, but would be sent
25 directly to a steam condenser for recirculation. In other

1 words, the bypass directs the steam directly into the steam
2 condenser, which turns the steam back to water and there
3 would be no steam turbine generator in operation. Next
4 slide, please.

5 CEC staff has analyzed the petition pursuant to
6 Title 20, California Code of Regulations, section 1769, and
7 concluded in its staff analysis that the proposed temporary
8 modifications to allow for the power plant in simple-cycle
9 mode would not result in significant impact on the
10 environment. And the project modification complies with
11 all applicable laws, ordinances, regulations, and
12 standards.

13 Understanding that the root cause analysis will
14 be completed prior to Russell City Energy Center returning
15 to operation in combined-cycle mode, staff recommends
16 approval of this petition with the expectation, which is
17 consistent with previous temporary modification petitions,
18 that Russell City Energy Center shares the results of the
19 independent root cause analysis with the CEC. Any
20 identified corrective actions will be reviewed and
21 implementation of those actions will be confirmed by CEC
22 staff and the Delegated Chief Building Official. And the
23 CEC staff will publish, aka docket, its final investigative
24 report.

25 This concludes our presentation. Thank you.

1 CHAIR HOCHSCHILD: Thank you so much, Elizabeth.
2 Let's turn now to public comment. Madam Public Advisor,
3 let me just share with my colleagues as well, we are
4 expecting quite a number of public comments. We'll get
5 through this and we'll be here as long as it takes to
6 receive all those public comments.

7 I have a hard stop for a meeting with the
8 Governor with Commissioner Gunda at 2:00. And so we'll
9 plan to do once we're through this item just a very, very
10 short lunch break and get as much done as we can by 2:00.
11 In the event that we don't conclude by 2:00, I'd ask
12 Commissioner Douglas to take over chairing the meeting, and
13 so just planning ahead for that.

14 So with that let's go to public comment, Madam
15 Public Advisor.

16 MS. GALLARDO: Thank you, Chair. This is Noemi
17 Gallardo the Public Advisor. So we are going to start out
18 with comments from local elected officials from the City of
19 Hayward and then we will move on to a state agency
20 representatives. So we will not put a clock for these
21 officials. I wanted to let you know that. We will start
22 the clocks for the general public comment.

23 So let me begin with Kelly McAdoo, City Manager
24 from the City of Hayward. Kelly, you may begin.

25 MS. MCADOO: Good morning. I'm actually going to

1 turn it over to Mayor Barbara Halliday who is going to
2 start our comments this morning.

3 MAYOR HALLIDAY: Yes, good morning,
4 Commissioners. I am Mayor Barbara Halliday and I'm joined
5 this morning by our City Manager Kelly McAdoo and our Fire
6 Chief, Garrett Contreras.

7 And for those who aren't familiar with Hayward we
8 are located on the eastern shore of the San Francisco Bay
9 just south of Oakland. And we have a population of
10 approximately 160,000 people. We're home to Cal State East
11 Bay's main campus. And I think what's more relevant to our
12 testimony today are some of the demographics about Hayward.
13 In the 2010 Census Hayward was identified as the third most
14 diverse city in the United States. And while we are
15 located in the midst of Silicon Valley in the Bay area, we
16 do have one of the lowest average household incomes in the
17 Bay area, just slightly above Oakland's.

18 We want to make it clear that the City of Hayward
19 adamantly opposes the application by Calpine Corporation to
20 restart the Russell City Energy Center Power Plant until
21 each of the following is addressed. One, that the cause of
22 this midnight explosion of the steam turbine is fully known
23 and explained and verified.

24 Two, that we understand why the blast resulted in
25 so wide a debris field of flying metal. And here, if you

1 can see me, is an example. (Zoom video of Mayor holding up
2 a piece of metal.) It's very, very heavy. This is an
3 example of a piece of metal debris that fell somewhere.
4 I'm not sure where this one came from. And why so
5 dangerous -- a fire and the emissions of toxic fumes --
6 they were so dangerous that it required the evacuation of
7 residents.

8 Three, that we are assured and can verify for
9 ourselves that the conditions that led to or may have
10 contributed to the explosion and fire no longer exists at
11 the plant.

12 And four, that we have a full assessment and
13 public review of the safety risks and potential
14 environmental and health impacts of restarting the plant as
15 proposed by Calpine.

16 Frankly, we are astonished and appalled at this
17 application and your staff's recommendation of approval.
18 This application puts profit and feeding the grid ahead of
19 the safety of our residents and people working in/or at in
20 proximity to this seemingly unsafe power plant. The health
21 and safety and environmental justice concerns of the
22 Hayward community cannot be ignored by the Commission or
23 Calpine in this process.

24 And so I'm going to now turn over the balance of
25 our time to City Manager McAdoo and Fire Chief Contreras

1 for some further comments.

2 MS. MCADOO: Thank you, Mayor Halliday, and thank
3 you Chair and Commission members. It's a pleasure to be
4 here this morning to share our comments and I appreciate
5 the ability to do that. Just by way of my background, I've
6 been working with the City of Hayward for 10 years and have
7 been City Manager for the past 5. And we've been actively
8 working with Calpine through that process on the Russell
9 City Energy Center.

10 And before I turn it over to Chief Contreras, who
11 is going to speak to what our firefighters confronted the
12 night of the explosion, I want to just address the lack of
13 transparency and secrecy that's being exhibited by Calpine.
14 And surprisingly by regulators, not in this case the CEC,
15 but the CPUC who are supposed to be looking out for the
16 public interest.

17 Shortly before midnight on May 27th as we've
18 heard the steam turbine at the power plant exploded.
19 Chunks of hot metal rained down across the debris field
20 hundreds of feet wide. This 15-pound chunk that the Mayor
21 just held up was one that, thankfully, it came through the
22 roof of an unoccupied recreation room at our city's housing
23 navigation center for people experiencing homelessness that
24 is 1,200 feet away from the plant. Another piece weighing
25 over 50 pounds landed on the city's wastewater treatment

1 plant that's located adjacent to the Russell City Energy
2 Center, along with many other smaller debris pieces. And I
3 believe the Chief is going to share some of those photos in
4 his presentation. Had this explosion occurred at another
5 time of day there likely would have been serious injuries
6 and deaths that would have occurred.

7 Within a matter of days, Calpine was at work on
8 an application to restart the power plant, but to run it at
9 far dirtier standard from a pollution perspective. Under
10 the company's application, as we understand it, the plant
11 would create twice as much carbon emissions per unit of
12 electricity. We acknowledge the state's need to ensure
13 adequate power supply, but this should not be accomplished
14 at the cost of community safety and detrimental
15 environmental impacts. Please keep in mind that the
16 community residents that live in proximity to this power
17 plant are disproportionately burdened by multiple pollution
18 sources and have characteristics that make them more
19 sensitive to that pollution.

20 On June 18th, we were surprised to learn that the
21 CEC staff had given the provisional approval to the restart
22 without knowing the root cause of the failure of the steam
23 turbine that was the source of this near catastrophe. And
24 without consulting or contacting the City, the Fire
25 Department Incident Commander or anyone else directly

1 involved or impacted.

2 Last week we also learned there had been an
3 investigative audit of the plant conducted by the
4 California Public Utilities Commission in March of 2019
5 that found numerous conditions and safety violations that
6 may have led and contributed to the kind of explosion that
7 took place on May 27th. Last week was the first time the
8 City had heard of this audit. And we learned that
9 Calpine's response and promise corrective actions were
10 filed with the CPUC under seal and have been kept
11 confidential and secret from the public, from the City of
12 Hayward, and also from the California Energy Commission.

13 We're stunned at how this report was not provided
14 to our fire department personnel as local regulatory
15 officials, especially in light that some of the required
16 actions in the audit directly involved the Fire Department.

17 Upon reading this investigative audit by the CPUC
18 we learned Calpine had been directed in 2019 to reach out
19 to the Fire Department to conduct joint emergency drills.
20 They failed to contact the Fire Department.

21 As we learned these things, we also learned there
22 have been two other similar explosions and fires within the
23 past four years at Calpine power plants here in Pittsburg
24 in Contra Costa County and in Corpus Christi, Texas. We
25 have lost significant trust over the past three weeks. And

36

1 we think, in your capacity as Commissioners, you should as
2 well. And you should start demanding answers and
3 accountability before greenlighting a dirty restart of what
4 appears to be an unsafe facility.

5 The question for me is not just whether the plant
6 can be reopened safely, but whether Calpine can operate
7 that plant safely.

8 If you feel you must approve the restart
9 application without completing the full investigation into
10 the explosion, at a minimum please require Conditions of
11 Approval that allow our local fire department personnel and
12 inspectors to periodically inspect the plant facility and
13 operations. To ensure basic life safety standards are met
14 and that Calpine covers the costs of the City associated
15 with these inspections.

16 Now I'm going to turn it over to Fire Chief
17 Garrett Contreras who will talk a little bit about what
18 happened the night of the explosion and some of the Fire
19 Department's concerns that followed in the following days.

20 MR. CONTRERAS: Thank you, Kelly.

21 Good morning Commissioners, thank you for the
22 opportunity to come before you today. My name is Garrett
23 Contreras. I'm the Fire Chief of the City Fire Department.
24 I've been in the City Fire Department for 26 years and the
25 Fire Chief for 9 years.

1 I was very much involved with the process when
2 the plant was built, proposed, and had maintained as good
3 relations as is possible with that power plant operator
4 since inception. That being said, we have significant
5 concerns based on the event of May 27th. The call came in
6 at 11:50, a call received for a steam turbine on fire from
7 plant operators. Simultaneously numerous members of the
8 public contacted the communication center to advise of an
9 explosion and subsequent fire in the area of the power
10 plant. We did initially have conflicting reports. There
11 were multiple reports of the potential of a plane crashing
12 into the area of the power plant, so it was an unknown
13 response at the time.

14 Immediately with some information based on the
15 plant operators, a call to the 911 comm center -- who had
16 reported that there was imminent threat to the hydrogen
17 tanks that were in close proximity to the fire area -- with
18 that information while still enroute Battalion Chief
19 Armstrong called for a second alarm assignment. It's
20 rather rare to call for a second alarm before ever arriving
21 on scene, but due to that report of the hydrogen tanks
22 potentially being too close to the fire area that decision
23 was made.

24 Very quickly thereafter, because of the report of
25 the hydrogen tanks location and the amount of hydrogen

1 onsite, a determination was made to create a one-mile
2 evacuation in all directions of the power plant due to what
3 was reported by the reporting parties at Calpine as an
4 imminent threat to explosion of the hydrogen tanks. We
5 knew that from information from the Calpine staff that
6 there were 45 hydrogen tubes onsite in close proximity to
7 the steam turbine. Those were the conditions that were
8 found and the reason for the evacuation.

9 As we arrived on scene, personnel observed that
10 the fire was laying over directly, that the fire from the
11 steam turbine area was presumed to be the lubrication oil
12 on fire. Due to our previous pre-fire plans we did know of
13 the location and proximity and types of materials that
14 could potentially burn in the area of the steam turbines.
15 And it was presumed at that time that it was the
16 lubrication oil that was on fire. And the Incident
17 Commander immediately asked the staff to shut down all
18 pumps and de-energize the property completely.

19 We do have experience in training for when the
20 plant would still burn. And we do have our pre-fire plan
21 that require us to ground out all of our aerial apparatus
22 to avoid any electrocution of our personnel. As well as
23 avoid putting fire on the lubrication oil until we have
24 identified the source and shut down all of the pumps that
25 are fueling that fire. And so that process was initiated

1 rather quickly.

2 Once the cooling efforts of the hydrogen tanks
3 commenced, and we were able to put a foam blanket down for
4 safety for the personnel to make entry, our personnel made
5 entry with one member of the Calpine staff who operated the
6 forklift to move the hydrogen tanks out of the affected
7 area. At that point it became a fire just down in the
8 steam turbine, which was mitigated within about 30 minutes
9 at that point. And we were then focused on avoiding any
10 runoff and making sure that all of that lubrication oil was
11 contained to the containment ponds. And that any potential
12 runoff was contained downstream preventing anything into
13 the storm drains or into the adjacent properties.

14 It was my surprise to find out that the very
15 thing that failed on May 27th, was identified in 2019. It
16 was chilling to know that we could have been made aware of
17 that and were not. A failed inspection of the very thing
18 that ended up causing this potential disaster or this
19 explosion is really frustrating from a public safety
20 standpoint, from an overall responsibility to the
21 community. Clearly, the system failed the community of
22 Hayward. And there has to be an improvement on that level
23 of transparency and communication for this plant to safely
24 operate.

25 I, as the Fire Chief of this community need to be

1 able to look the community in their face and tell them that
2 it's safe. I have a responsibility to do that and right
3 now, I don't feel that. Having had that disclosure
4 withheld from us, and not shared with us, put our members
5 at risk. It put the community at risk and put the City's
6 reputation at risk. It put the state's reputation at risk.
7 And to what end? We have a history of responsible
8 regulatory practices and that's what we ask. Allow us to
9 be responsible on our regulatory approach on how we deal
10 with Calpine and the power plant in general, so that I can
11 look our community in the face and tell them that the plant
12 is safe to operate. And it's safe for our firefighters to
13 have that responsibility to mitigate any emergency that
14 happens at that location.

15 With that, it was interesting to hear that we now
16 are being included in any sort of investigation with the
17 previous comments. That is curious to me. We have had a
18 reach-out in the last couple of days and we've decided to
19 hold off on any further conversations until we got through
20 this meeting with you. And look forward to working with
21 you and being part of that investigation with your staff,
22 so that we can have first-hand knowledge and not have to
23 rely on a report six months later that may or may not be
24 revealed to us. We've lost confidence that important
25 information is going to be shared with us. Yet we have a

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1 responsibility to mitigate any emergency that takes place
2 at that site.

3 So I encourage that and look forward to that
4 opportunity to partnering on inspecting anything prior to
5 moving in. If that is a reference to our CUPA inspection
6 process, Certified Unified Program Agency process on the
7 hazardous material side, we would also like to make sure
8 that it's also a reference to the fire prevention side and
9 the overall site safety.

10 When the site was built, we were required to
11 trust some of the engineering reports. We are not subject
12 matter experts by any means on power generation or power
13 plants in general. So we do rely on those experts in the
14 field to inform us of what the pain points are and what the
15 vulnerabilities of a plant life is. And that's our
16 expectation. That we have that level of relationship with
17 Calpine or with the operator of the plant: that they share
18 with us, they are transparent with us. If there could be a
19 failure, this is what it could be. Let's have an open and
20 honest conversation about the fact that disasters, events
21 can happen, failures can happen. And let's be prepared for
22 that as partners, not as adversaries.

23 That's all I have. Thank you.

24 CHAIR HOCHSCHILD: Thank you. And before we turn
25 to the rest of the public comments, Chief Contreras, let me

1 thank you for your heartfelt comments and Mayor Halliday
2 and City Manager McAdoo. You know, what happened in your
3 community is unacceptable. And I think we're fortunate
4 there wasn't a fatality to be honest. And we have to do
5 better collectively, that cannot happen again. So I want
6 to thank all of you for taking the time to share your
7 perspective.

8 Madam Public Advisor, we could turn out to the
9 rest of the public comments. I know we have a number in
10 front of us here.

11 MS. GALLARDO: Yes, that's correct. This is
12 Noemi Gallardo, the Public Advisor. We'll have Ed Randolph
13 from the California Public Utilities Commission speak now.
14 And then after him will be Neil Millar from the California
15 Independent System Operator and we'll have a couple of
16 other government representatives. And then after that
17 we'll open general public comments.

18 So, Ed, you may begin.

19 MR. RANDOLPH: Hi. Good morning, sound check.
20 Can you hear me okay?

21 CHAIR HOCHSCHILD: Yes.

22 MR. RANDOLPH: Okay great. Thank you. Good
23 morning Commissioners. I'm Edward Randolph. I'm the
24 Deputy Executive Director for Energy and Climate Policy at
25 the California Public Utilities Commission.

1 Let me start off by addressing Mayor Halliday and
2 Fire Chief Contreras. I want you to know I've heard your
3 concerns about the outreach from both the PUC and Calpine.
4 And I do acknowledge the frustration and legitimate concern
5 you have with that lack of outreach out there. I want to
6 assure you that I'm going to make sure there's personal
7 follow-up from our leadership at the Commission with both
8 of you to make sure that there is -- as this process goes
9 forward in the years forward, there's better outreach and
10 communication between us out there. And you are far more
11 aware of our activities and what's going on in that plant.
12 That said, I also want to thank the CEC staff for their
13 work in bringing these provisional approvals for the
14 restart to the CEC's consideration today. And I want to
15 express the CPUC staff's support for the proposed temporary
16 restart of Russell City, of the Russell City Energy Center
17 in simple-cycle mode.

18 This plant in simple-cycle mode is critical to
19 providing energy and reliability to California this summer.
20 We have already had three major heat waves in the western
21 United States this summer. That is far more extreme than
22 usual by this time of year and that has severely strained
23 the electric grid in each one of those heat waves. And
24 that has also led to two states of emergency from the
25 Governor to bring on additional generation during those

1 heat storms. Having Russell City generation facility
2 offline made matters worse. And having the megawatts from
3 the simple-cycle mode available later in the summer will be
4 critical in providing reliability later in the summer.

5 Further, Russell City's restart in simple-cycle
6 mode can greatly help in future heat waves by providing up
7 to 350 megawatts of this urgently needed dispatchable power
8 that is particularly critical in the evening hours when our
9 solar generation is dropping off, but during these heat
10 waves air conditioning remain strong.

11 And it's also critical to providing what's called
12 Black Start capacity, which helps restart the grid in the
13 event of a major outage. And without that sort of capacity
14 it would take the Independent System Operator significantly
15 longer to bring power back online after a major event.

16 So both these reasons, bringing the plant back in
17 this simple-cycle mode as quickly as possible, is critical.
18 I thank the Commissioners for their consideration today,
19 and thank you for your time.

20 MS. GALLARDO: Thank you, Edward.

21 This is Noemi, the Public Advisor. So now will
22 be Neil from the California Independent System Operator.
23 After Neil will be Barbara McBride from Calpine. Neil, go
24 ahead and begin. (No audible response.) We can't hear
25 you, Neil, you might be double-muted. (Technical

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1 difficulties.) No, we can't hear you. You could try your
2 computer audio, maybe your headphones.

3 MR. MILLAR: I'll try this.

4 MS. GALLARDO: There we go. We can hear you now.

5 MR. MILLAR: Can you hear me now?

6 MS. GALLARDO: Yes.

7 MR. MILLAR: All right, thank you. My apologies
8 for that. And I do want to thank you for the opportunity
9 to speak today.

10 Many of my comments are echoing the comments of
11 Mr. Randall. To put a finer point on it, the Russell
12 Energy Center is a critically located unit, as well as
13 providing necessary system capacity and particularly in a
14 particularly tough summer. I do want to reiterate that
15 most recently we have been seeking and procuring generation
16 capacity from other sources, given the conditions we're
17 facing this summer.

18 Most recently we did solicit offers and procured
19 over 600 megawatts of contract capacity for the remainder
20 of July from other sources, but that only partially met the
21 gap that we had initially identified of approximately 2,000
22 megawatts of maintaining an adequate supply cushion to stay
23 out of emergency conditions over the net peak periods that
24 we're facing this summer. So the capacity provided by this
25 facility is very much needed by the grid.

1 Also, as Mr. Randolph indicated the Russell
2 Energy Center is one of the generating units that is
3 outfitted to provide Black Start service, so that's a
4 critical service that we need to ensure is available to us.

5 And as well, it is also located in a
6 transmission-constrained area where we're dependent on
7 generation inside that area, supplemented by transmission
8 into the area to serve local load. And the loss of this
9 facility also puts us in better situations in serving local
10 capacity.

11 So for all these reasons, we very much take to
12 heart the concerns we've heard expressed. But for these
13 reasons from a supply perspective and of course, subject to
14 all the due diligence, we do encourage the Energy
15 Commission to approve the Calpine -- or the request from
16 the Russell City Energy Company to deploy their temporary
17 safety modifications, so that the facility can operate in
18 simple-cycle mode and to do so as quickly as possible.
19 Thank you very much.

20 MS. GALLARDO: Thank you, Neil.

21 So now will be Barbara McBride from the
22 California Independent System Operator. And after Barbara
23 will be Pamela Leong from the Bay Area Air Quality
24 Management District. Barbara?

25 MS. MCBRIDE: This is Barbara McBride. The

1 California System Operator is Neil Millar. I think it's
2 his time to talk.

3 CHAIR HOCHSCHILD: No, we just heard from Neil.
4 It's your turn.

5 MS. MCBRIDE: Oh, I'm with Calpine though.

6 CHAIR HOCHSCHILD: Correct.

7 MS. GALLARDO: Oh sorry, apologies as I made that
8 mistake, Barbara. So this is Noemi again, apologies and
9 clarifying Barbara is with Calpine. So go ahead, Barbara.

10 MS. MCBRIDE: I'm sorry, I got confused. Sorry.

11 MS. GALLARDO: No worries.

12 MS. MCBRIDE: Good morning. I'm Barbara McBride.

13 And on behalf of the Project Owner Russell City Energy's
14 company, we would like to thank the Commission for its
15 consideration of the petition today. And also thank staff
16 for its hard work in processing the petition and its
17 thorough analysis.

18 We agree with CEC staff recommendation for
19 approval of the temporary operation of Russell City Energy
20 Center in simple-cycle mode. As detailed in the letter
21 submitted by the California Independent System Operator,
22 Russell City Energy Center provides essential grid
23 reliability services. And we think it is important for the
24 facility to be available to provide capacity and energy
25 during the summer and wildfire season. Thank you.

1 MS. GALLARDO: Thank you, Barbara. Again this
2 is Noemi, the Public Advisor. Now will be Pamela Leong
3 from the Bay Area Air Quality Management District.

4 MS. LEONG: Hi. Good morning, Commissioners,
5 this is Pamela Leong. I'm the Director of Engineering at
6 the Bay Area Air Quality Management District and I was
7 joining you here this morning to be able to answer any
8 questions that the Commissioners may have, so I don't have
9 the statement at this point. Thank you.

10 MS. GALLARDO: Thank you, Pamela.

11 So, Chair, this is Noemi, the Public Advisor. We
12 can turn it over now. Unless there are any other
13 government officials who would like to speak, we can turn
14 it over to the general public comment. So let me --

15 CHAIR HOCHSCHILD: I saw on my list we had some
16 other -- Teresa Wilson, Regional Operations in Calpine or
17 Kevin Reeves. Is there anyone else from Calpine who wanted
18 to speak more specifically to the incident?

19 MS. MCBRIDE: No. We're available to answer
20 questions after public comment.

21 CHAIR HOCHSCHILD: Okay.

22 Okay, so that concludes public comment, Noemi.
23 Or do we have anyone else?

24 MS. GALLARDO: So that concludes the speakers who
25 are government officials or representatives of agencies, so

1 we will now turn to general public comment.

2 So audience, please use the raised hand icon to
3 let us know that you would like to speak. If you are on by
4 phone, you can raise your hand by pressing *9 and then *6
5 to unmute. I will call on people one by one, so that we
6 can open your line and let you speak.

7 There is a timer showing on the screen. We will
8 start off by giving people three minutes each. If we see
9 that there are more than ten speakers we will reduce the
10 minutes down to two. And then if there are more than
11 twenty we will reduce down to one minute to ensure that
12 everybody has an opportunity to speak.

13 Right now I am seeing five hands raised, so we
14 will begin with Suzy (phonetic). Suzy, we're going to
15 open your line. If you could please spell your first and
16 last name, indicate your affiliation, if any. Your line is
17 open, Suzy. You may begin. (No audible response.) All
18 right, so Suzy, you will need to unmute on your end if you
19 would like to make a comment on this item. All right it
20 looks like Suzy is not responding so we will move forward
21 to the next speaker.

22 SUZY: Oh, hi there.

23 MS. GALLARDO: Oh Suzy, sorry. Go ahead.

24 SUZY: I don't know if you can hear me --

25 MS. GALLARDO: Yes, we can.

1 SUZY: -- because my picture is not showing. I
2 don't know if this is the right time to bring out other
3 issues other than this --

4 MS. GALLARDO: No, this is not the time Suzy.
5 This is specifically for Item 3, the Russell City Energy
6 Center.

7 SUZY: Oh, okay.

8 MS. GALLARDO: We will have general public
9 comment for other issues outside of this agenda later in
10 the meeting. So if you would like to hold that comment for
11 later in the meeting that would be appropriate.

12 SUZY: Okay.

13 MS. GALLARDO: Thank you, Suzy.

14 MS. GALLARDO: All right next is Claire Dugan.
15 Claire, a reminder to please spell your first and last
16 name, state your affiliation if any. And your line is
17 open, you may begin.

18 MS. DUGAN: I think I had to press unmute. Hi
19 I'm Claire Dugan. I'm a resident of about 40 years in
20 Hayward. I want to so thank our Mayor Halliday, our City
21 Manager Ms. McAdoo and our Fire Chief Contreras.

22 How any of you on the Commission could possibly
23 approve starting up Calpine after what you've seen them
24 present just seems unconscionable to me. There are three
25 players here. We've got Calpine. We've got residents of

1 Hayward. And we've got your Commission. Calpine is out
2 for profit. I mean anything else is just complete BS,
3 nonsense. They have no care for our health at all.

4 Now the residents of Hayward, our primary concern
5 is we don't have to breathe toxic air and we don't have,
6 you know, these fires and explosions. Which you guys do
7 not know, and Calpine does not know, what happened. So you
8 can't prevent it, because you don't know the source of the
9 problem.

10 Now for your committee, I just -- David,
11 Patricia, Andrew, Siva, please. I live in an area where we
12 have some retired people. We have lots of empty rooms,
13 send us your children, give us your wives, your husbands,
14 your dad, your moms. Let them come live with us. We'll
15 provide a free space. And then they can breathe the air
16 that you want us and may force us to breathe.

17 I live in an area. I get natural air
18 conditioning. Three o'clock I get a breeze off the water
19 from Hayward every day. I don't want to pay with my life,
20 my children's lives, my neighbors lives, so that people in
21 L.A. or Pleasanton can turn on their air conditioners. I
22 think there must be, where I live, really within -- 10,000
23 people within two miles of this plant. And the Mayor and
24 the Chief of Police and our City Manager know better how to
25 deal with this problem at this point, than you guys do if

1 you move ahead with this.

2 Sorry that there's a crunch for -- you know, we
3 know that everybody needs the services. But I don't think
4 that our people should have to pay with our lives to
5 benefit the rest of the state. And that's my comment.

6 MS. GALLARDO: Thank you, Claire.

7 Next up is Jessica Tovar. Jessica, a reminder to
8 please spell your first and last name, indicate your
9 affiliation if any, and reminder to unmute on your end.
10 Your line is open and you may begin.

11 MS. TOVAR: Hi my name is Jessica Tovar. That's
12 J-e-s-s-i-c-a, Tovar T like Tom-o-v like Victor-a-r. And
13 I'm a long-time environmental justice organizer. I've
14 worked throughout the State of California, but I'm also an
15 energy democracy organizer. And community members within
16 the City of Hayward and other parts of Alameda County are
17 people that I work with.

18 And I just want to highlight just the gravity of
19 this situation and some history after working for so long
20 addressing issues of pollution, specifically from different
21 dirty energy power plants. Oftentimes these incidents take
22 place, because these corporations are too cheap to actually
23 upgrade their facilities and are really in the business to
24 make money at the cost of our health and our safety. And
25 this includes the community and this includes the workers.

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1 This is absolutely unacceptable. It should have
2 never happened. And to consider allowing this power plant
3 to move forward and operate after such an incident is
4 really gross. So I want to thank the leadership of Hayward
5 for really highlighting this issue. And also just because
6 the pollution and the debris from the power plant not only
7 affects Hayward, but it affects other parts of the East Bay
8 as well.

9 And noting that we're already in a situation
10 where we have enough to deal with, with this pandemic. We
11 can't be allowing these power plants to be in operation in
12 this manner where they're putting our health, putting our
13 safety at risk. Everything should be done all-hands-on-
14 deck to make sure that we're preventing this problem and
15 not allowing these corporations to continue doing business
16 in a way that causes such externalities including, I mean,
17 somebody could have been killed right, by this debris that
18 came from the power plant.

19 So again, I just want to highlight this issue
20 and just highlight some history of the community. I mean,
21 the majority of people who live around this power plant, it
22 is no coincidence, are a majority Black, Latino, and folks
23 who immigrated from other places to seek work during World
24 War Two. And so we should be doing everything we can to
25 better the lives of the surrounding community.

1 And this really highlights how serious we need to
2 move into that clean, local clean-energy future. And put
3 such dangerous power plants like the Russell City Power
4 Plant out of business. We can't continue this way. It's
5 absolutely unacceptable. And that's all I have to say
6 about that. Thank you.

7 MS. GALLARDO: Thank you, Jessica.

8 I wanted to note -- this is Noemi Gallardo, the
9 Public Advisor -- our timer is not working on the screen.
10 However, I am keeping time and will let speakers know when
11 their time is up.

12 So next is Andrew Wilson. Andrew, please spell
13 your first and last name, indicate your affiliation if any,
14 and a reminder to unmute on your end. Your line is now
15 open.

16 MR. WILSON: Hi, my name is Andy Wilson, A-n-d-y
17 W-i-l-s-o-n. I'm a Director-at-Large for the California
18 Pilots Association, also known as CalPilots.

19 I would like to also say that we are a commenter
20 and intervenor on a number of power plants throughout the
21 State of California to include a gas turbines, wind
22 generators and solar farms.

23 I would also like to point out I am one of the
24 few, maybe the only one, that has attended all the
25 proceedings for Calpine both in Sacramento and here in

1 Hayward. I also attended all the proceedings for the
2 Eastshore Energy Power Plant. The reason I want to bring
3 up Eastshore is that Eastshore happens to be one mile east
4 of the RCEC site. And why is that important? You heard
5 the Fire Chief say he had to evacuate one mile from the
6 RCEC power plant.

7 Well, as it turns out the Eastshore power plant,
8 being one mile east of RCEC was denied a permit and
9 license. That's Docket Number 06-AFC-6, Order Number 08-
10 1008-10. "The Commission order adopts the Commission
11 decision on the Eastshore Energy Center, which we decline
12 to certify, because the proposed project results in public
13 health and safety impacts in violation of the California
14 Environmental Quality Act, CEQA. And is inconsistent with
15 the applicable law, local laws, ordinances, regulations and
16 standards, LORS."

17 So here you have a situation where you
18 figuratively, by extending a one-mile distance east you're
19 in the same spot where you denied Eastshore. So in that
20 fact I don't see you have any other alternative not to
21 approve this project to even operate on a limited megawatt
22 basis, and without the steam turbine. So you've already
23 denied Eastshore. You have to deny this until there is a
24 full investigation.

25 Now the other issue in my comments, written

1 comments, are was the FAA notified? Now there were
2 distances measured at 1,500 feet horizontal, but there was
3 no altitude or height measured or estimated. The area of
4 Eastshore is 6 -- the pattern altitude is 600 feet.
5 There's a transition between the distance of RCEC and
6 Eastshore. If an aircraft was in the area it could have
7 been hit.

8 Again, CalPilots request that you deny this
9 request of Calpine. Thank you very much.

10 MS. GALLARDO: Thank you, Andrew.

11 Next is Suzanne. Suzanne, a reminder to please
12 spell your first and last name, to indicate your
13 affiliation if any, and unmute on your end. Suzanne, your
14 line is open. You may begin.

15 MS. LUTHER: Can you hear me?

16 MS. GALLARDO: Yes, we can.

17 MS. LUTHER: Hi, I'm Suzanne Luther, S-u-z-a-n-n-e
18 L-u-t-h-e-r. I'm a lifelong resident here in Hayward and I
19 live within under two miles of this plant. For Calpine to
20 be asking permission to restart this without even knowing
21 what caused it is absolutely ridiculous. And how anyone
22 would expect us to accept that as an answer and approve it
23 is nuts. So the CEC, you guys cannot be allowing this.

24 I mean, to tell us that it's so important to even
25 start it at half level, because we're going to have a hot

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1 summer, I don't care about that. You guys should have
2 thought about that back in 2019 when you knew you had a
3 faulty turbine or unit, or whatever it was that was faulty.
4 So everything that everyone has said here in these public
5 comments is actually correct. You guys do not care. You
6 only care about money.

7 I'm surprised that you aren't facing multiple
8 lawsuits. So I think you guys really, really, really need
9 to reconsider this and do not allow them to start up.
10 That's all I have to say.

11 MS. GALLARDO: Thank you, Suzanne. Next up is
12 Claire Warshaw. Claire, a reminder to spell your first and
13 last name, indicate your affiliation if any, unmute on your
14 end. Your line is open, you may begin.

15 MS. WARSHAW: Can you hear me?

16 MS. GALLARDO: Yes, we can.

17 MS. WARSHAW: Hi, my name is Claire Warshaw, C-l-
18 a-i-r-e and then W-a-r-s-h-a-w. I have a comment that's
19 off the wall. And I'm a member of the public I'm not
20 affiliated with anybody that I'm aware of. However, for
21 instance, my ex-husband's family had a large group that
22 lived in the Hayward area. We had a friend named Russell
23 Berryman, (phonetic) so I'm just going to tell you a
24 comment that is somewhat very different than what everybody
25 else is speaking on.

1 I would say please don't name power plants with
2 names that might be human-sounding or anything that could
3 represent any kind of friction. Not that anyone does that
4 but, and I'm not indicating that Calpine or whoever started
5 this power plant name had anyone in mind when they named
6 the power plant, but people might -- criminals and complete
7 strangers might do very strange things, even professional
8 people do strange things acting out of madness. And I
9 would just say it would behoove power plant people not to -
10 - to really consider making names not representative of
11 things that might cause a problem later. That's it.

12 MS. GALLARDO: Thank you, Claire.

13 Next speaker is Walt Fujii. Walt reminder to
14 spell your first and last name indicate your affiliation,
15 if any, and unmute on your end your line is open walk you
16 may begin.

17 MR. FUJII: Thank you. My name is Walt Fujii, W-
18 a-l-t F-u-j-i-i. My family has been a resident of Hayward
19 since actually 1918. We were nursery operators, but that's
20 since changed.

21 I want to first thank Mayor Halliday, City
22 Manager McAdoo and Chief Contreras for their very
23 impassioned presentation and for sticking up for the
24 residents of Hayward. I can't imagine being Chief
25 Contreras and having to send your men -- your people,

1 excuse me -- into a situation next to where hydrogen is
2 stored and a fire is raging. That's completely
3 counterintuitive.

4 The other thing is that is also counterintuitive
5 is to start a plant without understanding the cause of the
6 explosion. There is no question that we need the power, we
7 need the energy, that's beside the point. But at what
8 cost?

9 Here is another example of well it's -- is it
10 profits over people? Or where do we fit into it? And none
11 of us want to be uncomfortable, but we have to think of
12 safety first. And I just appreciate this opportunity to
13 speak before the CEC. Thank you very much. You have a
14 difficult job. I appreciate that.

15 And I just hope you have especially listened to
16 our public representatives, because they have in fact
17 expressed what the rest of us cannot adequately express.
18 And that is that safety is an issue, there really is a
19 problem here, and it has not been addressed. Thank you
20 again.

21 MS. GALLARDO: Thank you, Walt.

22 We have another person who has raised her hand.
23 That is Lani Llamido. Lani, a reminder to spell your first
24 and last name, indicate your affiliation if any, unmute on
25 your end. Your line is open and you may begin.

60

1 MS. LLAMIDO: Good noon, everyone. My name is
2 Lani, L-a-n-i L-l-a-m-i-d-o. First, I would like to thank
3 Mayor Barbara Halliday and the rest of the team
4 representing the Hayward community, braving this opposition
5 for the reopening even for a slight operation of Calpine.

6 And also thank you for this platform. Based on
7 our Fire Chief there has been an existing problem since
8 2019 about Calpine. And stating the issue of the needs of
9 the whole community at large, of the air conditioning and
10 the energy support during summer, is beyond this point.

11 What I'm trying to say is that if there was a
12 casualty during that incident, if someone died or if
13 someone had been seriously injured, we might not be here.
14 We might not have this hearing. I am expecting the CEC to
15 just stop the operation of Calpine. But there was not --
16 and we are not looking forward to have one in the long run.
17 Because you cannot just restart an operation without really
18 knowing what is the cause and without informing the very
19 homes where that Calpine is located.

20 So we love Hayward and we love the diverse
21 community here. And we are valuing the lives of everyone
22 here, so we should be considered first in any decision
23 making, especially when it comes to energy that might cause
24 pollution and might be a threat to our health. So I hope
25 CEC would reconsider the decision.

1 We are not only after profit. We know there's a
2 need, there's always a need for energy with or without the
3 operation of Calpine. Especially it's a given fact,
4 especially during summer. But what we have to consider now
5 is the threat of the lives of the residents of Hayward.
6 Thank you so much. And I hope there will be a possible
7 response on this.

8 MS. GALLARDO: Thank you, Lani.

9 This is Noemi Gallardo again, the Public Advisor.
10 One last reminder to attendees if you would like to make a
11 public comment on Item Number 3, Russell City, this is your
12 opportunity. Please use the raised hand icon. If you are
13 on the phone press *9 to raise your hand, *6 to unmute.

14 All right, Chair, I see no more hands, so no more
15 public comments. I'll turn it over back to you.

16 CHAIR HOCHSCHILD: Thank you, Noemi.

17 Well let me thank all the members of the public
18 and the other stakeholders and agency representatives for
19 sharing your perspectives, we appreciate that. We'll turn
20 now to Commissioner discussion, beginning with Commission
21 Douglas.

22 However, before we do that if I could ask our
23 Chief Counsel Linda Barrera to just outline once again the
24 options before us. And then we'll turn to Commissioner
25 discussion.

1 MS. BARRERA: Yes, Commissioners. Yes, so you
2 have a couple of options under section 17 -- Title 20,
3 section 1769(a) (4), which is the Commission's approval of
4 a proposed temporary modification.

5 The options you have are to issue an order
6 approving the staff's proposed order, or rejecting the
7 proposed order, or modifying the petition, or assigning the
8 matter for further proceedings before the Commission or an
9 assigned committee or a hearing officer. So you have about
10 four options to consider as you debate or consider this
11 matter.

12 And I'm available for any questions that you may
13 have.

14 CHAIR HOCHSCHILD: Okay. Let's go now to
15 Commissioner Douglas.

16 COMMISSIONER DOUGLAS: Thank you, Chair
17 Hochschild.

18 I wanted to start with a couple questions for
19 staff if I could. And so the first question I have is
20 about the status of the investigation, the root cause
21 investigation, that staff is undertaking. Can you describe
22 the status, the potential timeframe for that? And also the
23 status of your outreach to the Hayward Fire Department and
24 your plans for working with the Fire Department.

25 MR. PITTARD: Yes, Commissioner. This is Shawn

1 Pittard.

2 COMMISSIONER DOUGLAS: Go ahead.

3 MR. PITTARD: There is a root cause analysis
4 that's being performed for Calpine by an independent
5 contractor, so an independent party is doing that study.
6 That's one thing that's happening.

7 The other thing that's happening is Energy
8 Commission staff are leading their own investigation into
9 what happened at this project, so those two things are
10 happening in parallel.

11 Our staff, we had a good meeting I thought with
12 the City last week. We had a chance to hear their
13 concerns. And our staff met with the staff of the City of
14 Hayward. We're very happy to hear the -- appreciate the
15 concerns very much of the Fire Chief and offer ourselves as
16 full partners going forward.

17 We each have subject matter expertise that
18 complements each other. They are the first responders. We
19 do power plants. And we extend our hand in partnership
20 going forward with the redesign and then the restart, if
21 that process proves that it would be -- that it would meet
22 code.

23 COMMISSIONER DOUGLAS: All right, thank you.

24 And let me just ask another question and you can answer
25 this or someone else on staff, but obviously we've heard

1 today comments by a number of residents who have safety
2 concerns that -- and who have asked questions that should
3 be addressed. And I think sometimes for members of the
4 public it's not obvious, for example, what it means for a
5 plant to operate in combined-cycle versus simple-cycle
6 mode, or what it means to bypass the steam generator.

7 And then can you or someone on the team please
8 speak really to them about why staff's analysis, why staff
9 believes that restarting the plant in simple-cycle mode
10 while the investigation is still ongoing, is safe and
11 protective of them.

12 MR. PITTARD: Yes. I'd look to our Engineering
13 Office Manager Geoff Lesh to describe this physical
14 process.

15 MR. LESH: Hi, I'm Geoff Lesh from the
16 Engineering Office and the conversion of this power plant
17 to a simple-cycle mode involves continuing the operation of
18 the combustion turbines. Those are a more lightweight form
19 of turbine that burns natural gas. As opposed to a steam
20 turbine, which is a massive stationary design-derived that
21 is -- are more highly energetic in its rotational energy.

22 In this change, what we would propose to do is
23 that the combustion turbines have an apparatus attached to
24 them that extracts heat from the exhaust stream. That
25 would continue to operate. It's basically a radiator that

1 is suspended in the exhaust stream of the combustion
2 turbines. And in that way it will make steam in order to
3 preserve the functional characteristics of the combustion
4 turbine emission controls, so those combustion turbines
5 won't see any changes from how they have been operating.

6 The same amount of heat would be extracted from
7 the exhaust stream, as before, and everything will continue
8 to function with those combustion turbines as before.

9 That steam that they generate will then be
10 passed on to what's known as a steam condenser, which is a
11 heat exchanger. And that heat will then be passed into the
12 cooling towers as is done in normal operation. And then
13 the steam is converted back to water and comes back to the
14 combustion turbines and that cycle repeats.

15 That particular configuration is one that the
16 power plant routinely experiences on every startup. Before
17 they ever tried to spin the steam turbine, steam has to be
18 generated. Has to be heated up to the point where there is
19 no droplets in it, and it is safe and conditioned to go to
20 a steam turbine. And so that may occur hours -- for hours
21 on every startup. So it's not a new configuration for this
22 power plant. It's something they routinely experience and
23 have been designed to accommodate.

24 The difference this time is that that steam loop
25 doesn't have the steam turbine in the loop anywhere. It's

1 now missing, it's gone. And the energy that it would have
2 extracted from the steam loop by the steam turbine and
3 would have converted into electrical power isn't happening
4 anymore. And instead that energy is just going back to the
5 cooling towers.

6 So I think what we're proposing here is to
7 routinely run the plant for a while in a mode that it does
8 experience, but it's having a steam loop only as an exhaust
9 chiller essentially. It's essentially a radiator
10 suspended in the exhaust stream. And the particular
11 combustion turbines have been designed as part of a
12 combined cycle. And that's why this steam loop must
13 continue to operate. It's a balanced system.

14 If this power plant had been designed from the
15 ground up from the get-go, then there wouldn't have been
16 this provision for a steam turbine and for the steam
17 generation in the combustion turbines (indiscernible).
18 It's possible to convert plants back and forth, but it's a
19 major endeavor. And the real reason for doing it this way
20 at this time is that we want the opportunity to convert the
21 plant back to combined cycle once we understood what
22 happened and what was the root cause that allowed this
23 steam turbine to self-destruct.

24 And the parts that were thrown from the power
25 plant were almost certainly due to the rotating kinetic

1 energy and not from a gas or a steam explosion. And the
2 risk, as far as we can envision is entirely with the steam
3 turbine. And that's part of the engineering staff's
4 confidence that allowing the plant to operate this way will
5 be prudent.

6 COMMISSIONER DOUGLAS: Thank you. And thank you
7 for that thorough response. And just to translate it a bit
8 for the members of the public who may not quite have
9 followed the thoroughness of your response, it is the steam
10 turbine itself which is being bypassed, that had the -- I
11 think you called it more energetic -- that had the power to
12 throw projectiles off of the power plant site.

13 MR. LESH: That's correct. Its steam turbines
14 are designed to be far more robust. They have a heavy
15 thick shell. They have more weighty rotating parts
16 compared to a combustion turbine, which is typically
17 designed along the lines of a jet engine.

18 COMMISSIONER DOUGLAS: Yes.

19 MR. LESH: And thus are designed to be
20 lightweight and efficient, but they don't have quite the
21 energy should something go wrong with them.

22 COMMISSIONER DOUGLAS: Got it. So thank you for
23 the responses. And I just wanted to make it clear for
24 people who are thinking about this, that really bypassing
25 the steam turbines using the steam system as cooling --

1 which is what's being proposed by staff -- and running the
2 plant in simple-cycle load would allow the plant to operate
3 in a way that would not pose the level of a challenge that
4 would be involved in -- obviously having to look hard at
5 what actually happened with that steam turbine. We have to
6 very much get to the bottom of what happened and what
7 caused that catastrophic failure of the turbine.

8 MR. LESH: I would agree.

9 COMMISSIONER DOUGLAS: Yes, thank you.

10 I had another question, I think, which is in
11 terms of working with the Fire Department. As Shawn noted
12 they are the first responders, they do need to be prepared
13 in the event of any incident at a site. And so what are
14 your thoughts, either Geoff or back to Shawn or whoever on
15 staff is best to take this, in terms of helping the Fire
16 Department, because Chief Contreras made a really good
17 point that there was an event at the site and his people
18 didn't really know what they were encountering. And
19 that's not where they want to be and that's not what -- we
20 want to partner with them and make sure they're not there.

21 So what are your thoughts or staff's thoughts in
22 terms of working with the Fire Department?

23 MR. LESH: I would just say that staff strongly
24 encourages and invites the full participation of the local
25 Fire Department of Hayward as well as the CUPA who manages

1 the hazardous materials on site, and verifies that they're
2 being safely stored and managed. We encourage them also to
3 fulfill their normal roles at our power plants, which
4 involves inspections and verifications.

5 So going forward, I think if we've been remiss
6 in keeping them aware then we encourage that participation.
7 I think we want to reach out and involve them as full
8 partners, so that whenever we are looking at the power
9 plant for particular aspects that involve and could impact
10 any of their functions, we would invite them to be involved
11 and we'll reach out.

12 Another thing I think, another topic is
13 training, training opportunities for the Fire Department.
14 And for those things we also encourage and will fully
15 support the local fire department to get those
16 opportunities to train on site for potential problems.

17 COMMISSIONER DOUGLAS: Thank you.

18 So I just wanted to say maybe in like in some
19 more general comments as well, I wanted to thank all of the
20 speakers here today, so Mayor Halliday, City Manager
21 McAdoo, Chief Contreras appreciate hearing from you. Also
22 appreciate hearing from the CPUC, the ISO, the Bay Area Air
23 Quality Management District's participation and speakers
24 from the public.

25 This is a matter the Energy Commission takes

1 absolutely very seriously. It's what happened out there
2 was unacceptable as the Chair has noted. And we really
3 appreciate the response, the effective and quick response
4 by the Fire Department in spite of the challenges
5 presented. And also the quick investigation and initiation
6 of the root cause report by CEC staff. I know those are
7 still ongoing.

8 Ensuring public health and safety at CEC-licensed
9 power plants is a top priority. That's why we impose
10 stringent Conditions of Certification, that's why we
11 monitor and we inspect plants. And that's why we do these
12 investigations. So I just want to express my full
13 commitment to supporting this investigation and my great
14 interest in the results when we have them.

15 We obviously very much need to get the results of
16 the investigation before we would be able to identify any
17 additional safeguards, if any that we might need to impose
18 as a result of the incident. So we're not here to decide
19 on that or speculate on that today. But I do want to just
20 reiterate my commitment to the Energy Commission's
21 responsibility to take actions as needed to ensure the safe
22 operation of this power plant.

23 And at the same time, I will also say that I
24 appreciate and went closely through the CEC staff's
25 thorough written analysis of the request and its

1 determinations. And I am prepared to support them and
2 support moving forward with the proposed order in light of
3 the circumstances on the grid this summer. And in light of
4 the thorough analysis. And with a very serious request
5 and requirement that they move forward in working closely
6 with the City of Hayward and with the Fire Department.

7 So those I think are my comments right now. I am
8 really very interested in what other Commissioners would
9 like to say.

10 I also note that I did hear the City of Hayward's
11 request that the Fire Department potentially receive some
12 funding or support from the Applicant for putting resources
13 into understanding the plant, maybe participating in
14 exercises with the operator, and with the staff. I'd be
15 interested in the staff's comments or thoughts on that.
16 And if Calpine wishes to speak to that you'd be welcome as
17 well, but I wanted to note that I did hear that request and
18 I'm interested in responses.

19 CHAIR HOCHSCHILD: Commissioner, actually if we
20 could -- if it's all right with you, maybe just go first to
21 Commissioner Gunda. I myself have some questions to direct
22 at Calpine, but let's go to other Commissioners first,
23 maybe beginning with Commissioner Gunda. Then we'll come
24 back and circle through any questions. Is that okay?

25 COMMISSIONER DOUGLAS: Sure, yes.

1 CHAIR HOCHSCHILD: Commissioner Gunda, do you
2 have any comments or questions on this item?

3 COMMISSIONER GUNDA: Yeah, and thank you Chair
4 and Commissioner Douglas. I think I need to leave the
5 meeting before 12:00, because of the meeting with the
6 Governor's Office. So I want to make sure that I get
7 through my questions and comments before I do that and if
8 we were to get to a vote before then I'll be able to vote.

9 But I think the first thing is I just want to
10 acknowledge the passionate comments by Mayor Halliday, Fire
11 Chief Contreras and also the City Manager McAdoo. I just
12 want to acknowledge the kind of concerns that you raised
13 there. I also want to just acknowledge the citizens and in
14 the community and kind of the precarious situation that
15 they feel.

16 And I have heard three primary concerns during
17 this, during the testimonies. One is the lack of
18 transparency, leading to a lack of confidence in just the
19 ability to operate safely in the community. And then I
20 heard safety considerations if it comes back online. And
21 then just the air quality considerations.

22 And there's a public comment that was made and I
23 want to absolutely comment to that, which is if I were to
24 live there and if I were to have my children live there --
25 I don't. I don't live there, and it is not easy to

1 empathize with the difficulty that the community feels not
2 being there in person. And I recognize the need for
3 accountability and the need for transparency and the need
4 for safety, I absolutely do.

5 As the Lead Commissioner on the reliability side
6 of it I also recognize the precarious situation we have on
7 the grid today. We had two outages last year and we have
8 been tight twice this year already and had the emergency
9 proclamations that were set up. Over the last ten years,
10 we did not have an outage and we had roughly two Flex
11 Alerts last year. And this year we already had five Flex
12 Alerts and we had a State of Emergency, so I recognize the
13 importance of kind of saving the entire state from
14 reliability crisis, and I do (indiscernible).

15 But I do want to kind of follow along the
16 questions of Commissioner Douglas and I want to get through
17 a couple of main things. One is around on the lack of
18 transparency, and I think specifically Fire Chief
19 Contreras mentioned about the audit report. And kind of
20 like not having the opportunity to be aware of the
21 potential safety concerns with Stage II. I understand that
22 the way the modification is being the proposed doesn't
23 really deteriorate the safety, I understand that. But I
24 really do want to understand in terms of transparency of
25 data if we have any comments as to why that did not occur

1 or it was just a complete fall through the cracks. I just
2 want to understand that.

3 And I also really want to understand what it
4 means for this vote. So once we vote we are trying to move
5 forward with the modified ability to like an operate on a
6 simple cycle. And I understand that there is a safety as
7 well. And I am grateful to the siting team for briefing me
8 on exactly the engineering analysis and such. But I do
9 want to understand what kind of safety mechanisms happen
10 between now and actually when the plant becomes
11 operational.

12 So if the staff are able to comment on those
13 things to create some confidence both to the Commissioners,
14 but also broadly to the public as we move forward on this
15 important issue.

16 MR. PITTARD: Yes, thank you, Commissioner
17 Gunda.

18 The question I think on transparency as we
19 looked at the CPUC audit report. I will say that I hadn't
20 seen it myself. So there was some missed connection
21 between ourselves and the CPUC on seeing their audit
22 report, so I think that's one issue that we've identified
23 as something we need to improve upon is being sure that we
24 are in the loop on their audit inspections.

25 We were able to provide a copy that report to the

1 City I believe. I know, we've been in discussion over it.
2 So yes, there are transparency issues that we will address.
3 We're working closely with the CPUC's head of their Audit
4 Unit. And we've been onsite to inspect the facility with
5 CPUC's inspector. So that's one item that's beginning
6 here.

7 The next is going forward. And going forward
8 the process for evaluating the engineering solution to this
9 problem will include -- will be us and the CPUC -- and will
10 include the City of Hayward Fire Department and their CUPA.
11 And we will be partners, and there will be full
12 transparency in that process. And there will be checks
13 issued along the way, Commissioner.

14 And you said what happens when we leave today if
15 the Commission were to approve Calpine's petition and take
16 staff's recommendation, it does not mean that Calpine
17 leaves this meeting with carte blanche to go out and get
18 the undamaged part of this project up and running. It
19 means they enter into a process with CPUC, the CEC and the
20 City to determine each step of the way that this is being
21 done. To the building code, to the highest standards. And
22 the project will not be restarted without meeting all those
23 standards, so it will still be in the CEC's control.

24 COMMISSIONER GUNDA: Thank you. Thank you very
25 much, Shawn, I really appreciate that. And I want to

1 emphasize the importance of safety. And as one of the
2 commentators mentioned if we were to lose a life, and which
3 could have happened, we would not be here discussing this.
4 And it's extremely important that I note that. And I
5 appreciate, Shawn, you and your team's thoroughness in
6 making sure we have these transparent discussions.

7 I do want to follow up on one specific request I
8 think, that City Manager McAdoo raised, which is the
9 opportunity for the City to be involved more closely moving
10 forward. In both kind of going through this process of
11 restarting it, in a kind of a different setting, but also
12 potentially funding. And I think Commissioner Douglas
13 raised this as well. I would really like to kind of hear
14 from both Calpine, and Shawn from you, what is the
15 opportunity for group coordination as well as potentially
16 supporting the City to be a part of the process moving
17 forward?

18 MR. PITTARD: I can speak, Commissioner, to
19 improve coordination. May I defer the question of funding
20 to Calpine?

21 COMMISSIONER GUNDA: Absolutely.

22 MR. PITTARD: Thank you. Yes, you know, we work
23 with all of the CUPAs and the fire departments as partners,
24 it is our goal. We learn so much from working with the
25 first responders. And we hope we bring back to them

1 subject matter expertise on power plants that helps them
2 improve. It helps them be safer and improve their own
3 inspections. So yes, going forward, we want to be in
4 partnership with the local government, as we do in every
5 project that the CEC oversees. So we very much look
6 forward to this.

7 I just do want to emphasize that while we're
8 analysts and giving a recommendation today we are deeply
9 concerned from the Siting Division's point of view about
10 this accident and very eager to learn the results of this
11 root cause analysis and to see what might have been done to
12 prevent this. And this project will not -- the staff will
13 not recommend this project go back online until we get to
14 the bottom of that.

15 COMMISSIONER GUNDA: So, Shawn, I really
16 appreciate your comments. And knowing you personally and
17 having had the opportunity to work with you for four years
18 as well as the staff for Siting, I have absolute faith in
19 your integrity. And I'm thankful for your commitment to
20 make sure we are going to be very closely working with the
21 City to ensure the next processes are taken care of in a
22 way that is conducive and creates a certain level of trust
23 and transparency.

24 And then I would really like to hear from Calpine
25 if it's feasible.

1 MS. MCBRIDE: Yeah, I'll be happy to. And first
2 I wanted to say the safety of our employees, neighbors and
3 the community are very much our highest priority. And we
4 are really committed to safe and reliable operation of the
5 facility.

6 That being said, I mean we've worked very
7 cooperatively with the City of Hayward Fire Department in
8 the past for emergency preparedness. And we welcome
9 further opportunities to work with them in the future. And
10 we'll be happy to meet with the City and the City Fire
11 Department to determine how we could do that better in the
12 future. I mean, that only benefits both of us.

13 COMMISSIONER GUNDA: Thank you. Thank you,
14 Barbara. I look forward to -- I mean I think in any
15 closing comment I just want to say to the commentators, the
16 state has a commitment to zero-carbon energy and there's a
17 commitment to equity. And we cannot do that by continuing
18 to impose inequities, pass inequities on to the
19 communities. And that's a priority for the state, the
20 administration and for this Commission and we'll continue
21 to work on that.

22 And I'm kind of comforted by some of the things
23 that Shawn just mentioned. And I really request to ensure
24 that it is as deep of a collaboration and transparency,
25 that the Fire Chief specifically who has a job of safety in

1 the community feels comfortable as we move forward. So
2 with that I just yield the time. Thank you.

3 CHAIR HOCHSCHILD: Thank you, Commissioner.

4 I do have some questions for Calpine, but let me
5 turn first to Commissioner McAllister or Commissioner
6 Monahan, if you had any other questions.

7 COMMISSIONER MCALLISTER: I do have some
8 questions. Thank you, Chair. And Commissioner Gunda,
9 Commissioner Douglas, really appreciate your diligence
10 here.

11 Let's see, I wanted to ask for a bit more depth
12 in terms of the status of the root cause analysis. I heard
13 sort of in general terms from Shawn that in parallel there
14 is a third-party assessment that Calpine is engaging in and
15 there's a staff assessment, both those are happening
16 concurrently. I wanted to understand the status of the
17 third-party assessment in particular. And more visibility
18 into the process that staff is engaged in and will move
19 forward in.

20 But a lot is hanging on these independent
21 assessments to establish what happened and ensure that we
22 have some transparency and accountability there. So I want
23 to ask, Shawn, if you have this ability or Calpine
24 particularly, where that assessment stands. Perhaps who is
25 going to be doing it and what the independent firm is, what

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1 status that procurement is at, what that contract is on
2 that? So if you could just give us a little more depth on
3 that issue.

4 MR. PITTARD: Right. Commissioner, I'd like to
5 give that question to Barbara McBride at Calpine.

6 COMMISSIONER MCALLISTER: Go ahead.

7 MS. MCBRIDE: We have hired a third-party expert
8 to conduct the root cause analysis. We started it almost
9 immediately after the incident and we expect the results to
10 be sometime late summer, early fall. It does take quite a
11 quite a long time to go through all the data and process
12 everything to ensure that we have a product that not only
13 just identifies the apparent cause, but really gets to the
14 root cause of what happened during the event.

15 COMMISSIONER MCALLISTER: So you already have
16 that contract in place?

17 MS. MCBRIDE: Yeah, it started like weeks ago.

18 COMMISSIONER MCALLISTER: Okay, I wonder if you
19 can -- well, we'll talk about sort of the communication
20 issue. I'm sure other Commissioners have concerns about
21 that as well just in terms of some openness and
22 transparency, that it creates an accountability. I've not
23 heard a lot of contrition up to now. And I think that's
24 appropriate, because as the community has expressed this is
25 something that they rightfully are incredibly concerned

1 about in terms of just having trust that going forward
2 their safety is being taken care of.

3 I mean, the community next door to this facility
4 is a vulnerable community. It has environmental justice
5 and concerns and history. So I want to just kind of
6 appreciate the elected officials and the mediation and
7 positions that they are in. In particular the Mayor, sorry
8 -- Mayor Halliday, thank you very much for being with us
9 and City Manager McAdoo and Fire Chief Contreras, I really
10 appreciate your concerns. And it's very clear that you
11 three are deeply dedicated to your public service and doing
12 all you can do to take care of your community, so I want I
13 appreciate, I really express appreciation for that.

14 So the community has a very legitimate desire to
15 ensure that or to know really, that the plant will be
16 operated safely. And Geoff Lesh explained in technical
17 terms how that will be the case.

18 I would like to, in this spirit I would like to -
19 - and I don't know if right now is the time, but I would
20 like to sort of propose some modifications to the order
21 that we will be voting on. If we choose to vote on this in
22 this moment, some specific commitments from Calpine along
23 these lines: commit to allowing the Fire Department to have
24 access and to regulate the facility and really ensure that
25 direct participation. And also maybe specific language

1 that Calpine commits to the staff (indiscernible) operating
2 the plant in a safe manner on the record.

3 But I think I'd like to look -- well, I have one
4 more question actually. So I do have some ideas for
5 modifying the proposed order. But I want to maybe ask
6 Calpine directly to give us a little more information --
7 and they have a bunch of people on the phone, on the call -
8 - more information about the exact corrective action. And
9 why you believe that the plant will operate safely. We've
10 heard that from staff, but I really want to hear that from
11 Calpine.

12 MS. MCBRIDE: Like I was saying before we're now
13 conducting a root cause analysis. Out of that root cause
14 analysis we will determine what the root cause of the
15 incident was. And then based on that we'll develop
16 corrective actions. And then we will work with staff and
17 the CBO to implement those corrective actions
18 (indiscernible) like the CEC staff and the CPUC staff will
19 come out and verify that those corrective actions were
20 implemented.

21 COMMISSIONER MCALLISTER: So you're talking about
22 the steam-cycle piece of this.

23 MS. MCBRIDE: Yes.

24 COMMISSIONER MCALLISTER: But I want to
25 specifically, in the near-term, talk about sort of

1 understand the chain modifications that do ensure that the
2 simple-cycle piece of the facility will operate safely.

3 MS. MCBRIDE: Yeah. And I think Geoff Lesh
4 actually went into the details of what we're doing for the
5 simple cycle. It's really what we are putting as a
6 blanking plate on top of where the steam turbine would
7 connect to that. And then really what we're putting on
8 there is a compressor (phonetic) safety device for just in
9 the event that there's compressor. But that's really all
10 the modifications we're doing currently to the facility to
11 let it operate in simple-cycle mode.

12 But we are obviously ensuring, and the CEC
13 ensures and CPUC ensures that we're in compliance with all
14 ordinances, rules, regulations.

15 COMMISSIONER MCALLISTER: Although there was a --
16 oh, go ahead, Shawn.

17 MR. PITTARD: Yes, I would just add that during
18 that, this process, we'll also be looking at maintenance
19 records and doing all those things we typically do in our
20 regular inspections. We're there, the City's there, I
21 think and the CPUC will be there. It will be a great
22 opportunity to just perform our life worker-safety
23 inspections, the standard inspection that we do with all of
24 our power plants. So it's an opportunity to look at it
25 from the 360 degrees.

1 COMMISSIONER MCALLISTER: Certainly. I mean, I
2 understand. I sit in the economist spot at the Energy
3 Commission, but I have actually more of an engineer in
4 terms of my background. So I do understand the technical
5 details of a combined-cycle power plant. And certainly
6 recognize Geoff's explanation of the simplicity of the gas-
7 turbine piece of it, which is what we're talking about
8 operating.

9 I did listen with some interest about the way
10 that the waste heat now will be disposed of essentially as
11 a chiller, radiate the excess heat. I did want to ask if
12 there is any opportunity to increase the Delta T so that
13 you can get a little more efficiency out of those turbines
14 instead of radiating all of the waste heat. It sounds like
15 to me that is not going to take place. But I wanted to
16 just understand that the system needs to be configurable in
17 the future and see that repairs are made if the steam-cycle
18 piece does come on.

19 I wanted to acknowledge though that this plant
20 was permitted as a combined cycle and that improves the
21 efficiency. And therefore the carbon content of each
22 kilowatt hour comes out of that plan as a combined cycle.
23 It's lower than it will now be for any interim period that
24 operates as a simple cycle. And so that is while the
25 absolute emissions don't increase, the unit emissions

1 actually do increase. And I understand it from the CEQA
2 perspective staff has found that that does not constitute
3 an impact. But I do want to just acknowledge that this
4 interim fix, if we allow it, will marginally increase the
5 carbon content of our grid. And so I don't think that was
6 stated so clearly in either the staff report or the Calpine
7 petition.

8 So with that I'll pass the mic. I did want to
9 just reserve, depending on how this session goes, I did
10 want to reserve some time to propose, perhaps, some
11 modifications to the staff proposal.

12 CHAIR HOCHSCHILD: Thank you, Commissioner.
13 Yeah we'll come back to that. Thank you for those.

14 Commissioner Monahan, were there any additional
15 questions you had?

16 COMMISSIONER MONAHAN: I do have some questions
17 and a few comments. I think like all the Commissioners
18 that I've heard so far we feel (indiscernible) and I feel
19 very just impacted by all the things that has been said by
20 the City and the many commenters. I read through all the
21 comments and there are a lot of just really heartfelt
22 letters from residents. And I just really want to say I
23 feel for your frustration, your anger, you are concerned
24 about the lack of transparency and your desire to live
25 safely in your community. So I start from that place.

1 That I'm pretty sure I speak for all of the Commissioners
2 here that this is a really hard situation. You've been
3 through a lot, you have reason to be angry.

4 And so I think there's two levels that I want to
5 pursue in terms of questions, one is around the safety of
6 this proposal. And the other is around the disclosure of
7 the root cause analysis, which Commissioner McAllister was
8 also pursuing.

9 And I heard Geoff our staff person, Geoff Lesh,
10 has really clarified I think more clearly than I saw on any
11 of the written documents that the issue of the explosion
12 was the result of the steam turbine most likely. And that
13 it wasn't the gas turbine that was the root cause. Or I
14 should be careful to say likely not the root cause.

15 But I would like to hear Calpine also speak to
16 this issue, because I think that it's one thing to hear our
17 staff person say it. It's another for the facility to give
18 us and the community some more information about what is
19 presumed to be the root cause without recognizing that yet
20 we don't have a report.

21 MS. MCBRIDE: Yeah, I mean I can answer that
22 briefly with like I said before we are in the midst of the
23 root cause analysis. We do not know right now what the
24 root cause of the steam turbine failure was. We can assure
25 you it had nothing to do with the gas turbines. But we are

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1 looking to see what that root cause was that occurred with
2 the steam turbine. And that'll be this summer, late
3 summer, early fall will be completed. And it will be
4 shared with the staff.

5 COMMISSIONER MONAHAN: Thank you, I mean one
6 comment that I have felt some frustration with the document
7 so far presented for us to be able to make this decision,
8 is that nowhere was that stated very clearly. That just
9 sort of a clear statement around separating the gas turbine
10 from the explosion that occurred in the steam turbine. I
11 couldn't find it very clearly articulated in any of the
12 documents that I reviewed, so that may have made our
13 decision-making more challenging.

14 MS. MCBRIDE: And I apologize for that.

15 CHAIR HOCHSCHILD: Thank you, Commissioner.

16 I do have a few comments or some questions
17 (Overlapping colloquy.) I'm sorry, were you --

18 COMMISSIONER MONAHAN: Yeah, I'm not done yet.

19 So I wonder, Barbara, can you clarify if we were
20 to approve it when the facility would actually be
21 operating? I know it was two weeks to do the actual
22 construction, but do you have a sense for how long it would
23 take for the facility to actually produce electricity?

24 MS. MCBRIDE: Under just simple-cycle
25 configuration? Yeah we're looking at some time in August,

1 either early or to mid-August.

2 COMMISSIONER MONAHAN: Thank you.

3 And I guess one last comment I'll make before
4 passing it on to the Chair is this community is a
5 disadvantaged community according to the CalEnviroScreen
6 and the criteria we use is 75 percent or higher. And that
7 also is, I think, a factor that we need to consider as we
8 ponder our decision is that this is a community already
9 impacted by pollution and other challenges. And it makes
10 us -- I think we just need to be mindful that this is -- we
11 don't want to continue this history of adding pollution
12 burden to disadvantaged communities and safety burdens. So
13 that's just something I think in the back of our minds that
14 we should be thinking about as well.

15 CHAIR HOCHSCHILD: Thank you, Commissioner. Was
16 that everything? Great, thank you, Commissioner, for those
17 comments.

18 I'll just share a few thoughts. And first just
19 to state the obvious, this incident is unacceptable. It's
20 --

21 (Technical difficulties - audio cuts out.)

22 COMMISSIONER MONAHAN: Chair, we're having some -
23 - we can't hear you, you're frozen on the screen.

24 COMMISSIONER MCALLISTER: You froze up, Chair
25 Hochschild.

1 MS. GALLARDO: This is Noemi, the Public Advisor.
2 I will try to get him on the phone. In the meantime
3 Commissioner Douglas, do you (indiscernible). Oh, he's
4 back.

5 CHAIR HOCHSCHILD: (Indiscernible.) Can you hear
6 me now okay?

7 MS. GALLARDO: Yes, we can.

8 CHAIR HOCHSCHILD: Okay, I'll just do this off-
9 video for a minute.

10 No, just to say this incident is unacceptable for
11 the state, for the community of Hayward and for any
12 community. And it's obviously a big black eye on Calpine
13 and the company. And so what I'm looking for, for one
14 thing, is just a change in the preventive maintenance
15 protocols. With Calpine as a company, you know, I would
16 like to hear specifically on that for steam turbines what
17 else you're planning to do for your whole fleet on this
18 issue.

19 And then secondly, because we are lucky that no
20 one was killed or injured. When you have 50-pound pieces
21 of metal flying around that is a dangerous thing. And so
22 this very easily could have resulted in injuries or
23 fatalities.

24 And then secondly, Barbara, I heard you say you
25 work really well with the Fire Department of Hayward. And

1 I just heard from the Chief just the opposite. And being
2 transparent about the risk and the issues there, I would
3 like to hear specifically what your plan is in terms of
4 being proactive on the average. So those are my questions
5 to Calpine.

6 I did also want to say we are balancing many
7 competing threats right now. There's obviously concern
8 about the local safety issue. For myself I am confident in
9 what I've heard is that it's the risk being in the steam
10 turbine, that that really is the issue and that's not the
11 segment of the plant we're talking about getting going
12 again. But there are also health issues around grid
13 reliability in the northeast. We saw over 100 people, well
14 over 100 people died in the heat wave in Oregon and
15 Washington in the past weeks. And so we're obviously in a
16 very tough summer that way. And this is an important
17 resource for the moment.

18 You know, long term I think today's conversation
19 highlights the need to move more swiftly to clean energy
20 where the risks are lower. We're not there yet. We're in
21 a very tough kind of between a rock and a hard place. And
22 so the immediate grid reliability need is very significant
23 and so we're having to balance these things.

24 But let me, if I could, just hear from Calpine
25 directly on the questions I asked about preventive

1 maintenance protocol, and specifically communication safety
2 and communication commitments going forward with the
3 Hayward Fire Department.

4 MS. MCBRIDE: On your first question we will take
5 the results of the root cause analysis and we will,
6 obviously once we determine what the corrective actions
7 are, share that with our entire fleet. And if maintenance
8 procedures need to be adjusted, need to be modified, based
9 on those corrective actions we will definitely do that.
10 And that will be a fleet-wide program. We do have a
11 central engineering group that does do that. And so that
12 is their prime purpose to ensure that maintenance is done
13 correctly and effectively. And so we will share that with
14 the rest of our fleet.

15 I think your next question was working with the
16 Hayward Fire Department. Yeah, we had been working with
17 the Hayward Fire Department in the past. We do do
18 quarterly drills currently. We do notify them that we're
19 doing the drills. And so we will in the future ensure that
20 we actually invite them and request that they participate
21 in our drills.

22 During our construction of our Black Star project
23 that occurred last year I thought we had a great working
24 relationship with the City of Hayward Fire Department. I
25 thought that was a great example of how interagency working

1 groups can work together. We had the CEC as a facilitator,
2 we had the CBO was part of that group. We had the Hayward
3 Fire Department. We even had the Orange County Fire
4 Department working together to come up with solutions for
5 fire protection and safe operation for that, for the
6 installation of the battery storage facility that we have
7 at Russell City, so I thought that was great.

8 So I look forward to doing that in the future
9 more with the City of Hayward.

10 CHAIR HOCHSCHILD: Okay, thank you.

11 With that this is what I'd like to propose.
12 Commissioner Douglas, if we could turn to you if you would
13 like to make a recommendation and if you have any
14 additional amendments to what you articulated. And then
15 let's get feedback from our fellow Commissioners on that
16 and then we can make a decision.

17 COMMISSIONER DOUGLAS: Thank you, Chair
18 Hochschild. What I heard was a number of thoughts,
19 particularly from Commissioner McAllister in terms of
20 potential modifications to the order. I think that in
21 concept I think his suggestions are really helpful.

22 What I might recommend at this juncture is that
23 the Commission consider a brief closed session where we
24 give the Legal Office an opportunity to provide us with
25 some drafting and ensure that they are suitable.

1 CHAIR HOCHSCHILD: Okay, let's do that. Why
2 don't we go to into closed session?

3 MS. BARRERA: If I may, Chair, and Commissioner
4 Douglas? We are unable to convene a closed session,
5 because we didn't notice that in agenda.

6 COMMISSIONER DOUGLAS: Oh. Okay.

7 CHAIR HOCHSCHILD: Oh, right.

8 MS. BARRERA: Yeah, so that being said I have
9 already provided some language based on the conversations
10 and comments we've heard. And I (indiscernible)
11 Commissioner McAllister, so I believe that he might be
12 ready to (indiscernible) make that recommendation.

13 COMMISSIONER DOUGLAS: Well, then please share,
14 Commissioner McAllister.

15 MR. HARRIS: Hey, Commissioner? Commissioners,
16 this is Jeff Harris --

17 COMMISSIONER MCALLISTER: Yeah, go ahead then.

18 MR. HARRIS: -- on behalf of Calpine. We have
19 authority to move forward with the current order. We've
20 taken it through our process. So if there's going to be
21 changes proposed we actually are going to need to see
22 those, so I can have the authority to move forward with
23 this petition. So if it can be provided to us in the
24 writing. I actually think the issue though is that the
25 type of authorities that were set forth by the Commissioner

1 are already existing authorities. And I guess I would lean
2 on the Chief Counsel to consider that thought, that there
3 isn't anything that will be unique or created by this order
4 that you don't already have. And I'm not giving you the
5 Ruby Slippers Defense here, but you already do have these
6 authorities.

7 And so from a procedural perspective we're going
8 to need some time if the order changes to go back and talk
9 with our folks and make sure that we have the authority to
10 proceed. We have third parties we have to worry about as
11 well, so that's that'd be my request that the Chief Counsel
12 examine your existing authorities and decide whether those
13 are actually necessary to change the order. And if there
14 is a decision made that that order needs to be changed,
15 that we be given a red line and an option to look at that.
16 So that's our request going forward.

17 COMMISSIONER DOUGLAS: Mr. Harris, it's a
18 reasonable request that we provide in advance to everybody
19 a chance to see the language if we choose to contemplate
20 changes.

21 Commissioner McAllister?

22 COMMISSIONER MCALLISTER: Yeah, I guess so, Mr.
23 Harris. I'm wondering what, when -- is that authority
24 Capital A or small a? It sounded like you needed to take
25 back any changes to Calpine authority. Whereas I'm looking

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1 to include a couple of provisions in the proposed order
2 that we would adopt today, if we choose to vote on it.
3 That surface to make more explicit some of the issues that
4 we've heard concerns about today, to make it actually
5 public in the adopting order here. So I think whether or
6 not -- so it clearly would be within our existing authority
7 to do that.

8 And what I'm looking to have as a bit more
9 transparency and direction on the record to Calpine in
10 their implementation of this order if we adopt it. So I'll
11 look to the Chief Counsel to give us a framework just to
12 ensure that that's an acceptable process.

13 MS. BARRERA: One thing that I would suggest, Mr.
14 Harris, is that Commissioner McAllister be able to present
15 what those modifications are. And they are not expensive,
16 so it would be, I think it would be beneficial for you and
17 your client to hear what those are. And then we can give
18 you an opportunity to speak and react to it.

19 MR. HARRIS: Okay. Let me respond to the
20 Commissioner's question if I could? When I use the word
21 "authority" I used it in two senses: that the big A is the
22 WA, the Warren-Alquist Act, what are your authorities
23 there. My point there is simply that you already have the
24 authorities that were articulated in terms of oversight and
25 involvement with the Fire Department. So those authorities

1 do exist.

2 In addition to that, we at Calpine have authority
3 from our board and from our lenders, to proceed with the
4 order that was published in advance of this hearing. And I
5 don't have my small a -- not Warren-Alquist A -- the small
6 "a" authority to proceed with changes to that order.

7 And maybe the changes will not be significant,
8 but I am going to need the opportunity to see those. And
9 try to clarify that we have the authority internally to
10 proceed and don't need to withdraw the petition. So that's
11 why I'm going to need some time. So, Commissioner, does
12 that answer your questions thoroughly?

13 COMMISSIONER MCALLISTER: Certainly. I don't
14 know if any other Commissioners want to opine here, but I -
15 -

16 CHAIR HOCHSCHILD: Commissioner McAllister, could
17 you just read the language?

18 COMMISSIONER MCALLISTER: Yeah, exactly. I think
19 let's not debate theoretically language, let's just get the
20 language out there. So to the Energy Commission findings
21 I would propose that we add a bullet point and that is, "It
22 is prudent for the CEC to exercise enhanced scrutiny over
23 the facility given the circumstances that gave rise to the
24 petition. And it is reasonable for the public to have
25 access to the safety audits conducted pertaining to the

1 operation of the facility, including the circumstances that
2 gave rise to the petition.” That is one.

3 And then to the conclusion and order there are a
4 number of changes and I’ll just read the conclusion in
5 ordering paragraph, as I would propose it, if that's okay
6 with you Chief Counsel.

7 MS. BARRERA: Yes.

8 COMMISSIONER MCALLISTER: Okay, so here is the
9 proposed conclusion and order.

10 “The CEC hereby approves the petition for
11 modification, allowing for the facility to operate in
12 simple-cycle mode as set forth in staff’s analysis and
13 adopts the draft order with the following modifications.
14 The Applicant must submit to the CEC a safety audit fully
15 identifying the circumstances that gave rise to the
16 petition. That if the CEC determines that any of the
17 information in the audit should not be released under
18 applicable law, the Applicant must submit a public version
19 of this report that omits only the confidential portion of
20 the audit report. The Applicant must within 10 days of
21 this order identify all additional safety measures it is
22 taking and report back to the CEC on the status of the
23 implementation of its safety measures on a monthly basis.
24 The Applicant must also allow the City of Hayward’s fire
25 department to periodically inspect the facility to ensure

1 safety requirements are met and shall be responsible for
2 the associated costs of those inspections.”

3 So that's what I have.

4 MR. HARRIS: Yeah. Thank you, Commissioner, I'd
5 request that maybe we'd need a red line with that from the
6 Chief Counsel, that I can then take back to our folks. And
7 determine whether that's a substantive change in the
8 (indiscernible) the scope of our existing authorities or
9 whether we need additional authority.

10 CHAIR HOCHSCHILD: Let me just -- for again for
11 grid reliability I'm interested to not delay on the stuff
12 that we are able to do.

13 MR. HARRIS: I agree.

14 CHAIR HOCHSCHILD: One (indiscernible) would be
15 the following, that we hold this item for the moment, get
16 through the rest of our agenda. And, Jeff, you can review
17 that with whoever you need to and then we'll take it up
18 later in today's agenda. Would that be sufficient for you,
19 because it's not -- the language is not that involved.

20 MR. HARRIS: Yeah, I took notes vigorously and
21 I'd definitely like to see it. So yeah that would work
22 great. Can we move the item just to the end of the agenda?

23 CHAIR HOCHSCHILD: Sorry, before we do that,
24 Commissioner Douglas, does that language work for you and
25 are there any other changes or edits you would make to what

1 you heard?

2 COMMISSIONER DOUGLAS: I'm supportive of the
3 language. I do want to hear what Calpine comes back with
4 in terms of if their review reveals a concern I'll want to
5 hear what it is. But from what was read I think it sounds
6 fine.

7 CHAIR HOCHSCHILD: Okay.

8 COMMISSIONER DOUGLAS: And I do want to note, Mr.
9 Harris said that we have a lot of authority already in our
10 compliance process and we absolutely do, and we will
11 exercise them. And I don't think you have to say in
12 writing in an order that a project that had an incident
13 like this occur will get some extra attention when we look
14 at the root cause report and when we think about safety
15 measures that are proposed. That's naturally and obviously
16 the case, so I don't see --

17 And that said, I understand Commissioner
18 McAllister's desire and interest to spell that out. So
19 that's satisfactory to me. But I would like to hear what
20 Calpine has to say about the language.

21 COMMISSIONER MCALLISTER: So just quickly, I
22 think partly this is to surface some of these issues and
23 give some public messaging of the fact that we will do
24 these things. Certainly, we have the broadest authority
25 already. But part of the issue as we heard from the public

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1 is that they want to be sure that all the relevant
2 authorities will be brought to bear and there's access,
3 both at the local and state level and that those things are
4 actually happening. And so I think that conveying that to
5 the public is important in the order, even if it's firmly
6 within our existing authority. That's the idea. So thank
7 you for that.

8 CHAIR HOCHSCHILD: So if that works for everyone,
9 what I would propose we do is share that language. And
10 then take this item -- we'll hold on this and turn Item 4.
11 And take this item up again for possible consideration and
12 vote after Item 9. Does that sound okay?

13 COMMISSIONER MONAHAN: How will this be shared?
14 What's the process for that? Will it be posted on our
15 website or --

16 CHAIR HOCHSCHILD: I think, to the relevant
17 listener.

18 COMMISSIONER DOUGLAS: Yeah, can it be docketed?

19 CHAIR HOCHSCHILD: Yes. Yeah we'll just do it.
20 I mean, the language is done, right?

21 MS. BARRERA: Yes, I'll proceed to work with our
22 docket server to file it as soon possible.

23 (Overlapping colloquy.)

24 COMMISSIONER MCALLISTER: I appreciate, very much
25 appreciate the Chief Counsel's Office for that. Thank you.

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1 COMMISSIONER MONAHAN: Would it be possible for
2 Fire Chief Contreras to be able to comment as well?

3 CHAIR HOCHSCHILD: We will take public comment
4 again before we vote, yeah. Thank you.

5 MR. HARRIS: So, Commissioner, are you -- sorry,
6 Mr. Chairman, are you anticipating a time, a specific time
7 for this to come up? Or is it just after Item 9? It would
8 be helpful to know.

9 CHAIR HOCHSCHILD: So I'm looking at that -- I
10 don't think we will take that long, but you never know. So
11 I've been wrong on that before. So I apologize, I think
12 that's the best we can do. We're going to move as
13 expeditiously as we can.

14 Does that sound okay to everyone?

15 COMMISSIONER DOUGLAS: Yes.

16 CHAIR HOCHSCHILD: Okay, yeah.

17 COMMISSIONER DOUGLAS: Mr. Harris, if you're
18 having -- if we move fast for some reason and you're having
19 great difficulty and need more time please just communicate
20 that to the Chief Counsel's Office. And if we have to set
21 a time we could consider that, but if you could try to be
22 ready with a response by the time we finish Item 9 that
23 would be great.

24 CHAIR HOCHSCHILD: Okay.

25 MR. HARRIS: We will work as expeditiously as we

1 can, so thank you.

2 CHAIR HOCHSCHILD: Okay. Thank you, Mr. Harris,
3 thanks everyone. We'll come back to that after Item 9.
4 And we'll put this item on hold.

5 Let's turn now to Item 4, Appliance Efficiency
6 Regulations for Portable Electric Spas. Let's turn now to
7 Jessica Lopez.

8 MS. LOPEZ: Hi. Good Morning, Chair, and
9 Commissioners. My name is Jessica Lopez an engineer with
10 the Appliances Office in the Efficiency Division. Also
11 joining me is Michael Murza from the Chief Counsel's
12 Office. And Corrine Fishman from the Efficiency Division.

13 Today I am seeking approval to adopt amendments
14 to Title 20 appliance efficiency regulations for portable
15 electric spas. Staff also proposes the adoption of the
16 finding that the proposed regulations are exempt under the
17 California Environmental Quality Act. Next slide, please.

18 California was the first state to adopt appliance
19 efficiency standards for portable electric spas and
20 industry recognized the need to align with California.
21 Several states and Washington D.C began to issue proposals
22 to add or amend their regulations to adopt the 2019 version
23 of APSP-14. That includes: Connecticut, Hawaii, Illinois,
24 Maine, Massachusetts, Oregon, Pennsylvania, Rhode Island,
25 and Washington DC. Oregon is one of the first states to

1 adopt, going into effect January of 2022.

2 California continues to lead the way creating
3 opportunities for other states to easily adopt, saving more
4 energy and curbing tons of pollution thanks to our
5 partnership with industry.

6 Also moving from California specific regulations
7 to universal requirements reduces consumer and retailer
8 labeling confusion and eases compliances for manufacturers
9 wishing to comply with standards in multiple states. Next
10 slide please.

11 The purpose of this rulemaking was to modify
12 existing regulations to update the test procedure reference
13 and labeling design requirements to align with the industry
14 standards. These updates will not affect existing
15 performance efficiency standards.

16 Staff found that the proposed regulations are
17 exempt under CEQA. And no comments of opposition were
18 received during the 45-day public comment period and at the
19 public hearing. Next slide, please.

20 The CEC has a collaborative partnership with
21 stakeholders in the spa industry, dating back as early as
22 2004 when the first set of spa standards were established
23 in California.

24 In April 2018, the CEC adopted changes to Title
25 20, amending the appliance efficiency regulations for

1 portable electric spas. These amendments were based on the
2 2014 version of the industry standard APSP-14, were
3 modified to exceed the requirements specified or to add
4 clarification.

5 These modifications included an expanded scope,
6 more stringent efficiency standards for standard, exercise,
7 and combination spas, a separate efficiency standard for
8 inflatable spas, test procedure modifications to
9 accommodate the expanded scope of products, additional test
10 lab report requirements to verify compliance, and a
11 standardized labeling requirement to help consumers make
12 informed choices.

13 Following the 2018 adoption California was
14 invited by industry to work on revising the 2014 version of
15 APSP-14 to incorporate California's recently adopted
16 amendments to portable electric spas.

17 The revised standard was published in 2019 and
18 aligns with California's efficiency standards for portable
19 electric spas in effect today. Next slide, please.

20 In this rulemaking, we are proposing to update
21 the test procedure reference from the 2014 version of APSP-
22 14, with modifications to the 2019 version of APSP-14 with
23 no modifications, as shown on left, which includes
24 simplifying the certification process for test laboratories
25 and clarifying labeling instructions.

1 And then amending the label design from a
2 California-specific label to a universal label, as shown on
3 the right. That includes removing "California" from the
4 title and removing all references of California regulations
5 in the text.

6 The California specific label design requirement
7 has the unintended consequence of creating confusion among
8 consumers and retailers, as well as creating unnecessary
9 work for manufacturers wishing to comply with California's
10 labeling requirements and those of other states. In
11 response to the labeling differences we recommend that
12 California's portable electric spas regulations be updated,
13 so the test procedure reference and the label design
14 requirements move toward universal requirements that will
15 harmonize with other states.

16 The proposal also includes editorial changes to
17 simplify the structure of existing regulations for portable
18 electric spas. Next slide.

19 In conclusion, I ask the Commission approve the
20 proposed amendments for portable electric spas and the
21 finding that these amendments are exempt from CEQA. Thank
22 you and that concludes my presentation.

23 CHAIR HOCHSCHILD: Thank you, Jessica, for all
24 your work and your team's.

25 Let's turn now to public comment on Item 4.

1 MS. GALLARDO: This is Noemi Gallardo, the Public
2 Advisor. A reminder for attendees if you would like to
3 make a comment, please use the raised hand feature.
4 There's an icon, it looks like a high-five on the screen.
5 If you are on by telephone, please press *9 to indicate you
6 would like to make a comment and *6 to unmute.

7 At this moment, I am not seeing any hands for
8 comments. So last chance attendees, if anyone would like
9 to make a comment, please use the raised hand feature.

10 All right, Chair, I see no hands. So I'll go
11 back to you. Thank you.

12 CHAIR HOCHSCHILD: Thank you. And let's move to
13 Commissioner discussion. Just with this and the rest of
14 agenda, if we can keep it as expeditious as possible, that
15 would be much appreciated. Let's start with Commissioner
16 McAllister. Thank you.

17 COMMISSIONER MCALLISTER: This is an easy one to
18 expedite. I think this is very straightforward. I think
19 it's demonstrative of California's leadership and appliance
20 efficiency and the fact that other states really do look to
21 us for helping facilitate these conversations and really
22 moving the needle on federal, on nationwide markets in
23 coordination with federal discussion.

24 So Jessica and team thank you so, so much,
25 Michael and CCO's office, for navigating these changes and

1 being responsive to industry desires and needs. It's
2 exactly what we should be doing. So I have no qualms about
3 this item and staff, and very much support it. So I'll
4 move Item 4 if that's okay.

5 CHAIR HOCHSCHILD: Okay, unless there's other
6 discussion is there a second for Item 4? Commissioner
7 Douglas would you be willing to second Item 4?

8 COMMISSIONER DOUGLAS: Yes, second.

9 CHAIR HOCHSCHILD: All in favor say aye

10 CHAIR HOCHSCHILD: Commissioner McAllister?

11 COMMISSIONER MCALLISTER: Aye.

12 CHAIR HOCHSCHILD: Commissioner Douglas?

13 COMMISSIONER DOUGLAS: Aye.

14 CHAIR HOCHSCHILD: Commissioner Monahan?

15 COMMISSIONER MONAHAN: Aye.

16 CHAIR HOCHSCHILD: And I vote aye" as well.

17 Commissioner Gunda had to step out to attend the meeting.
18 That item passes 4-0.

19 Let's turn now to Item 5, Blueprints for Medium
20 and Heavy-Duty Zero-Emission Vehicle Infrastructure.

21 MS. REID: Good afternoon, Chair and
22 Commissioners. My name is Kate Reid, Air Resources
23 Engineer with the Fuels and Transportation Division's
24 Freight and Transit Unit. We're seeking approval today for
25 nine agreements resulting from the "Blueprints for Medium

1 and Heavy-Duty Zero-Emission Vehicle Infrastructure
2 Solicitation.”

3 This solicitation was released in July 2020. \$3
4 million was available to fund planning blueprints to
5 identify actions and milestones needed for implementation
6 of medium- and heavy-duty zero-emission vehicles and the
7 related electric charging and/or hydrogen refueling
8 infrastructure. A minimum of \$1 million of total funds was
9 set-aside for public entities. Subsequently, the Energy
10 Commission increased the total funding to approximately
11 \$5.6 million, which allowed all public entities with a
12 passing score to be funded.

13 Under this solicitation, 28 projects were
14 proposed for award. And today I will be presenting 9 of
15 those projects, and the remaining 19 will be presented at
16 later Business Meetings. Next slide, please.

17 The proposed projects will create roadmaps for
18 large-scale infrastructure projects, plan for resiliency,
19 and provide best practices and key lessons learned for
20 future replicability at other private and public agencies.

21 These blueprints will also help other agencies
22 and fleets understand which technology may work best for
23 their applications, routes, and driving environments, which
24 will ultimately accelerate meeting California’s goal of
25 transitioning medium- and heavy-duty trucks and buses to

1 zero-emission by 2045. Next slide, please.

2 The first proposed agreement is with East Bay
3 Community Energy. This project is to develop a blueprint
4 for zero-emission vehicle infrastructure for Class 3
5 through 8 trucks for goods movement in Alameda and San
6 Joaquin Counties. This plan when implemented will benefit
7 disadvantaged communities in the proximity of the I-80, I-
8 580, and I-880. Next slide please.

9 The next proposed agreement is with the Center
10 for Transportation and the Environment. This project is to
11 develop a blueprint for installation of infrastructure to
12 support 24 battery-electric school buses with the Stockton
13 Unified School District. This project is located in, and
14 will benefit surrounding disadvantaged communities. Next
15 slide, please.

16 The next proposed agreement is with Ontario
17 International Airport Authority. This project is to
18 develop a blueprint for installation of infrastructure that
19 will support replacing approximately 300 medium- and heavy-
20 duty ground support vehicles currently operating at Ontario
21 International Airport. Ontario International Airport is
22 located in a low-income, disadvantaged community. Next
23 slide, please.

24 The next proposed agreement is with Los Angeles
25 Cleantech Incubator. This project is to develop a

1 blueprint for heavy-duty charging depots adjacent to the I-
2 710 freight corridor to support battery-electric trucks
3 serving the San Pedro Bay Ports. Disadvantaged communities
4 surrounding the San Pedro Bay Ports and the I-710 corridor
5 will benefit from implementation of this blueprint. Next
6 slide, please.

7 The next proposed agreement is with STC Traffic.
8 This project is to develop a blueprint for zero-emission
9 vehicle charging for the San Diego freight and goods
10 movement community with a specific focus on Independent
11 Owner Operators. The project team will incorporate and
12 address the needs of the disadvantaged communities and
13 address the number of benefits that can accrue from
14 strategically siting zero-emission vehicle infrastructure.
15 Next slide, please.

16 The next proposed agreement is with United
17 Natural Foods. This project is to develop a replicable
18 plan where geography, route structure, and incentives are
19 especially favorable to electrification of their 12
20 distribution centers and/or warehouses located throughout
21 California. United Natural Foods anticipates that the
22 implementation of the blueprint will provide direct,
23 meaningful, and assured benefits to surrounding
24 disadvantaged and low-income communities. Next slide,
25 please.

1 The next proposed agreement is with Kern Council
2 of Governments. This project is to develop a blueprint
3 that will identify major gaps in infrastructure for zero-
4 emission trucks and buses and identify a set of high-impact
5 shovel-ready infrastructure projects.

6 The majority of Kern County qualifies as
7 Disadvantaged Area Communities and will benefit from
8 implementation of this plan. Next slide, please.

9 The next proposed agreement is with San Francisco
10 Department of the Environment. This project is to develop
11 a blueprint for charging infrastructure to serve all
12 medium- and heavy-duty zero-emission vehicle fleets,
13 particularly those with fewer than 50 vehicles such as the
14 city's own fleet and other local commercial fleets. Next
15 slide, please.

16 The final proposed agreement is with Grossmont
17 Union High School District. This project is for the
18 development of a blueprint for the full transition of the
19 school district's 67 diesel-fueled school buses to a fully
20 electric fleet. The students as well as the disadvantaged
21 and low-income communities in the district will benefit
22 from implementation of this project. Next slide, please.

23 Staff recommends approval of these nine grant
24 awards and adoption of staff's determination that the
25 projects are exempt from CEQA. Additionally, there are

1 several representatives from the proposed recipients on the
2 call, who would like to provide public comments. Thank you
3 all for your time and consideration of these items. And
4 I'm available for any questions.

5 CHAIR HOCHSCHILD: Thank you so much.

6 Let's turn now to public comment on Item 5.

7 MS. GALLARDO: This is Noemi Gallardo, the Public
8 Advisor. A reminder for the attendees to use the raised
9 hand icon to indicate you would like to make comment. I do
10 see we have at least three speakers with raised hands. The
11 first one is Jessie Denver. Jessie, a reminder to please
12 spell your first and last name, indicate your affiliation,
13 if any. Your line is open, unmute on your end and you may
14 begin.

15 MS. DENVER: Hi, thanks so much. My name is
16 Jessie Denver, J-e-s-s-i-e D-e-n-v-e-r, and I'm with East
17 Bay Community Energy. And East Bay Community Energy is
18 really grateful to the CEC for selecting our team for this
19 opportunity.

20 As a load-serving entity in Alameda County, and
21 the City of Tracy and neighboring San Joaquin County, our
22 surface area is among the most strategic trade locations
23 with connections to regional, state, national, and
24 international markets. And Alameda County itself provides
25 the majority of fundamental goods movement infrastructure

1 in Northern California, including the Port of Oakland,
2 Oakland International Airport and major logistic hubs up
3 and down the I-80, I-880 at from Hayward down to Fremont,
4 out by I-580, out into the Tri-Valley, and all the way into
5 Tracy connecting to the I-5.

6 EBCE service area also has the highest volumes of
7 truck traffic in the Bay area due to the major freight
8 corridors. And this ecosystem is key to the county's
9 economy, with 30 percent of employment coming from goods
10 movements from independent industries.

11 When fully implemented, our blueprint will ensure
12 that we establish Alameda County and the City of Tracy as a
13 first-mover market for zero-emission goods movement and put
14 EBCE's service area on track to eliminating emissions from
15 the movement of goods all together. This will be a major
16 step in creating healthier communities, especially for our
17 frontline residents, frontline community residents, who
18 have a legacy and disproportionate burden to air pollution.

19 So on behalf of East Bay Community Energy and our
20 entire project team and community thanks again for this
21 opportunity. We're really looking forward to collaborating
22 with the CEC.

23 CHAIR HOCHSCHILD: Thank you, Jessie.

24 Let's go to our next couple of public commenters.
25 Just brevity is really appreciated since we're pressed for

1 time on a couple items, so thank you.

2 MS. GALLARDO: Next commenter is Nicole Walker.

3 And Nicole, your line is open, you may begin. A reminder
4 to unmute on your end, Nicole. All right, Nicole, is not
5 responding at this time. Nicole, are you able to begin?

6 (No audible response.)

7 Okay. We will go on to the next speaker who is
8 Jack Symington. Jack, a reminder to please spell your
9 last name, indicate your affiliation if any, and unmute on
10 your end. Your line is open. You may begin.

11 MR. SYMINGTON: Hi, my name is Jack Symington.
12 That's J-a-c-k S-y-m-i-n-g-t-o-n. I am with the Los
13 Angeles Cleantech Incubator. Certainly, I would thank the
14 staff for recommending our blueprint to the Board for
15 approval.

16 San Pedro Bay Ports and the I-710 are one of the
17 more heavily polluted corridors in the state and the
18 country, serving as the backbone of trade and goods
19 movement up in the region. And we look forward to
20 implementing this blueprint, which will provide not only a
21 geographic blueprint for where infrastructure can ease any
22 concerns of operators about a lack of charging, but also
23 provide a financial blueprint for understanding how
24 investment can come into this space to accelerate the
25 adoption of zero-emission drayage trucks. Thank you.

1 MS. GALLARDO: Thank you, Jack.

2 Our next speaker is Nicole. I see you have two
3 lines, I'm going to open both of them so that you can
4 speak. Make sure to unmute on your end.

5 MS. WALKER: Hello, my apologies for that. The
6 Internet is kind of going in and out on the first line, so
7 I decided to call in. Thank you so much for allowing me to
8 speak. On behalf of the Ontario International Airport
9 Authority we want to thank the Commission for providing our
10 organization with this grant for this very important
11 project. We value the commitment of the California Energy
12 Commission in supporting these endeavors.

13 Ontario Airport will use this grant to create a
14 zero-emission blueprint that will allow OIAA, or Ontario
15 International Airport Authority, to develop a plan for the
16 needed infrastructure and purchase of appropriate VE
17 medium- and heavy-duty vehicles. Create a formal document
18 and roadmap to reduce its carbon footprint, and establish a
19 strategy moving forward with document infrastructure
20 planning documents that will allow our organization to seek
21 further grant funding from other non-FAA agencies.

22 Additionally, we are in the process of ordering
23 electric buses and exploring supporting infrastructure.
24 This grant will help us to identify the feasibility of
25 additional ways to electrify Ontario International Airport

1 Authority and its surrounding uses.

2 And I'm sorry I forgot to do this in the
3 beginning, but my name is Nicole Walker, N-i-c-o-l-e W-a-l-
4 k-e-r and I am the Environmental Planning Manager for the
5 Ontario International Airport. Thank you so much.

6 MS. GALLARDO: Thank you, Nicole.

7 Chair that was the last hand, so I'll turn it
8 over to you.

9 CHAIR HOCHSCHILD: Thank you. Great, thank you
10 everyone.

11 Let's turn now to Commissioner discussion, led by
12 Commissioner Monahan.

13 COMMISSIONER MONAHAN: Well, first I want to
14 thank Kate Reid and the team in the Freight and Transit
15 Unit for their work. This is really important to be able
16 to focus on what is the source of smog-forming NOx and
17 toxic-diesel pollution, diesel vehicles, whether they're on
18 the road or off the road. It takes good planning to be
19 able to capitalize on the opportunity to zero out emissions
20 from this critical sector.

21 And I really appreciate that the team has
22 expanded access to make sure that all the public entities
23 were funded and are able to do good planning to be able to
24 support this transition. So I strongly support this series
25 of planning grants. As well we've heard time and again

1 from our advisory committee and others that good planning
2 is key to be able to capitalize on this opportunity.

3 CHAIR HOCHSCHILD: Under this agreement, with
4 that Commissioner Monahan, fantastic work to you and the
5 whole team and I'm in full support. Unless there are other
6 Commissioner comments on these, would you be willing to
7 make the motion?

8 COMMISSIONER MONAHAN: I move to approve Item 5.

9 CHAIR HOCHSCHILD: Okay. Commissioner
10 McAllister, would you be willing to second?

11 COMMISSIONER MCALLISTER: Second Item 5.

12 CHAIR HOCHSCHILD: Okay. All in favor say aye

13 CHAIR HOCHSCHILD: Commissioner Monahan?

14 COMMISSIONER MONAHAN: Aye.

15 CHAIR HOCHSCHILD: Commissioner McAllister?

16 COMMISSIONER MCALLISTER: Aye.

17 CHAIR HOCHSCHILD: Commissioner Douglas?

18 COMMISSIONER DOUGLAS: Aye.

19 CHAIR HOCHSCHILD: And I vote aye as well. That
20 item passes 4-0. Commissioner Gunda, had to step out.

21 Let's turn now to Item 6, BESTFIT Innovative
22 Charging Solutions.

23 MR. ALEXANDER: Good afternoon, Chair and
24 Commissioners, I'm Matt Alexander. I am an Air Pollution
25 Specialist in the Fuels and Transportation Division, and

1 work in the Advanced Vehicle Infrastructure Office. Today
2 I will be presenting several proposed agreements from our
3 BESTFIT Innovative Charging Solutions solicitation. Next
4 slide, please.

5 The headline for this item is innovation. This
6 solicitation sought projects that would develop and
7 accelerate the commercialization of truly innovative
8 technologies and business models to add to the state's
9 portfolio of charging solutions for electric vehicles.

10 California is so diverse that there is no silver
11 bullet, one-size-fits-all charging solution for EVs.

12 California's aggressive transportation electrification
13 goals will encompass a diverse selection of EVs and use
14 cases, such as charging for multi-family renters, charging
15 in grid-constrained regions, and growing services such as
16 rescue and emergency charging. This variety of use cases
17 will require tailored, customized solutions.

18 The proposed agreements I will present bring
19 numerous benefits through their innovations, including
20 boosting driver confidence in transitioning to an EV,
21 lowering the cost of charging and installation, minimizing
22 grid impacts, and improving equitable access to charging.
23 Next slide, please.

24 Funding for this solicitation was split between
25 light-duty projects and medium- and heavy-duty projects.

1 However, today I will only be presenting the five proposed
2 light-duty agreements. Three proposed medium- and heavy-
3 duty agreements will be presented at a later Business
4 Meeting. Next slide, please.

5 The first proposed agreement is with
6 HummingbirdEV, who will develop and deploy a vehicle-to-
7 vehicle mobile charging solution. The mobile charger will
8 be integrated with an all-electric Class 5 truck. And
9 HummingbirdEV will partner with AAA Northern California to
10 deploy two mobile chargers, one in Oakland and the other in
11 San Leandro.

12 This project will develop a vital service for the
13 EV market and lead to key benefits such as rescuing
14 stranded EVs, reducing range anxiety for drivers, and
15 avoiding expensive towing services. Next slide, please.

16 The next proposed agreement is with EVmatch, who
17 will install 120 shared, reservable Level 2 charging
18 stations on multi-family properties. EVmatch's innovative
19 software manages charger reservations, payment processing,
20 access control and more, making these chargers easy for
21 tenants and operators to use and manage.

22 By deploying their business model at scale
23 through this project, EVmatch strives to provide the lowest
24 cost charging solution for multi-family housing,
25 accelerating equitable EV adoption by providing critical

1 home-charging infrastructure. Next slide, please.

2 The next proposed agreement is with FLO Services,
3 who will install EV chargers at seven curbside locations
4 that use existing power. Two of these sites will be
5 located at Santa Monica College and demonstrate projects
6 that use street poles and transformers. The other five
7 sites will be located in Huntington Park and demonstrate
8 projects that use underground vaults and street lights.

9 This project aims to establish a standardized
10 installation and permitting process to minimize
11 installation costs and grid impacts by using available
12 excess power capacity on existing utility infrastructure.
13 Furthermore, the curbside charging will aim to increase
14 access for those without home charging. Next slide,
15 please.

16 The next proposed agreement is with PowerFlex
17 Systems. This project has similar benefits as the previous
18 one, but achieves these in a completely different way using
19 automated load management and battery storage to minimize
20 installation costs, grid impacts, and charging costs.

21 These chargers will be available to a diverse
22 group of drivers at UC San Diego including staff, visitors
23 and medical patients, fleet and TNC drivers, and the
24 general public.

25 In particular, this project aims to provide a

1 low-cost solution that can offer an affordable and reliable
2 charging option for drivers without access to home
3 charging. Next slide, please.

4 The last proposed agreement is with Rhombus
5 Energy Solutions, who will develop and demonstrate a mobile
6 charging solution that will integrate an electric utility
7 van with a variety of innovative technologies. These
8 include a rooftop solar system, a second-life battery
9 storage system, and silicon carbide semiconductors that
10 reduce the size of the charging system while increasing
11 efficiency.

12 This project will be based in Chula Vista and
13 demonstrate a flexible charging solution capable of serving
14 a variety of use cases, including emergency dispatch and
15 carbon-free public charging. Next slide, please.

16 Staff recommends approving the five proposed
17 agreements discussed today. In addition, staff recommends
18 adopting staff's determination that this action is exempt
19 from CEQA.

20 This concludes my presentation. Thank you very
21 much. And we have several representatives from the proposed
22 recipients on the line to provide comments.

23 CHAIR HOCHSCHILD: Thank you so much, Matt.

24 We'll turn now to public comment. Again, I'd
25 remind the speakers brevity is greatly appreciated. We're

1 under kind of a time crunch today. Thank you.

2 MS. GALLARDO: This is the Public Advisor. I
3 will call on speakers one by one. First is Byron Washom.
4 Byron, a reminder to spell your name, indicate your
5 affiliation if any. Your line is open, unmute on your end
6 and you may begin.

7 MR. WASHOM: Good afternoon, this is Byron
8 Washom, B-y-r-o-n W-a-s-h-o-m. I'm the Director of
9 Strategic Energy at UC San Diego. And I do want to thank
10 you for this opportunity of funding, because it really is
11 the consummate next major phase of our electrification of
12 transportation as a pioneer. We're currently the largest
13 public workplace EV charging hub in the entire County of
14 San Diego. We have 13 different types of chargers on
15 campus and they have disbursed over 2.4 gigawatt hours in
16 the last 4 years.

17 What this project brings is really a collection
18 of very aggressive compact solutions to a complex challenge
19 that were mentioned earlier by Matt. But I'd like to point
20 out the importance of adjustable load management, which
21 delivers as demand flexibility. As well as the fact we
22 intentionally moved this project off campus, off of our
23 micro grid. So that both SDG&E, the industry, and the
24 public would have the experience of realizing the absence,
25 or the lack of need to do expensive utility upgrades in

1 order to put in -- excuse me, a project of this size.

2 And then finally with the funds and the 10 Nissan
3 Leafs that were recently donated by the CEC to the
4 university, they will be used to provide ride-and-drives
5 for about a one-week experience towards (indiscernible) --
6 (Technical audio difficulties.)

7 MS. GALLARDO: Byron, this is the Public Advisor.
8 Your audio is breaking up.

9 MR. WASHOM: -- (indiscernible) Yeah, okay.

10 I would just like to conclude this has so many
11 ingredients of what is next for this state and country. We
12 have nicknamed this project "The Burrito Grande." So thank
13 you for the opportunity.

14 CHAIR HOCHSCHILD: Yeah.

15 Hey Noemi, I'm sorry but let's go to one-minute
16 public comment for here, for the meeting, because I have a
17 press conference with Secretary Crowfoot coming up shortly,
18 so if we could just go to one minute that would be great.
19 Thank you.

20 MS. GALLARDO: Will do, Chair, thank you.

21 All right, the next speaker is Heather Hochrein.
22 Heather, your line is open, you may begin.

23 MS. HOCHREIN: Hi, my name is Heather Hochrein.
24 That's H-e-a-t-h-e-r H-o-c-h-r-e-i-n. I'm the founder and
25 CEO of EVmatch. And EVmatch is grateful to the CEC for

1 selecting our BESTFIT innovative charging project for
2 funding. Through this funded project, EVmatch will
3 increase access to license the electric vehicle charging
4 infrastructure at multifamily properties in three distinct
5 regions throughout the state.

6 And we will leverage our new reservation-based
7 sharing software at this property to not only provide
8 efficient carbon access to residents, but also make the
9 chargers available to the public at specified times.

10 Now we know that multiunit dwellers currently
11 face high barriers to the adoption with limited EV charging
12 access as a key challenge. And so I'd like to thank the
13 Commission for your commitment to increasing access to
14 electric vehicle charging and increasing equitability of
15 our transition to cleaner transportation and energy future.
16 Thank you for your time, appreciate it.

17 MS. GALLARDO: Thank you, Heather.

18 The next speaker is Cory Bullis. Cory, your line
19 is open, you may begin.

20 MR. BULLIS: Good afternoon, Commissioners, Cory
21 Bullis spelled C-o-r-y B-u-l-l-i-s. I'm a Senior Public
22 Affairs Specialist on behalf of FLO. Also just wanting to
23 express our deep thanks for awarding our grant, this grant
24 to us, and our project partners.

25 We'd really like to be where we're planning to

1 test different deployment scenarios for charging stations
2 in underserved areas, especially residents living in
3 multifamily units. And so it'll give them more access to
4 charging.

5 There's going to be benefits of minimizing
6 impacts to the grid because we're leveraging existing
7 infrastructure. And certainly the lessons learned from
8 this grant are going to help create best practices that can
9 support more cities doing the same. So thank you, we're
10 very excited to do this project.

11 MS. GALLARDO: Thank you.

12 Next speaker is Ed Munar. Ed, your line is open,
13 you may begin.

14 MR. MUNAR: A good afternoon everyone, this is Ed
15 Munar, M-u-n-a-r. I'd like to take this opportunity to
16 thank everyone from the Energy Commission for granting this
17 award to both Rhombus as well as Smartville. Rhombus is a
18 San Diego-based company, and we look forward to satisfying
19 the requirements of the award. Thank you very much
20 everyone.

21 MS. GALLARDO: Thank you.

22 So that was the last speaker on the line. I do
23 have a comment to read from by Rakesh Koneru. That's K-o-
24 n-e-r-u, with HummingbirdEV. I'll keep this one short.

25 This again is Noemi, the Public Advisor, reading for Rakesh

1 Koneru.

2 "We thank the Commissioners and selection panel
3 at CEC for supporting EV infrastructure needs, which can
4 help not only alleviate the problems such as charge-as-you-
5 go, it also minimizes the limitations towards EV
6 commercialization. We also thank the CEC for considering
7 the project which particularly helps startups like
8 ourselves to always push the technology to the limit."

9 That concludes the comment. Chair, back to you.

10 CHAIR HOCHSCHILD: Thank you so much. First of
11 all, what a terrific and diverse array of strategies in
12 this portfolio, congrats to all the team.

13 Let's turn to Commissioner discussion,
14 Commissioner Monahan.

15 COMMISSIONER MONAHAN: Yeah, well first thanks to
16 Matt and the team of the EV Infrastructure Unit, because
17 this is where a lot -- I don't know, Matt, if you mentioned
18 it, but there were 55 applications in the first round, 31
19 in the second. So this was like a super-popular one. And
20 as you saw like it's a just a diverse array of projects
21 that will focus on light-duty, but there's also medium- and
22 heavy-duty projects that are going to be coming our way.

23 And some of these projects have novel elements
24 that really either haven't been done before or haven't been
25 done very extensively like curbside units using the

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1 underground vault. And I think these are really cool
2 projects. I can't wait to see them in action. And yeah, I
3 strongly support this set of grants.

4 CHAIR HOCHSCHILD: Great. Do you support it so
5 strongly that you'd be willing to make the motion?

6 COMMISSIONER MONAHAN: I do. I make the motion
7 to approve Item 6.

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

10 COMMISSIONER DOUGLAS: Second Item 6.

11 CHAIR HOCHSCHILD: All right. All in favor say
12 aye

13 CHAIR HOCHSCHILD: Commissioner Monahan?

14 COMMISSIONER MONAHAN: Aye.

15 CHAIR HOCHSCHILD: Commissioner Douglas?

16 COMMISSIONER DOUGLAS: Aye.

17 CHAIR HOCHSCHILD: Commissioner McAllister?

18 COMMISSIONER MCALLISTER: Aye.

19 CHAIR HOCHSCHILD: I vote aye as well. That item
20 passes 4-0. Congratulations to all the staff and
21 stakeholders.

22 Let's turn now to Item 7, Zero-Emission Drayage
23 Truck and Infrastructure Pilot Project. Marc Perry.

24 COMMISSIONER MONAHAN: Oh.

25 MR. PERRY: Yes?

1 CHAIR HOCHSCHILD: Oh, I'm sorry?

2 COMMISSIONER MONAHAN: Actually, why don't you go
3 ahead. I know I have to recuse myself from Item b, but I
4 think I do it after.

5 CHAIR HOCHSCHILD: Yeah, let's get through this
6 first. Okay, thank you. Go ahead, Marc.

7 MR. PERRY: All right. Good afternoon, Chair and
8 Commissioners. My name is Marc Perry and I'm a member of
9 the Freight and Transit Unit of the Fuels and
10 Transportation Division.

11 Today we are seeking approval for two agreements
12 resulting from the "Zero-Emission Drayage Truck and
13 Infrastructure Pilot Project Solicitation," one with the
14 South Coast Air Quality Management District and the other
15 with The Center for Transportation and the Environment.

16 In November 2020, the Energy Commission and the
17 California Air Resources Board released the first-ever
18 collaborative funding opportunity. \$24 million was
19 available from CARB for the purchase of zero-emission, on-
20 road, Class 8 trucks, and \$20.1 million was available from
21 the CEC for the purchase of fueling infrastructure to
22 support those trucks and workforce training and
23 development. Next slide, please.

24 The infrastructure that will be deployed as a
25 result of these two projects is expected to support more

1 than 120 new zero-emission, Class 8 trucks in both Northern
2 and Southern California. Class 8 drayage and regional haul
3 trucks make up a small percentage of total vehicles on the
4 road, but they have a huge air quality impact on
5 communities living and working near heavily trafficked
6 roadways.

7 The benefits of the proposed projects will extend
8 to several communities beyond the immediate project sites,
9 all of which are located in SB 535 disadvantaged
10 communities and AB 1550 low-income areas. Project benefits
11 will include reduced emissions that will result in
12 increased public health and safety, as well as increased
13 economic development outcomes for the larger community.
14 Additionally, both projects will conduct workforce training
15 and development for truck operators and maintenance
16 technicians.

17 Furthermore, these projects will show feasibility
18 of large-scale infrastructure projects and will be able to
19 provide best practices and key lessons learned for
20 resiliency and future replicability.

21 The proposed projects will help other freight
22 transportation fleets that understanding which technology
23 may work best for their particular duty cycles and driving
24 environments, which will ultimately accelerate meeting
25 Governor Newsom's Executive Order to transition

1 California's entire drayage fleet to zero-emission by 2035.

2 Next slide, please.

3 The first proposed project is with the South
4 Coast Air Quality Management District, or South Coast AQMD.
5 The goal of this agreement is to design and construct 50
6 direct current fast chargers to support 100 trucks from
7 fleets in Ontario and El Monte. South Coast AQMD plans to
8 deploy 34 of those chargers for 50 trucks with NFI
9 Interactive Logistics, LLC in Ontario, along with onsite
10 solar power generation and a battery energy storage and
11 management system. Additionally, 16 chargers will be
12 deployed in South El Monte to support 50 trucks with
13 Schneider National Carriers, Incorporated. Next slide
14 please.

15 The second proposed agreement is with the Center
16 for Transportation and the Environment, or CTE. The goal
17 of this agreement is to install a hydrogen fueling station
18 on East Bay Municipal Utility District property in Oakland
19 to support 22 hydrogen fuel cell-electric trucks operated
20 by Glovis America.

21 CTE plans to deploy a skid-mounted liquid
22 hydrogen fueling station that will have a storage capacity
23 of 3,000 kilograms and a fueling capacity of about 1,600
24 kilograms per day.

25 Based on East Bay MUD's 2011 Environmental Impact

1 Report and the 2021 addendum to that Environmental Impact
2 Report which focused specifically on this hydrogen station,
3 staff have determined that the proposed hydrogen fueling
4 station will not present any new or severe environmental
5 impacts to the station location beyond those already
6 considered, and that this action is exempt from CEQA. Next
7 slide, please.

8 Staff recommends adoption of staff's
9 determination that the projects are exempt from CEQA and
10 recommends approval of these two grant awards. Jim
11 Impullitti from South Coast AQMD and Jaimie Levin from the
12 CTE have expressed a desire to speak on behalf of their
13 agreements. Thank you all for your time and consideration
14 of these items. That concludes my presentation. I'm
15 available for any questions.

16 CHAIR HOCHSCHILD: Thank you.

17 Let's turn now to Item 7 for public comment. And
18 then we'll take up separately Item 7a and 7b.

19 MS. GALLARDO: This is Noemi, the Public Advisor.
20 We have two hands raised. First will be H.E. Christian.
21 (phonetic) If you could please spell your name, indicate
22 your affiliation and then begin. Your line is open.

23 MR. PEEPLES: Chair Hochschild and members of the
24 Commission my name is Chris Peeples, C-h-r-i-s P-e-e-p-l-e-
25 s. I'm an elected at-large Director of the Alameda Contra

1 Costa Transit District, but I'm speaking today on my own
2 behalf.

3 As you may know, AC Transit has been operating
4 hydrogen fuel-cell buses for about 20 years and has worked
5 extensively with CTE during that process. I would urge you
6 to support the CTE proposal. This will use methane from
7 EBMUD, which otherwise would be vented or burned and will
8 provide fueling for drayage trucks from the port of Oakland
9 which operates in communities of concern that are heavily
10 burdened by air pollution from trucks, trains and buses.

11 So it's a great project with a number of huge
12 advantages. One among them is hopefully it will embarrass
13 the American truck manufacturers into getting into hydrogen
14 fuel-cell electric trucks. Thank you.

15 MS. GALLARDO: Thank you.

16 Next a comment is by Jaimie Levin. Jaimie, your
17 line is open. You may begin.

18 MR. LEVIN: Thank you very much. I'd like to --
19 my name is Jaimie Levin, J-a-i-m-i-e Levin, L-e-v-i-n, with
20 the Center for Transportation and the Environment. I'd
21 like to thank Commissioner Monahan and members of the CEC
22 staff for this, their support.

23 There are 13 companies and organizations engaged
24 in this project. And while the initial funding was for 22
25 trucks, with the Legislature and the Governor's support we

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1 expect to deploy 30 trucks, with a 400 to 500-mile range
2 for both short- haul and regional-haul trips.

3 Looking at the Port of Oakland there are 9000
4 trucks operating in and out of that port, and this is more
5 than just 22 or 30 trucks. This is about changing the
6 entire industry towards zero emission. We've been working
7 on developing this project for more than two years and
8 we're very excited to begin our work. We thank you for
9 your support.

10 MS. GALLARDO: Thank you.

11 Chair, that was the last hand raised. I'll turn
12 it back to you.

13 CHAIR HOCHSCHILD: Thank you. We'll entertain
14 discussion and vote separately for Items 7a and 7b. And
15 we'll begin now with Item 7a turning to Commissioner
16 Monahan for discussion.

17 COMMISSIONER MONAHAN: Well, first I want to say
18 with much excitement that the most recent budgets signed by
19 the Governor includes \$65 million more for this
20 solicitation, \$25 million for the CEC and \$40 million for
21 CARB. And this is really cool that CARB and the CEC are
22 working together and providing this kind of seamless
23 experience for the grantee world. It's not easy to do
24 this, so staff deserves a lot of credit, also the CTO's
25 Office. This took a lot of folks engaged in on our side

1 and on CARB's side.

2 So I'm really excited that this is moving
3 forward, it's a critical sector. These are trucks that
4 move between like ports and distribution centers. They're
5 really major polluters along these corridors that impact
6 communities in real world ways.

7 So I'm excited to support 7a. And I'm not --
8 I'll have to step out when we do 7b.

9 CHAIR HOCHSCHILD: Okay. Thank you.

10 Unless there's other Commissioner comments or
11 discussion, Commissioner Monahan, would you be willing to
12 make the motion for 7a?

13 COMMISSIONER MONAHAN: I move to approve 7a.

14 CHAIR HOCHSCHILD: Okay. Commissioner
15 McAllister, would you be willing to second?

16 COMMISSIONER MCALLISTER: I'll second.

17 CHAIR HOCHSCHILD: All in favor say aye
18 Commissioner Monahan?

19 COMMISSIONER MONAHAN: Aye.

20 CHAIR HOCHSCHILD: Commissioner McAllister?

21 COMMISSIONER MCALLISTER: Aye.

22 CHAIR HOCHSCHILD: Commissioner Douglas?

23 COMMISSIONER DOUGLAS: Aye.

24 CHAIR HOCHSCHILD: I vote aye as well. That item
25 passes 4-0.

1 Let's turn now to Item 7b. Commissioner Monahan

2 --

3 COMMISSIONER MONAHAN: Oh, and Chair?

4 CHAIR HOCHSCHILD: Yes?

5 COMMISSIONER MONAHAN: Can I read just my -- I'm
6 going to read why I need to recuse myself.

7 CHAIR HOCHSCHILD: And now we'll have
8 Commissioner Monahan read her recusal.

9 COMMISSIONER MONAHAN: On this item, I will
10 recuse myself from any discussion, consideration and vote
11 on the proposed CEQA findings and the grant award for the
12 Center for Transportation and the Environment's NorCAL
13 Hydrogen Refueling Station Project.

14 The Transportation Sustainability Research Center
15 is part of the UC Berkeley's Institute of Transportation
16 Studies, is a major subcontractor under the proposed grant.
17 The University of California Institute for Transportation
18 is one of the four branches of the UC Institute of
19 Transportation Studies, and I currently a member of the
20 Board of Advisors.

21 In this role, I do not make governance decisions
22 on behalf of the Institute, but we exist to provide
23 guidance and oversight to the UC ITS programs and its four
24 branches.

25 Additionally, I don't receive any compensation in

1 any form, including reimbursements or per diem for
2 expenses. So there is no financial interest in which there
3 would be a conflict of interest under the Political Reform
4 Act or Government Code section 1090. However, in an
5 abundance of caution I will recuse myself in order to avoid
6 any perception of a conflict of interest.

7 CHAIR HOCHSCHILD: Thank you. Okay, so you can
8 step away.

9 We'll turn now to Item 7b, unless there's any
10 comments from my colleagues. Commissioner Douglas, would
11 you be willing to move Item 7b?

12 COMMISSIONER DOUGLAS: Yes, I move approval of
13 Item 7b.

14 CHAIR HOCHSCHILD: Okay. And second?

15 COMMISSIONER MCALLISTER: I'll second.

16 CHAIR HOCHSCHILD: A second, thank you. All in
17 favor say aye

18 Commissioner Douglas?

19 COMMISSIONER DOUGLAS: Aye.

20 CHAIR HOCHSCHILD: Commissioner McAllister?

21 COMMISSIONER MCALLISTER: Aye.

22 CHAIR HOCHSCHILD: And I vote aye as well. That
23 item passes 3-0.

24 We'll turn now to Item 8, which is Mobile
25 Renewable Backup Generation. Welcome, Quenby Lum.

1 Ms. Lum: All right, thank you. Good afternoon,
2 Chair and Commissioners, I'm Quenby Lum from the Energy
3 Research and Development Division. And with me today is
4 Mike Gravely from the Energy Systems Research Office.

5 This next item is a solicitation titled, "Mobile
6 and Renewable Backup Generation," and we're proposing to
7 work seven projects in total from this solicitation. Four
8 of these projects are being presented today and the other
9 three will be presented at a later Business Meeting date.
10 Next slide, please.

11 The benefits of these proposed projects include
12 increased electricity reliability and resiliency, greater
13 emergency service and response capacity, improve safety
14 during outages, reduce greenhouse gases, air emissions and
15 noise levels compared to diesel generators.

16 There are multiple demonstration sites proposed
17 per project, and these are located in a mix of
18 disadvantaged low-income and tribal communities.

19 We also have projects located in Tier II and Tier
20 III high fire districts, as defined by the California
21 Public Utilities Commission and also in different climate
22 zones. And this is to ensure that the clean energy mobile
23 units can be operational in a variety of locations and
24 climates throughout the state. Next slide, please.

25 This solicitation is funding projects to advance

1 technologies and mobile renewable backup generation. This
2 will help meet the growing need for clean backup power
3 solutions to offset or replace fossil fuel, diesel
4 generators, which emit greenhouse gases and air pollution.

5 The goal is to be able to provide support during
6 public safety power shutoffs, wildfire events, and other
7 grid outage events during using these clean energy mobile
8 units. These units can be used during outages as a
9 temporary power source for people to charge small
10 electronics, such as cell phones, tablets, laptop
11 computers, and medical devices.

12 During power outages, it's important for people
13 to retain access to vital health supporting devices, as
14 well as access to communication and information, and these
15 mobile units will help provide this support. Next slide,
16 please.

17 We're proposing to award four projects. GRID
18 Alternatives is the proposed awardee for a demonstration
19 and deployment project for a system under 10 kilowatts,
20 Electric Power Research Institute, One-Cycle Control and
21 Uprise Energy are the proposed awardees for systems that
22 are 10 kilowatts or higher. Now, I'll briefly describe
23 each project. Next slide, please.

24 GRID Alternatives, this will be a mobile unit
25 with solar PV and battery storage, with a 4-kilowatt output

1 that recharges in less than four hours from an outlet and
2 in six to eight hours from 1,500 watts of solar PV. It can
3 be connected in parallel with the other units to expand and
4 share battery capacity. And this has a small footprint for
5 storage either indoors or outdoors with the footprint of
6 about one and a half by two and a half feet, which is about
7 the same size as a large suitcase, so it's very portable.
8 Next slide, please.

9 We have two mobile units that will be capable of
10 electric vehicle charging. These next two projects that I
11 will be describing can support EV charging, which
12 complements the projects that were awarded under Agenda
13 Item Number 6 in the Clean Transportation Program that we
14 heard about just a little bit earlier.

15 So this project from Electric Power Research
16 Institute is a mobile hydrogen fuel cell system containing
17 hydrogen fuel cells, a hydrogen storage tank and battery
18 storage. It can provide 35 kilowatts of continuous
19 operation for over 24 hours, with a peak power capacity of
20 180 kilowatts and it contains all of integrated components
21 within a towable trailer to support a range of backup and
22 grid applications providing power to customers, buildings,
23 and EV charging. Next slide, please.

24 One-Cycle Control, this is a 15-kilowatt mobile
25 carrier with wind, solar and battery on board. It can be

1 used for electronic-device charging or electric-vehicle
2 charging during normal grid operations. Complete setup and
3 takedown can be accomplished in 30 minutes by 2 trained
4 technicians to allow for quick field deployment during
5 outages. Next slide, please.

6 This is a project from Uprise Energy. This is a
7 mobile wind turbine that is integrated with solar PV and
8 battery storage. This unit can provide 10 kilowatts of
9 portable power for up to 14 hours with no recharge and up
10 to 30 hours with wind and solar charging. Deployment is
11 quick and easy when and if needed for an emergency
12 response. Next slide, please.

13 On this map, we see the demonstration sites for
14 the four projects. Each project has three different sites
15 in a variety of locations, including disadvantaged low-
16 income tribal communities, Tier II and Tier III high-fire
17 threat districts and different climate zones located
18 throughout the states. Next slide, please.

19 Staff recommends approval of these four grant
20 agreements and adoption of the determination that this
21 action is it is exempt from CEQA. This concludes my
22 presentation and I'm happy to answer any questions. Mike
23 Gravely is also on the line to answer questions as well.
24 Thank you.

25 CHAIR HOCHSCHILD: Thank you, Quenby, great job.

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1 Let's turn now to public comment.

2 MS. GALLARDO: This is Noemi, the Public Advisor.
3 A reminder to attendees, please use the raised hand icon to
4 indicate you would like to make a public comment. If
5 you're on the phone press *9 to raise your hand, *6 to
6 unmute.

7 Chair, I do not see any hands. I'll turn it back
8 to you.

9 CHAIR HOCHSCHILD: Okay. I'll just say terrific
10 portfolio of projects, I love the diversity. And I also
11 once again want to applaud the team for the focus on tribal
12 work and tribal communities with the GRID Alternative grant
13 and the rest of these are very timely for all the
14 resilience work that we're doing around the state. The
15 moment that we're in now is a threat this summer to grid
16 reliability, but it will be for the foreseeable future,
17 until we can get enough capacity online, so this is just
18 very welcome, and I want to thank the staff.

19 Let me just see if there's any comments from
20 Commissioner McAllister on this.

21 COMMISSIONER MCALLISTER: Yeah, just very briefly
22 agree. This is obviously part of our renewable energy
23 transition, but it's also a really much needed set of
24 projects for adaptation. And so really this is an
25 investment that's going to pay off for a long time, and

1 certainly is needed in our marginal communities, tribal
2 lands, etcetera. So really good projects.

3 CHAIR HOCHSCHILD: Yeah. Well said.

4 So unless there are comments from Commissioner
5 Monahan or Commissioner Douglas, Commission McAllister,
6 would you be willing to make the motion on Item 8?

7 COMMISSIONER MCALLISTER: I'll move Item 8.

8 CHAIR HOCHSCHILD: Okay. And Commissioner
9 Douglas, would you be willing to second?

10 COMMISSIONER DOUGLAS: Second.

11 CHAIR HOCHSCHILD: All in favor say aye
12 Commissioner McAllister?

13 COMMISSIONER MCALLISTER: Aye.

14 CHAIR HOCHSCHILD: Commissioner Douglas?

15 COMMISSIONER DOUGLAS: Aye.

16 CHAIR HOCHSCHILD: Commissioner Monahan?

17 COMMISSIONER MONAHAN: Aye.

18 CHAIR HOCHSCHILD: I vote aye as well. That item
19 passes 4-0.

20 Let's turn now to Item 9. And colleagues let me
21 apologize in advance, I going to have to step away in about
22 five minutes to do a press availability with Secretary
23 Crowfoot on the new Energy Infrastructure Office. I don't
24 know exactly how long it's going to last, but I'd ask
25 Commissioner Douglas to take the helm when I step away.

1 And if we get into Russell City, my request is to
2 go back to three-minute public comment for all public
3 comments on that item and to have unlimited time for the
4 City of Hayward representatives, including Chief Contreras
5 to respond. And that we read in its entirety, once again,
6 the language so that everyone can see it if we get into
7 that item.

8 So let's turn out to Item 9, first up. Thank
9 you.

10 MS. DROZDOWICZ: Good afternoon, Chair and
11 Commissioners, my name is Danuta Drozdowicz. I work in the
12 Efficiency Division's Buildings Standards Office and I am
13 presenting a local ordinance that exceeds the energy code
14 from a jurisdiction that has applied for review and
15 consideration by the CEC. Joining me today is Jacqueline
16 Moore from the Chief Counsel's Office. Next slide, please.

17 Jurisdictions that adopt local ordinances are
18 exploring and adopting technologies for our clean energy
19 future, and reducing state greenhouse gas emissions as they
20 lead from the grassroots. I think you'll find it
21 interesting that approximately one in three Californians
22 lives in a community with an energy code that exceeds the
23 energy standards. Next slide, please.

24 For a local standard to be enforceable, the
25 jurisdiction must file with the CEC its determination that

1 its standards are cost-effective. And the CEC must find
2 that the local standards reduce energy consumption compared
3 to the current statewide energy code. Next slide, please.

4 To give you a better sense of what's happening
5 throughout the state, to date, under this code cycle 48
6 ordinances from 40 jurisdictions have been approved by the
7 CEC. This does not include the application on the agenda
8 today. The majority require all-electric or electric-
9 preferred construction, 28 ordinances also require
10 photovoltaics on buildings not subject to the current
11 provisions of the energy code, and 26 require additional
12 electric vehicle infrastructure or charging. Next slide,
13 please. Thank you.

14 One jurisdiction has applied for approval at this
15 Business Meeting, the City of Daly City requires new
16 buildings to be all-electric with some exceptions. And
17 photovoltaic systems on new buildings, also with some
18 exceptions. Next slide, please.

19 Staff posted the complete application, including
20 the local ordinance and adopted cost-effectiveness analysis
21 on the CEC's website under Docket 19-BSTD-06 for the
22 required public comment period. Staff determined that this
23 local ordinance standard will result in the reduction of
24 the energy consumption levels permitted by the 2019 Energy
25 Code as per the requirements in the Public Resources Code,

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1 and will not lead to increases in energy consumption
2 inconsistent with state law.

3 Staff further confirms that the jurisdiction
4 publicly adopted a finding of cost-effectiveness for the
5 standard. Because the application meets all the
6 requirements of the Public Resources Code, staff recommends
7 approving enforcement of the ordinance.

8 This concludes my presentation and I am available
9 to answer any questions that you may have.

10 MS. GALLARDO: Commissioner Douglas, would you
11 like us to move to public comment? I'm ready to give
12 instruction, if you would like.

13 COMMISSIONER DOUGLAS: Yes, thank you, Noemi.
14 Please let's move on to public comment.

15 MS. GALLARDO: Will do. Again Noemi Gallardo,
16 Public Advisor. Attendees, if you would like to make a
17 public comment, please use the raised hand icon to indicate
18 your interest. If you are on by phone press *9 to raise
19 your hand, *6 to unmute.

20 Commissioner Douglas, I do not see any raised
21 hands. I'll turn it back to you.

22 COMMISSIONER DOUGLAS: All right, thank you very
23 much to the Public Advisor.

24 Let me now ask if the Commissioners would like to
25 have any discussion on this item. And maybe I'll pass this

1 to Commissioner McAllister.

2 COMMISSIONER MCALLISTER: Great. Thank you,
3 Commissioner Douglas. Thank you, Danuta, for shepherding
4 this and all the previous local ordinances from across the
5 state. And I appreciate having the summary as part of the
6 intro as well. This one is a pretty targeted one with
7 respect to solar and I think it's reasonably
8 straightforward, really appreciate that Daly City diligence
9 and bringing this to us. And it's pretty clear that it
10 reduces the energy impact of those buildings. So I support
11 this item and would move Item 9.

12 COMMISSIONER DOUGLAS: All right, thank you,
13 Commissioner McAllister. Commissioner Monahan, can we get
14 a second from you?

15 COMMISSIONER MONAHAN: I second.

16 COMMISSIONER DOUGLAS: All right, so with that
17 then all in favor. Commissioner McAllister?

18 COMMISSIONER MCALLISTER: Aye.

19 COMMISSIONER DOUGLAS: Commissioner Monahan?

20 COMMISSIONER MONAHAN: Aye.

21 COMMISSIONER DOUGLAS: And I vote aye as well.

22 So that item passes 3-0, with two of the Commissioners now
23 no longer present at the meeting.

24 Let's go on to Item 10, Possible -- well let me
25 pause. Are we prepared then to move into Russell City or

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1 should we keep going? Noemi, do you have any insight into
2 that, or Chief Counsel?

3 MS. GALLARDO: I'm going to defer to Linda
4 Barrera, the Chief Counsel.

5 MS. BARRERA: Yes, thank you, Commissioner
6 Douglas. The order was published on the docket for both
7 the Business Meeting and the Russell City Energy Facility
8 Docket. If Mr. Harris is ready, we could proceed with Item
9 3 again.

10 Noemi, perhaps the Public Advisor can inquire
11 with Mr. Harris, if him and his clients are ready.

12 MS. GALLARDO: I see -- this is Noemi, the Public
13 Advisor. Jeff Harris, it looks like is still on the line.

14 Jeff, if you could unmute let us know if you're
15 available. And I will also check for Barbara. It looks
16 like she is still on. Barbara, are you available? This is
17 Barbara McBride, I'm talking about.

18 (No audible response.)

19 MS. GALLARDO: Okay. I'm not hearing anything.
20 It looks like they're still connected, but maybe not paying
21 attention to the Zoom (indiscernible) at the moment.

22 COMMISSIONER MCALLISTER: Perhaps it would be
23 helpful if I might suggest just if Chief Counsel could sort
24 of help orient the Commissioners, the dais, on sort of
25 framing this as something that really is up to the

1 Commission to specify the conditions under which the order
2 would be approved.

3 MS. GALLARDO: This is Noemi, the Public Advisor,
4 sorry for interjecting. Linda, you're still muted. I want
5 to let you know that looks like Jeff Harris's video box has
6 been turned on. Jeff, are you there?

7 MR. HARRIS: I am here. I don't why I am not
8 showing up? There we go, I'm back on the dock.

9 We need more time to have a continuing discussion
10 with the staff about this language. I have very serious
11 concerns that this is effectively an amendment to our
12 license. That order will be a binding order of the
13 Commission and that would submit us to potential jeopardy
14 under 2544.

15 We are fine with the order that was posted ahead
16 of time for this meeting. But if that order is going to
17 change, and I question the wisdom of that, given the notice
18 and given that that's been out there for the public no
19 longer than two hours. If that order is going to change
20 we're going to need some more time to work through the
21 issues with the staff.

22 Because this is -- currently in its current form
23 it's unacceptable. But we want to try to address the
24 issues that were raised by the Commissioners. And so can
25 we continue this until a time certain down the road and

1 come back and give us and the staff more than 20 minutes to
2 make a decision that is effectively an amendment of our
3 license?

4 COMMISSIONER DOUGLAS: So yes, we can give you
5 more than 20 minutes. What I would like to suggest,
6 Commissioners, is we can continue to move through the
7 minutes and the Commissioner and other reports. We could
8 also take a brief lunch break.

9 Commissioners McAllister and Monahan, do either
10 of you have hard stops today that that you must be off the
11 Business Meeting by?

12 COMMISSIONER MONAHAN: I do not.

13 COMMISSIONER MCALLISTER: I do not have a hard
14 stop.

15 COMMISSIONER DOUGLAS: All right. I do not
16 either, so let me propose -- and just speak up colleagues -
17 - would you like a half-hour lunch break and come back at
18 2:00? What do you think?

19 COMMISSIONER MONAHAN: Well, I guess that's a
20 question for Jeff and for the City of Hayward. Is there a
21 time like if we specified a time to come back to take up
22 this item again say -- I mean, I'm not sure if 2:00 o'clock
23 would be enough time either for Jeff and his team. So I'm
24 wondering if we said 3:00 o'clock to come back and pick up
25 this item, would that give enough time for consideration?

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1 MR. HARRIS: That'd be very helpful and we can
2 check in at 3:00 o'clock. This is a priority for us. We
3 will make that happen for sure.

4 COMMISSIONER DOUGLAS: Three o'clock is starting
5 to push on to a hard stop that I've got although it's not
6 until 4:15. I just want to make sure that we have time to
7 give this item the attention that it deserves and the
8 discussion that it deserves. Let me suggest that if at all
9 possible we come back at 2:30 and try. Jeff, does that
10 sound reasonable?

11 MR. HARRIS: It does. And it would be helpful to
12 us to have some kind of idea of what the City or other
13 parties might be proposing. Because I'd hate to sit down
14 with the staff and try to work through the issues and then
15 have something completely different on the fly at 3:00
16 o'clock so -- or 2:30, sorry -- so we have some indication
17 of whether the City wants to changes to the language and
18 other parties want changes to the language of the order.

19 COMMISSIONER MCALLISTER: So I would just say
20 that we have had discussion, we have heard the public
21 comments. Certainly open to hear more public comment when
22 we reopen this. Those particular provisions were intended
23 to reflect the concerns of the public and to make clear the
24 posture of the Commission to oversight and expectations on
25 the owner. So I think the changes to this could be limited

1 and targeted and a need to know. So I think with some
2 limited discussion we could get to yes.

3 I certainly do not -- well I'm interested in the
4 any other constraints that the Chief Counsel or other
5 Commissioners would identify here, but I certainly would
6 like to move this forward.

7 MS. BARRERA: And if I may Commissioners, just to
8 point out that section 1769(A)(4)(a) does grant the
9 Commissioner ability to approve that order with
10 modification in addition to the Warren-Alquist Act. It
11 gives the Commission broad powers to specify conditions
12 upon which approval and continuing operation of any
13 facility shall be permitted. So I think we have broad
14 powers to add the statements and orders in this revised
15 proposed order. And we don't need to obtain the facility's
16 agreement to approve this particular order.

17 MR. HARRIS: I have to disagree. And we may as
18 well put it on the record. 25534 is the only provision of
19 the Public Resources Code that allows the Commission to,
20 without the Applicant's consent, amend a license. 25534
21 also requires a finding of noncompliance and also requires
22 a hearing. None of those things that happened to date.
23 And I really didn't want to get into a legalistic argument,
24 because I think they can get there.

25 But I actually do not believe you have the

1 authority where you can unilaterally amend any license
2 without more process. And we can talk about what that
3 means, but I don't think we need to do that. I think we
4 need to have some time to work through these issues.

5 We hear the Commission. We've remained silent on
6 several things that I'd like to respond to in writing after
7 this process. But they really don't relate to the
8 combined-cycle versus simple-cycle change we're asking for.
9 And we will respond in writing to some of these things, so
10 there's more out there than that. But give us some time to
11 try to work through the language and work with your staff,
12 work cooperatively to find language that we all can agree
13 on.

14 Or the alternative will be to us maybe consider
15 withdrawing the petition, because we cannot threaten the
16 future combined-cycle operation of this facility. And
17 that's a very bad result for the State of California. So
18 let's give us a chance to work through some of these
19 issues.

20 I'll talk with Linda offline as lawyers do. No
21 offense intended, but I think I think we can get there.

22 COMMISSIONER DOUGLAS: Mr. Harris, thanks for
23 your comments. We hear you, we understand the Applicant
24 has a license and has process expectations that are totally
25 legitimate here. I would recommend really that you focus

1 on talking to staff and your clients and see where you can
2 get in terms of the language. The language was proposed by
3 Commissioner McAllister. As he said it reflected what he
4 heard and what he thinks is important based on what he
5 heard. So we would very much appreciate you working
6 through that. And appreciate you coming back at 2:30 and
7 pushing that timeline.

8 And I think the Chief Counsel will look into what
9 you said and probably, may not even need a follow-up
10 conversation to take a look even in case it's relevant, in
11 case it's helpful

12 So with that let's now break for lunch.

13 MR. BABULA: Can I just quickly say something?
14 This is Jared Babula.

15 COMMISSIONER DOUGLAS: Yes, thank you, Jared.

16 MR. BABULA: And I'm Staff Counsel. I just want
17 to note that the way I see Commissioner McAllister's
18 additions is sort of reflective of what's already in either
19 the compliance conditions of the license or the statutory
20 authority. And that we're just trying to enhance for
21 public transparency, trying to sort of make more prominent,
22 elements of the compliance conditions and other inspection
23 requirements of the license. And so if you can frame it
24 that way I think it'd be a smoother path.

25 COMMISSIONER DOUGLAS: I think, Jared, and

1 Commissioner McAllister can speak to this as well, but I
2 think if you are able to provide those kinds of references
3 and citations that would no doubt be helpful.

4 MR. BABULA: Yes. I'll look at the particular
5 license for this project to get the compliance conditions
6 that are most relevant.

7 COMMISSIONER MCALLISTER: Thanks, Mr. Babula.
8 And I agree, if we can ground the order in the existing
9 conditions, while highlighting the concerns that all of us
10 in one way or another have expressed in discussion already,
11 that would be helpful.

12 MS. GALLARDO: Commissioner Douglas, this is
13 Noemi, the Public Advisor. I also want to recommend that
14 we consider doing the rest of the Business Meeting and then
15 coming back to Item 9 so that Russell, Calpine and maybe
16 even the City of Hayward can have sufficient time to think
17 this through. And so I offer that up. And also just
18 wanted to make sure that several representatives from the
19 City of Hayward are able to return. I feel like this is an
20 important item for them probably, and that they are
21 available, so I just want to make sure.

22 COMMISSIONER DOUGLAS: This is no doubt a very
23 important item for them. We very much want them to be able
24 to return. And if they have any scheduling issues, I
25 really hope they will speak up or let you know. I think it

1 helps to have a time certain and to have it be to 2:30.
2 Are you recommending that we move ahead with some items
3 now? I think that's actually a good idea.

4 MS. GALLARDO: Yes, Commissioner I'll defer to
5 you all, but I recommend we move forward with the other
6 items.

7 COMMISSIONER DOUGLAS: All right, so if you're
8 here for Russell City, please come back at 2:30. If you're
9 interested in the rest of our agenda we are now going to
10 take up Item 10, possible approval of the June 9 and June
11 25, 2021 Business Meeting Minutes. Go ahead, Noemi. Is
12 there any public comment on Item 10?

13 MS. GALLARDO: This is Noemi, Public Advisor, a
14 reminder to the attendees to use the raised hand icon to
15 indicate whether you would like to make a comment. If
16 you're on the phone press *9 to raise your hand, *6 to
17 unmute.

18 Commissioner Douglas, I see no hands. I'll turn
19 it back to you.

20 COMMISSIONER DOUGLAS: Very good. Would any
21 Commissioners like to discuss the minutes? If not let's
22 see if we could move to a motion. Commissioner Monahan,
23 would you be willing to move the minutes?

24 COMMISSIONER MONAHAN: I move to -- I make a
25 motion to move the minutes.

1 COMMISSIONER DOUGLAS: Thank you. Commissioner
2 McAllister?

3 COMMISSIONER MCALLISTER: I'll second the
4 minutes.

5 COMMISSIONER DOUGLAS: Okay, all in favor.
6 Commissioner Monahan?

7 COMMISSIONER MONAHAN: Aye.

8 COMMISSIONER DOUGLAS: Commissioner McAllister?

9 COMMISSIONER MCALLISTER: Aye.

10 COMMISSIONER DOUGLAS: All right, and I vote aye
11 as well. That passes 3-0 with two Commissioners not
12 present.

13 Let's go on to Item 11, Lead Commissioner or
14 Presiding Member Reports. Commissioner Monahan, would you
15 begin?

16 COMMISSIONER MONAHAN: Well, I mean as I
17 mentioned earlier the big news of course is the Governor
18 funding budget to allocate not funding first to the Energy
19 Commission, but the one I'm overseeing is the one for \$1.65
20 billion for ZEV-related investment. Mostly ZEV
21 infrastructure, but also zero-emission vehicle
22 infrastructure. But also some grants to electric-vehicle
23 facilities that are operating in California or want to
24 operate in California.

25 And this is a really exciting development. We've

1 been working hard to support the Governor's proposal and to
2 support the responses that the Legislature has made to
3 that, so just really an exciting time in terms of being
4 able to, basically the equivalent of 10 years of clean
5 transportation, more than 10 years of clean-transportation
6 program funding, in a single year. So the team is really
7 gearing up to make sure that we spend this money wisely to
8 help support the Governor and the state's goals around
9 zeroing out pollution from transportation.

10 I'm just going to stop there, because there's
11 nothing really that compares to that.

12 COMMISSIONER DOUGLAS: Thank you, Commissioner
13 Monahan. And congratulations and best of luck and all the
14 help any of us can provide you as you move forward with
15 this.

16 And now, Commissioner McAllister, could you
17 provide your update?

18 COMMISSIONER MCALLISTER: Absolutely. I'll be
19 brief. And yes, congratulations to that big slug. It's
20 actually remarkably labor-intensive to give away money and
21 as you know, we do a lot of that every meeting. And it's a
22 pleasure to feed the marketplace, but also as a big
23 responsibility.

24 And just on that note it's great that some of the
25 budget, significant amounts of budget have also come to

1 hydrogen and to industrial decarbonization and other areas
2 that we really need to focus on to decarbonize our state
3 economy-wide. So I'm really excited about working with the
4 R&D, the Research and Development Division across the
5 Commission to implement those initiatives as well.

6 So I just wanted to just highlight that we are in
7 the in the real core period of the Integrated Energy Policy
8 Report development. Last Thursday, Friday and this Monday
9 and Tuesday, so four straight business days of very
10 substantive workshops on reliability and electricity and
11 natural gas sectors. And then Monday, Tuesday on building
12 decarbonization, consumers and financing and workforce
13 issues around building decarb. So lots of substance there,
14 really great sets of speakers. I really encourage everyone
15 to look at the presentations that they're interested in.

16 A lot of optimism, a sense of a challenge but
17 also optimism. And I want to just thank the IEPR team,
18 Heather and her whole team, for shepherding that process as
19 well as the divisions, the (indiscernible) Division and the
20 Efficiency Division for really orchestrating and getting
21 the speakers and really putting the substance into those
22 days, very engaging.

23 And I was really gratified that we had a lot of
24 participation from the dais across the board, but all of
25 the Energy Commissioners, so thank you for this and for

1 your participation. And also Commissioners, multiple
2 Commissioners from the Public Utilities Commission, and
3 also leadership from the ISO as well as from CAFPC as well.
4 We had really great participation from multiple agencies,
5 so appreciate that. And so the Building Standards Office
6 and the Standards Compliance Office also pitched in a lot
7 on those substantively so appreciate that.

8 And then just very happy to be working through
9 the processes on the Building Code Update for Part 6, Part
10 11, and all of the work alongside those with the
11 environmental impact report. And those processes are
12 chugging along, so all the staff is working hard as well.
13 So we're expressing appreciation for them also, so I think
14 that's it for me. Thanks.

15 COMMISSIONER DOUGLAS: All right, thank you. And
16 I will just report briefly, we just held the first BOEM
17 California Offshore-Wind Task Force for a number of years,
18 and earlier this week, and it was really exciting. It was
19 the culmination of a whole lot of work to find an area off
20 of the Central Coast that could be large enough for a
21 commercial offshore wind development as well as an area
22 that's going to be considered off of the North Coast, off
23 of Humboldt.

24 This task force meeting is what I view as the
25 launch of a new phase of the state's work on offshore wind.

1 Where we're going from questions of where could it
2 potentially go and where are some potentially viable areas
3 to having honed in now on two areas and really engaging
4 with the public, with stakeholders, with partners at state
5 and federal and local agencies. To really try to
6 understand what that looks like, what issues or conflicts
7 there are that need to be addressed, what the opportunities
8 and potential is and how we move forward as a state on
9 this. And so that was that was tremendously exciting and
10 gratifying to have that opportunity.

11 And also it was -- I was really impressed with
12 the level of interest and the level of engagement from
13 local officials: state, federal, and also from many of our
14 key stakeholder groups. So I think we're going to have
15 really robust participation in that effort and quite a lot
16 of interest in that effort going forward.

17 I also wanted to note that Commissioner
18 McAllister mentioned this, but in terms of the IEPR
19 workshops that we had a focused series of workshops on
20 reliability, which is one of our really core topics this
21 year in the IEPR. And it's also front and center for us
22 right now as we look at the summer-electricity outlook and
23 the fact that we already this early in the summer had a
24 number of FLEX alerts.

25 We had, in part, last Friday during the heat wave

1 we had an actual Stage II Emergency triggered in part by
2 some generation being down. And in part by the Bootleg
3 fire, which caused a very, very rapid and very large
4 decrease in import capacity into the state. And so we are
5 definitely looking very hard at that and solutions going
6 forward. So that's been a major area of focus.

7 And I think that does it for my report. I'll
8 also note, as Commissioner McAllister already said and
9 Commissioner Monahan as well, excited about the budget,
10 excited about the transportation investments represented
11 there. And very excited about the long-duration storage,
12 green-hydrogen industrial decarbonization and planning.

13 I mean, that budget contains funding for long-
14 term renewable energy planning for how we're going to meet
15 our SB 100 goals and what's that build-out going to look
16 like. And how are we really going to get it done, and how
17 are we going to make sure it's reliable and there when we
18 need it and buildable. And so it's so essential to have
19 that kind of long-term outlook and do that kind of long-
20 term planning. And the support in the budget for that
21 effort is just immensely important.

22 And it's an interagency effort on our partners at
23 CPUC and then CalISO are deeply involved, but so our
24 partners across state government who will be engaging and
25 have engaged in this effort, and stakeholders as well.

1 The budget also contained funding for the state's
2 offshore-wind work. So that while in the past we really
3 used existing resources to work with BOEM to enhance and
4 expand their process to enhance public outreach to
5 supplement environmental studies, we're now in a position
6 and with resources across a team of partner agencies, to
7 proactively invest in engagement with key stakeholders,
8 technical analyses, environmental work that supports the
9 state's role. Because we do have a role in aspects of the
10 approval process, so yeah I'm very excited about all of
11 that.

12 And so I think that closes out my report and
13 we'll move on to Item 12. Does the Executive Director have
14 a report for us today?

15 MS. SPIEGEL: Good afternoon, everybody. This is
16 Linda Spiegel, Chief Deputy Director for Drew Bohan and we
17 have nothing to report.

18 COMMISSIONER DOUGLAS: All right. Well thank you
19 very much, and welcome. I think this is your first report
20 in your Deputy Executive Director role, Chief Deputy role,
21 so thank you.

22 Let's go on to the Public Advisor. Do you have a
23 report?

24 MS. GALLARDO: Hello there, this is Noemi, the
25 Public Advisor. I have a quick update. So I had been

1 asking for nominations for our 2021 Clean Energy Hall Of
2 Fame Awards. And I'm happy to report that we closed the
3 nominations and received over 100, so the Selection
4 Committee has met. They have selected finalists and we
5 should have the confirmation of the winners shortly. We're
6 still not sure exactly what date we will announce the
7 winners, but I will let you know once we have decided on
8 them. And that's it for my report Commissioners. Thank
9 you.

10 COMMISSIONER DOUGLAS: Thank you. Thank you very
11 much, congratulations. And I'm excited to see who the
12 winners are in this, and so thanks for that.

13 Let's go on then to Item 14, public comment. The
14 Public Advisor will provide the relevant instructions.

15 MS. GALLARDO: That's correct. This is Noemi
16 again. So this is the period for any person wishing to
17 comment on information items or reports off the meeting
18 agenda or any other item.

19 Each person has up to three minutes to comment.
20 And comments are limited to one representative per
21 organization. We may reduce the comment time depending on
22 the number of commenters. We want to make sure that
23 everyone has sufficient time. Use the raised hand icon to
24 indicate your interest in making public comment, it looks
25 like a high-five on the screen. And if you are on the phone

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1 please press *9 to raise your hand and *6 to unmute.

2 After you are called on please restate and spell
3 your first and last names, state your affiliation if you're
4 representing a tribe agency, organization or any other type
5 of entity. Do not use the speakerphone when talking,
6 because we will not be able to hear you clearly.

7 So I will look for hands now. A reminder again
8 to use the raised hand icon. If you're on the phone press
9 *9 to raise your hand.

10 All right, Commissioner Douglas, I am not seeing
11 any hands. I will turn it back to you.

12 COMMISSIONER DOUGLAS: All right, thank you very
13 much.

14 And so I think at this point we should take our
15 break and move on to lunch. And come back at 2:30.

16 MS. GALLARDO: Commissioners, sorry for
17 interrupting, this is Noemi, the Public Advisor. I do know
18 that we have Item 15, the Chief Counsel's Report.

19 COMMISSIONER DOUGLAS: Oh, I'm sorry.

20 MS. GALLARDO: I'm not sure if our Chief Counsel
21 needs to make a report at this point or later, but wanted
22 to make sure that that gets addressed.

23 COMMISSIONER DOUGLAS: Got it. Item 15, Chief
24 Counsel's Report.

25 MS. BARRERA: Thank you, Commissioner Douglas.

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1 The Chief Counsel does not have a report for today.

2 COMMISSIONER DOUGLAS: Thank you, thank you very
3 much. All right, with that we are on to our lunch break,
4 we will be back at 2:30. Thank you everybody.

5 COMMISSIONER MCALLISTER: Great, thanks.

6 (Off the record at 1:48 p.m.)

7 (On the record at 2:30 p.m.)

8 Commissioner Douglas: Staff requested just a
9 little time to get some proposed language to everybody.
10 And so you know, rather than come back in 15 minutes I
11 think if we just stand by there's a chance we'll get that
12 ahead of that.

13 COMMISSIONER MONAHAN: Got it. Thank you.

14 MS. GALLARDO: This is Noemi the Public Advisor.
15 Just letting you know that we have started recording again,
16 so that that is ready to go.

17 COMMISSIONER MONAHAN: I'm going to go off-video
18 until we're ready to start again, but I'll be listening in.

19 MS. GALLARDO: Attendees this is Noemi Gallardo,
20 the Public Advisor of the California Energy Commission. We
21 have resumed the business meeting. We are on standby for
22 language that staff is drafting and we'll share shortly.
23 We will let you know as soon as everybody's back. We do
24 have Commissioners on the line, they have their video boxes
25 off at the moment. Thank you for your patience.

1 COMMISSIONER DOUGLAS: This is Commissioner
2 Douglas. I just also saw a question from the City about
3 whether they will get the language. I think you'll get it
4 when we do.

5 MS. MCADOO: Thank you very much.

6 MS. BARRERA: Good afternoon Commissioner
7 Douglas. I recommend that the language be docketed in the
8 Business Meeting Docket.

9 COMMISSIONER DOUGLAS: Okay.

10 MS. BARRERA: I forwarded the draft from the
11 proposal from the operator to the Commissioners, but I'm
12 recommending it also be put in that Business Meeting
13 Docket, so that the City and others could also have access
14 to it.

15 COMMISSIONER DOUGLAS: Please send it to the City
16 as well and also docket it if you could.

17 MS. BARRERA: Okay, will do.

18 COMMISSIONER DOUGLAS: Thank you.

19 MR. PITTARD: And Commissioner I just want to
20 clarify that this language is coming from Calpine. Staff
21 has seen it, but it is not staff's language.

22 COMMISSIONER DOUGLAS: Understood. Thank you for
23 the clarification.

24 (Pause while updated language is sent.)

25 COMMISSIONER DOUGLAS: So I have the language

1 now in my email from the Chief Counsel. Commissioners
2 McAllister and Monahan, do you as well?

3 COMMISSIONER MCALLISTER: I have it and have read
4 through it briefly. And I'm looking at it further right
5 now.

6 COMMISSIONER DOUGLAS: Super. And Commissioner
7 Monahan?

8 COMMISSIONER MONAHAN: I have it, but I haven't
9 opened it yet, I'm just opening it now.

10 COMMISSIONER DOUGLAS: All right, thank you.

11 Let me ask the City of Hayward, do you have it?

12 MS. MCADOO: No, we do not. Maybe if I could put
13 my email address in the chat, if someone could send it that
14 would be great.

15 COMMISSIONER DOUGLAS: Thank you. As soon as it
16 gets through to the City, let me just ask if Jeff Harris or
17 Barbara McBride would like to just kind of walk us through
18 the changes that you're proposing.

19 MR. HARRIS: Yes, I'd be glad to Commissioner.

20 COMMISSIONER DOUGLAS: Okay let's just let the
21 City get it, so they have it in front of them. And for
22 everybody who's following along online it'll appear in the
23 docket. That should happen pretty quickly.

24 COMMISSIONER MCALLISTER: Also I just want to
25 make sure that our Staff Counsel is alongside on this as

1 well.

2 COMMISSIONER DOUGLAS: Yeah. Shawn, you said
3 staff has this, right?

4 MR. BABULA: Yes, staff -- this Jared Babula with
5 Staff Counsel and we did review this language --

6 COMMISSIONER DOUGLAS: Okay.

7 MR. BABULA: -- just prior to it going out to
8 everybody.

9 COMMISSIONER DOUGLAS: All right, good. Thank
10 you. And I saw a text again from City of a Hayward. Can I
11 confirm that you have it?

12 MS. MCADOO: We're still waiting on the email,
13 sorry.

14 COMMISSIONER DOUGLAS: Sorry, I just thought I
15 saw a thank you in the text box.

16 MS. BARRERA: I will be sending that right away.

17 MS. MCADOO: Thank you so much.

18 COMMISSIONER DOUGLAS: Okay. Please just speak
19 up and confirm when the email makes it to you. And then --

20 MS. MCADOO: Will do. (Overlapping colloquy.) It
21 just came through.

22 COMMISSIONER DOUGLAS: It's very simple, short
23 language, I think we can all follow along while Calpine
24 walks us through it.

25 MS. HUBER: I just sent it, so hopefully they

1 received it from us.

2 MS. MCADOO: Yes, I just pulled it up, thank you
3 very much.

4 MS. HUBER: Thank you.

5 COMMISSIONER DOUGLAS: Glad to hear that.

6 Jeff, go ahead.

7 MR. HARRIS: Okay. So you're ready to proceed,
8 Commissioners, yes?

9 COMMISSIONER DOUGLAS: Yes, please.

10 MR. HARRIS: Thank you. I don't know if you have
11 the ability to share the language on the screen.

12 COMMISSIONER DOUGLAS: Let's pause for a minute,
13 I bet we do. Let me just ask Noemi, are you able to share
14 the language on the screen?

15 MS. GALLARDO: Yes, we can, just a second. I
16 just want to make sure we have the correct language
17 Elizabeth. The email that you included me in where it
18 says, "Energy Commission RCEC Draft Findings Edited,"
19 that's the correct language?

20 MS. HUBER: Correct.

21 MS. GALLARDO: All right, perfect. We will get
22 it on the screen shortly.

23 COMMISSIONER DOUGLAS: All right. As soon as
24 it's up go ahead, Jeff.

25 MR. HARRIS: Thank you.

1 MS. GALLARDO: It's on the screen now,
2 Commissioner.

3 COMMISSIONER DOUGLAS: Super. Thank you.

4 MR. HARRIS: Okay, this is a word version of the
5 PDF that was part of the original agenda package in the
6 order. So the first change is the addition of an
7 additional finding, Commission finding. You know, there's
8 been sort of suggestions that maybe the City and Fire
9 Department doesn't have enough access to the facility. As
10 I said, we're going to provide a written sort of history on
11 that separately. We don't want -- we want a productive
12 dialogue and not focus on that point.

13 But the purpose of this addition of finding is to
14 point specifically to some of the existing authorities
15 within the current approvals where the City of Hayward Fire
16 Department is actually called out. Those are the
17 conditions that are listed here: HAZ-1, HAZ-2, 7, WASTE-4,
18 8, WASTE-12, WORKER SAFETY-2, WORKER SAFETY-3. And those
19 again are existing Russell City Energy Center conditions,
20 Conditions of Certification, that actually do include the
21 City Hayward right in there.

22 And just for reference like HAZARD-1, for
23 example, is the list of materials that are kept onsite,
24 hazardous materials that are kept on site. HAZ-2 is the
25 business plan that relates to those materials, and I won't

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1 go through all those conditions. That is not intended to
2 be a change in any way, it's intended just to sort of
3 restate the existing authorities that are already in the in
4 the license and show that the City's Fire Department's
5 involvement in the project. So we wanted to memorialize
6 those there.

7 Thank you for scrolling going down, perfect. The
8 language in the first paragraph remains the same. The
9 focus of the language really is this bottom paragraph,
10 which we think is responsive to what we heard from folks
11 today about the issues, okay. So let me focus first on
12 that last paragraph, the new addition there. The idea
13 there is that we wanted to have a pretty timely turnaround
14 of our requirement to sit down on with the Energy
15 Commission staff and the Fire Department. And that's
16 really key to that language, so at least 30 days. I think
17 that language said within 30 days. It's intended to mean -
18 - what's today -- before August 15th we will sit down with
19 the staff and the Fire Department to discuss any needed
20 modifications to the standard operating procedures for
21 first responders and to implement those when responding
22 onsite.

23 And the other thing we heard very clearly was the
24 idea of establishing some process for reimbursement of
25 reasonable expenses for that interaction. And so the

1 including portion of that provision is intended to capture
2 that particular portion as well.

3 So that really is the main thing, the thing that
4 we prefer about the language. Obviously it doesn't change
5 the condition, it simply restates existing authorities.
6 There are some deletion of language above, 10 days seemed
7 pretty quick, so we've made that 30.

8 In terms of the language related to safety audit,
9 we weren't 100 percent sure what that might mean. We have
10 noted that we are performing our own review through the
11 contractor that was identified earlier. And also the
12 Commission is conducting their own review. So that
13 language again seems repetitive and potentially could be
14 laid to confusion about what's required. So those are the
15 things that I think I wanted to highlight more than
16 anything else moving forward.

17 So why don't I go ahead and stop, Commissioners.
18 And then take any questions you might have about the
19 proposed changes or maybe listen to the staff's? Your
20 call.

21 COMMISSIONER DOUGLAS: Yeah, thank you very much.
22 And thanks for coming back on the timeframe we requested
23 with language.

24 Commissioners, I'm going to propose that we hear
25 from staff and then we hear from the City. And then we

1 have a period where we can ask questions or have some
2 discussion if we would like. And then we'll move into
3 public comment, so if that seems all right to everybody
4 let's go on to staff.

5 COMMISSIONER MCALLISTER: Sounds great.

6 COMMISSIONER MONAHAN: Yeah, it sounds good.

7 MR. BABULA: Hi, this is Jared Babula again, the
8 Counsel for staff. And I just want to point out one thing
9 too is there is the general compliance condition in the
10 license that gives the Energy Commission and CPM (phonetic)
11 and relevant staff access to the facility at any time. So
12 I also want to remind everybody that that's already
13 existing authority where we can go in and inspect at any
14 time for routine stuff or for any other reason to perform
15 our work.

16 So even though there's issues about access that
17 is something that the Commission has, along with delegated
18 agencies that we're working with. So I just want to make
19 sure that what's in the proposed order here isn't the only
20 universe of requirements. But we're trying to capture the
21 key ones that seem to -- though could be highlighted for
22 purposes of working collaboratively with the other agencies
23 and the Fire Department.

24 COMMISSIONER DOUGLAS: Thank you, Jared.

25 Any other comments from staff at this point? (No

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1 audible response.)

2 All right let's go to the City of Hayward.

3 Ms. McAdoo: Thank you. And I apologize, the
4 Fire Chief had to step out for an operational issue just
5 real quick, but he's just looking at the language now. And
6 I'll just give him a moment to take a quick look at it
7 before he makes his comments.

8 MR. CONTRERAS: To be honest I'm not terribly
9 surprised, this has been our experience. We have authority
10 and regulatory jurisdiction on the CUPA on the hazardous
11 materials. But we consistently hear the same thing on the
12 fire protection systems and on the life safety systems at
13 Calpine that it's not ours to regulate. So I'm not
14 terribly surprised by this change from Calpine.

15 I think what we were looking to have the CEC
16 require is for the CEC to listen to our concerns if Calpine
17 is not going to. And this goes back to the original
18 construction when we were requiring a higher level of water
19 flow and fire lines than what Calpine was willing to
20 install and pay for.

21 If I -- I don't see you're still on, Barbara
22 doesn't seem to still be on, but we've had lengthy
23 conversations over the years about some of those life
24 safety systems. And you know, it's understandable. I've
25 always assumed that Calpine's preference is not to set

1 precedent by letting one host city have access to the site
2 and other hosts cities wanting a me-too clause along those
3 lines, so I'm not terribly surprised by this. I'm, like I
4 said not surprised, but continue to be disappointed with
5 the lack of cooperation.

6 We hear it, but it doesn't actually resonate.
7 And the CEC seems to be sensitive in hearing our concerns
8 and our issues, but Mr. Harris is answering in the same
9 form that Calpine has answered within the past. It's not
10 our place to regulate the life safety or fire protection
11 systems.

12 COMMISSIONER DOUGLAS: All right, thank you. Any
13 other comments from the City?

14 MS. MCADOO: Yeah, I think I would just share,
15 you know I think the concern I have about the again go back
16 to the lack of sharing the 2019 audit that had specific
17 findings that required the Fire Department to participate
18 in drills with Calpine, which was not shared with us. Nor
19 was it followed up on.

20 And so they may have had drills on their own on
21 site, but our personnel were not involved in those. And I
22 think that to me has just really caused a lot of concerns,
23 so I appreciate the prior language that was proposed. But
24 I think I share the Chief's concerned about this, not
25 having teeth or this being lip service to the City, to

1 these concerns that we have.

2 COMMISSIONER DOUGLAS: Mayor, anything in
3 addition?

4 MAYOR HALLIDAY: Yeah, I would just echo that the
5 health and safety of the citizens of our -- the residents
6 of our community are at stake here. And, you know, after
7 this we have not had cooperation in the past. This is what
8 has come of it.

9 I am outraged about the 2019 report and the fact
10 that that was buried, not shared with us, even though we in
11 the report call for our Fire Department to be involved in
12 inspecting and, you know, following up on that incident.
13 And so, how can we have trust? I mean I'm I just strongly
14 support and appreciate the language that was proposed by
15 the Commission here, and I would ask that you retain that
16 language. And as we move forward, because this incident
17 has just really woken us up. We have had long-standing
18 issues with the lack of cooperation with Calpine allowing
19 us to be part of this.

20 We have a fantastic Fire Department. I want you
21 to know that we had the first community testing operation
22 for COVID testing in the country, the first free community
23 testing. I mean I'm just putting that out there. We have
24 a fantastic Fire Department. They are extremely concerned
25 about the health of this community. And after this

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1 incident especially, and after the cover up of the 2019
2 report we just feel that we need stronger language, along
3 the lines of what was proposed by the Commission. And I
4 would just implore you to keep that language in this motion
5 that you're acting on. Thank you.

6 MR. CONTRERAS: If I could tie into just a little
7 bit? It was referenced earlier by Ms. McBride that we have
8 a long history of close working relationship with Calpine
9 and on some elements that's true on the side. On the CUPA
10 side that is true. On some of the early fire protection
11 systems, that is true.

12 But what I'm struck with is the same plant
13 operator who allowed for this failure to take place in the
14 first place, after a failed audit, that this particular
15 item of oil on the turbine was identified in the audit.
16 And so our supposed to close partners, Calpine, didn't have
17 the professional decency to reach out and have a
18 conversation about an incident that could take place. So I
19 don't know quite now, but I've got four firefighters
20 coughing up blood and having bloody noses for the first
21 time in their lives that were on this incident. I don't
22 know what that is, but the fact that the CEC is considering
23 moving forward without answers to all of these questions
24 for our community I'm at a loss. I really am.

25 Like I said, I'm not surprised, because I've

1 lived this show before. That's all I have.

2 COMMISSIONER DOUGLAS: All right, thank you for
3 your comments.

4 Commissioners, we could go to questions. I
5 wanted to ask the Public Advisor how many public commenters
6 we have, because if there are -- we may want to just hear
7 those too and then go into questions. Noemi, does that
8 make sense?

9 MS. GALLARDO: Commissioner Douglas, it looks
10 like we have one person with their hand raised. But I do
11 want to remind the audience that if you do want to make
12 public comment to please use the raised hand icon. It
13 would be really helpful to us for you to indicate your
14 interest to speak now using the raised hand icon if you're
15 on the platform. If you're on the phone press *9 to raise
16 your hand and then *6 to unmute.

17 Commissioner, there's still only one hand
18 raised, would you like me to open that line?

19 COMMISSIONER DOUGLAS: Yes, please.

20 COMMISSIONER DOUGLAS: All right, so this will be
21 three minutes to comment.

22 MS. GALLARDO: Great, three minutes for Claire
23 Dugan. Claire, your line is open. Oops, excuse me, I
24 spoke too fast. Let me get to that real quick hold on.
25 All right, Claire, your line is open. Please unmute on

1 your end and you may begin.

2 MS. DUGAN: Claire Dugan, C-l-a-i-r-e D-u-g-a-n.
3 I'm a 40-year resident of Hayward, so I'm a stakeholder. I
4 live within a little less than two miles of Calpine, their
5 operation. Calpine is a slippery devious company focused
6 only on their profit. I don't have any faith that they
7 care two hoots about my safety. And our city officials
8 have done a wonderful job of stating the case. We need for
9 your Commission to support our Mayor, our City Manager, and
10 our Fire Chief. And if you don't do that then you are
11 clearly selling the residents of Hayward out. You're
12 bending to this company that could care less about us, but
13 I hope the Commission will show more care for the residents
14 and do care about our safety and follow what our local
15 politicians are telling you is true. They are the boots on
16 the ground, Calpine is not to be trusted.

17 We need the language that our city officials are
18 saying, should be in there. Calpine has been a bad, bad
19 partner in the last, you know, several years. They don't
20 have our trust. They shouldn't have our trust. And they
21 should not have your trust, thank you.

22 MS. GALLARDO: Thank you, Claire.

23 COMMISSIONER DOUGLAS: Thank you.

24 MS. GALLARDO: This is Noemi, the Public Advisor.
25 Commissioner Douglas, I see that the Chair is back on. So

1 I just wanted to note that for the public. That was the
2 last person with their hand raised.

3 COMMISSIONER DOUGLAS: Thank you very much.

4 So Chair Hochschild, we are just starting
5 Commissioner discussion on the item. If it's all right,
6 maybe I'll lay out some thoughts and turn it over to you,
7 or to the other Commissioners as you see fit. What do you
8 think?

9 CHAIR HOCHSCHILD: Since I'm -- and I apologize
10 to the stakeholders. I had a call with the Governor and to
11 handle, be on this last hour. So I would suggest,
12 Commissioner, you just continue to Chair the meeting and
13 I'll just be a participant for the rest. And that proposal
14 sounds fine.

15 COMMISSIONER DOUGLAS: Okay, all right. Sounds
16 good.

17 So I wanted to make a few comments about where we
18 are now and share my views for the version of the language
19 that I'm prepared to support. The language that was put
20 out for comment and response was not, in my view, the
21 Commission's language. It was language drafted in response
22 to some concerns Commissioner McAllister raised and we had
23 a very brief discussion and we said okay write it up and
24 put it out.

25 So as I look at the language, and as I listen to

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1 the discussion, what strikes me is that the way it's
2 written it may appear -- the way it was written originally
3 may appear to be doing more than I thought it was intended
4 to do in terms of where the Energy Commission's authority
5 over this project is versus the City's. And just to be
6 really clear about that, this is a project with an Energy
7 Commission license under the Energy Commission's licensing
8 program.

9 And as our Staff Counsel noted, we have the
10 ability to inspect to this project at any time. We have
11 the ability to invite the City or the Fire Department to
12 inspect with us. We have a responsibility to engage with
13 the City and with the Fire Department and other first
14 responders to ensure that they are prepared in the event of
15 any emergency or in the event that they need to step up in
16 their first responder role.

17 And I can see that there is a tremendous amount
18 of work ahead of us, to make sure that we build that
19 functional relationship with the Fire Department and with
20 the City, so that we do have confidence in the structure
21 and the relationships.

22 But I think that the proposed language that
23 Calpine came back with is clear in terms of roles. And in
24 terms whether it says 10 days after or some other number of
25 days, after I don't know that I am deeply invested,

1 although I think 30 may be reasonable. And I appreciate
2 the reimbursement process suggested here, because I do
3 think that there's a need to enable the Fire Department to
4 step up the resources that are needed to ensure that they
5 have confidence in their role. And we know that local
6 agencies are always struggling with the many
7 responsibilities they have.

8 And so taking on anything major and new and
9 especially coming out of COVID and coming out of the huge
10 effort of our first responders in that is something that
11 I'm very, very sympathetic with. So those are my comments.

12 I'd be curious to hear from Commissioners
13 McAllister and Monahan.

14 COMMISSIONER MCALLISTER: Yes.

15 COMMISSIONER DOUGLAS: Go ahead.

16 COMMISSIONER MCALLISTER: Great. Thank you very
17 much, Commission Douglas. I appreciate that and your depth
18 of experience with AFCs (phonetic) and all the licensing,
19 the process and the results and the enforcement, obviously
20 I certainly have deep respect for that. And it's greater
21 than my own, so I just wanted to just say that.

22 Also I wanted to point out that the way the
23 parties are necessarily kind of segregated in this process,
24 makes having an open conversation like this basically
25 limited to having it in public in a Business Meeting, which

1 is right and proper. But it does mean that it limits our
2 ability to have -- to interact in other in any other forum
3 with Staff Counsel, with Chief Counsel with other
4 Commissioner offices, etcetera. And so that's exactly how
5 I think public decision making is supposed to happen and
6 should happen. And so I think that we're seeing that
7 today.

8 So thank you for kind of entertaining this
9 discussion, which I think is vitally important. And I was
10 glad to provide kind of a template of ideas for how we can
11 approach this complex topic as the Chair said earlier day
12 that's trying to balance a whole bunch of different needs
13 that we have in the state, including for electrical
14 reliability. And also being responsive to communities, and
15 particularly disadvantaged communities.

16 So all that is I think is forefront of my mind
17 certainly, and I think all of our minds. So I do
18 appreciate the modified language, and I certainly would not
19 lie across the tracks, for you know 10 days versus 30 and
20 that sort of thing. And I appreciate the added clause here
21 in the findings about prudence of the Commission to
22 exercise and enhance scrutiny that's in there. I think it
23 should be in there. It falls within our existing authority
24 and I just wanted to -- I think it's good to make that
25 clear.

1 And I appreciate the sort of stated intent of a
2 new order, conclusion and an order at the bottom that does
3 open up a pathway for reimbursement of reasonable expenses.
4 I would certainly just want to go on record as saying I
5 certainly hope that there's follow through and
6 reimbursement for all the all the activities that would
7 provide that kind of accountability and linkage. And
8 really building with the City, and particularly the Fire
9 Department. So I just wanted to say that.

10 The one issue that I wanted to perhaps talk
11 through a little more is that -- and ask Staff Counsel, I
12 guess, to begin -- is about the process by which safety
13 information is brought to the Energy Commission. And then
14 in part, you know, in an appropriate fashion to the public.
15 And I think it would help to understand, could help me
16 understand what the existing kind of process for that is.

17 I'm a little concerned with that in the second --
18 the first struck paragraph in the conclusion and order
19 there, the second paragraph in the conclusion and order,
20 original language.

21 COMMISSIONER DOUGLAS: Let me just jump in for
22 one second. I'm so sorry interrupt, Commissioner
23 McAllister. Just to note I think Commissioner Gunda is
24 back on as well. Is that correct?

25 COMMISSIONER MCALLISTER: Oh, great. Great.

1 COMMISSIONER DOUGLAS: All right, go ahead.

2 COMMISSIONER MCALLISTER: Great, so I guess that
3 that was a question really about the second paragraph of
4 the conclusion. The first paragraph, it was struck in what
5 we're looking at now. And I'm asking Staff Counsel to
6 elaborate on whether functionally that can happen anyway,
7 even if its struck here?

8 MR. BABULA: Hi, this is Jared Babula again. So
9 if you're referring to -- because there's kind of two
10 things going on. You have the context of this petition,
11 which is to modify the facility. And so in the process of
12 doing that, when there's activity out there, that will be
13 monitored by Commission staff, the BCDO, as necessary for
14 what they're doing. And ensure it's done in a correct
15 fashion.

16 So that information that it's been done would be
17 the approval of it, of whatever documentation would be like
18 it's generally a public record. That it's acknowledged
19 it's been -- the task is being done correctly or it's been
20 inspected and they may go forth.

21 Now if you're talking also about separate from
22 this just any investigation in general about what happened
23 at the site, that process would be --- the final reports
24 and stuff are typically public records to the extent that
25 there's not a basis for keeping parts of it confidential.

1 So that would have to be based on the content and what
2 might need to be redacted. But if you look at some other
3 cases there's at least at a minimum a public version of the
4 root cause analysis and staff's report.

5 So it's a little hard to say the level of
6 information that will be available, but there will be
7 stuff. And we utilize our docket as the primary mechanism
8 or staff's documents and so forth. So again, it would be
9 based on the Public Records Act and what basis are
10 available for confidentiality, to our confidentiality
11 process. The 2505 process, which sets forth the
12 requirements of how documents are handled and redacted and
13 so forth. But generally, the goal is to have a transparent
14 process as much as possible and to utilize the docket.

15 Now, I do want to caveat that that's as the
16 general public. As for other agencies there's different
17 rules. The ability to share confidential information with
18 other agencies is it's much -- it's different. We can
19 share confidential information with other agencies that
20 need that information, so certainly we would want to be
21 working collaboratively with the Public Utilities
22 Commission and the Fire Department and be able to access
23 documents, so we're all on the same page.

24 And so there's sort of two things to keep in
25 mind.

1 COMMISSIONER MCALLISTER: Okay, thanks a lot, Mr.
2 Babula. And I just have one more comment and then one more
3 question. So I think it's really critical that staff, the
4 CPM and the staff really do sort of take a proactive role
5 in facilitating this conversation going forward in
6 connecting those dots actively ensuring that the oversight
7 is active. And I know I know that's been the intent and
8 sort of the reality, but in terms of just we've seen this
9 erosion of trust expressed by the City. And I think making
10 sure to play a facilitated role to ensure that
11 communication is happening in every turn along the way, I
12 think is going to go a long way to helping everyone get on
13 the same page and really get the result that we want going
14 forward. So I just want to ask that that take place.

15 And then second, is there anything substantive to
16 add. I'd ask staff and Staff Counsel, or anybody here
17 including Chief Counsel to add that -- to sort of be
18 responsive to the City's concerns that we could add in
19 here. That we could or should add in here, and I'll just
20 end with that question and just take answers.

21 MS. HUBER: Commissioner McAllister, while Legal
22 prepares to reply to you, on behalf of the Compliance and
23 Enforcement Office you have our assurances that both the
24 lead CPM and myself will be very active in this process, as
25 well as the communication for all entities.

1 MR. BABULA: Yeah, this is Jared again. And I
2 think this is -- I've been at the Commission since 2007.
3 This is one of the most items I've been involved with,
4 because there's just a lot of tension on lots of different
5 sides. And I think part of it is the order is really about
6 this particular petition. But I think the broader thing is
7 how we interact with the Fire Department and the community.

8 And so the order has little value if there's
9 nothing behind it. And I think it's more important that we
10 -- and I know as myself as like the Lead Attorney for
11 Public Record for example, I'm committed to ensuring the
12 transparency to the maximum availability of the law. And
13 so certainly, I think working with staff and Calpine when
14 they submit things, to ensure we were getting that
15 transparency and the Fire Department and the City is
16 getting the information they need, so that our staff can
17 work. And that's always been my goal is what can I do to
18 help our staff do what they need to do? Because they're
19 the ones doing the action on the ground is ensuring safety
20 and so forth.

21 So I can say that the current structure of the
22 order, I think it's good. It does have -- we have the
23 whole license behind it against the fully licensed project
24 that has hundreds of Conditions of Certification. And so I
25 just want to keep that in mind.

1 And one other point to make is we do have
2 obviously, under the statute, Warren-Alquist Act, 25532,
3 25534, penalty authority, investigatory authority, to issue
4 penalties for violations that can be fairly significant.
5 So that's also in the backdrop of all this. To remind the
6 public that might not be aware. It didn't really come up,
7 but we do have extensive authority to ensure and issue
8 penalties if necessary and appropriate. So I would remind
9 folks of that. Thank you.

10 COMMISSIONER MCALLISTER: Thank you, Mr. Babula.

11 COMMISSIONER DOUGLAS: Any other questions or
12 comments, Commissioner McAllister?

13 COMMISSIONER MCALLISTER: No, I think I'll pass
14 the mic on to others. Thank you.

15 COMMISSIONER DOUGLAS: All right, Commissioner
16 Monahan?

17 COMMISSIONER MONAHAN: Yes, thank you. I do have
18 a few questions and actually, I just wanted to start with
19 Fire Chief Contreras, because you said something that I
20 just wanted to get a little more information about. You
21 imply that you weren't getting access to the facility and
22 I'm wondering if you could just elaborate on that piece?

23 MR. CONTRERAS: The best way I can sum it up, is
24 where we have jurisdictional authority there's cooperation.
25 But when it comes to the overall operation of the plant,

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1 when it comes to potential weak points of the plant, we
2 consider this what we refer to as a target hazard. We have
3 hundreds of target hazards in our community, a pre-fire
4 plan and a pre-operation plan is how we go about doing
5 that. There is, from time to time collaboration and an
6 allowance to be on site. But in the last number of years,
7 that is waned and gotten more and more difficult to have
8 those close operational contacts. Unless it is within our
9 jurisdictional authority the expectation is, and I'm using
10 my words, it's not our business. It's none of our business
11 how the plant operates. It's just our business to mitigate
12 the threat when something bad happens. And that is
13 generally over the course of my experience, been usually
14 covered with nothing will ever happen here, this is so safe
15 you can't imagine anything ever happening here with any of
16 these.

17 And so much to my point earlier if it was
18 impossible to happen to the steam turbines, but it did,
19 then what about the regular turbines and the combustion
20 turbines? What type, what is the lack of preventative
21 maintenance done to those? I'm looking at pictures in an
22 audit report of parts of the structure that we would never
23 be given access to in a drill or anything else, with
24 corroded pipes, failing flanges, bolts that are rusted out.

25 The plant in and of itself is in disrepair. And

1 that's the reason why we don't have confidence that areas
2 of the plant that we're not allowed to regulate, and we're
3 not even really supposed to put eyes on, it's all
4 proprietary. We're just supposed to trust that they're not
5 going to fail. When we -- and I'm kicking myself, I'll be
6 honest with you, Ms. Monahan -- there's elements where we
7 did trust that. Okay, they're the experts. They are the
8 engineers. There's no possible scenario, even though it
9 sounds crazy that there is this heavy turbine spinning in
10 the pit with volatile lubrication oil around it, no
11 worries. And it fails that inspection and no one notifies
12 us who are the ones required to come and mitigate it.

13 Oftentimes when our suppression crews are coming
14 to tour a facility they're not there as a regulator.
15 They're there for life safety. They're there for the
16 safety of the personnel that work there. Their own safety,
17 the public safety, that's why they're pre-fire planning.
18 And so that's the biggest step, even outside of the
19 regulatory is open the doors. Let our suppression crews
20 down there.

21 The night of the 27th, we had 100 percent of our
22 on-duty forces there, 35 people on scene of that. Some of
23 them have not been on campus at that site by no fault of
24 their own. We also had Fremont and Alameda counties
25 hazardous materials teams on site with us, with three

1 engines each. We had in the area of 60 firefighters at the
2 scene. And I had to have our entire city covered by
3 Oakland and county fire during a six-hour incident.

4 These are all the things that we want to have
5 that close working relationship with, Ms. Monahan, to get
6 back to your original question. But there is a feeling of
7 imposition when we inquire. And we've got to get past
8 that. We've got to get to the point of being partners in
9 this. If this place is going to be operating we've got to
10 be partners. And we've got to mitigate the threat to the
11 community together. Not just hey if you happen to ask the
12 right question on the right day maybe you're going to get
13 the right access. That's not the spirit of cooperation.

14 I'm still, having given a lot of effort to the
15 relationship over the years, to have not been notified of a
16 life safety issue when that thing failed. When there's oil
17 leaking on the turbine in 2019 it's mums the word secret.
18 And then to find out that it was sealed? What else has
19 been sealed and we're not aware of that? That's where my
20 mind goes on, so I don't know what we haven't been given
21 access to.

22 COMMISSIONER MONAHAN: Thank you.

23 Jeff, you had your hand up. Do you want to
24 respond to the Chief?

25 MR. HARRIS: Yeah, if I could briefly. Can you

1 hear me okay?

2 COMMISSIONER MONAHAN: Yes.

3 MR. HARRIS: Just very briefly, back to the
4 language. The language we've submitted provides for the
5 cooperation. It memorializes (indiscernible) you're
6 hearing to the complaint about cooperation. And the City's
7 recourse is not the only on Calpine, it's to lean on the
8 Energy Commission staff. And they will respond. Believe
9 me, I've got an entire business built around the regulatory
10 regimes of the Energy Commission. And so that is where the
11 Fire Department will be able to respond.

12 We have worked with them in the past. They've
13 been the BCDO on repairs of certain materials. They also
14 continue to act as the CUPA. And the other thing I want to
15 point out is that that PUC report, is a CPUC report, it's a
16 2019 report. Everything identified in that report has been
17 corrected. And everything in that report was corrected
18 before this incident, so there's no way anything in that
19 report caused or contributed the issues here. So to the
20 extent there's an issue with whether that secret or are not
21 shown, but I'd say that the beef is with the PUC and not
22 with you all.

23 So, in any event, like I said I think the
24 language is really a nod towards giving the City what they
25 apparently feel they don't have, which is a way to have

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1 input into this process. Part of the other reality is that
2 there's a state law that provides the Energy Commission
3 with the exclusive authority over all state law matters.
4 So it's a complex relationship between you and the Fire
5 Department as well.

6 And we want to be part of those relationships.
7 We want to improve this relationship. That's why we want
8 to sit down and meet with folks and we're glad to do that.
9 And I am again going to say that we will memorialize some
10 of the history here that we haven't gone into today,
11 because we really want this to be productive today.

12 So I'll stop there, so thank you.

13 COMMISSIONER MONAHAN: Well, thank you. I'm glad
14 to hear that you'd like to improve the relationship with
15 the Fire Department. I mean these fire workers that are
16 putting their lives at risk with these kinds of accidents,
17 you know, they deserve a lot of respect. And they deserve,
18 I think access to have this conversation.

19 So if staff could respond to what's you know, the
20 level of oversight and engagement that you can have to
21 ensure that there are better working relations between the
22 facility and CPUC, our agency, you know, to have us all
23 working really deeply collaboratively together to ensure
24 safety.

25 MR. PITTARD: Yes, Commissioner Monahan, this is

1 Shawn. Yes, it's all about implementation right? We've
2 got all the laws. Everything's in place, the authorities
3 that we need. We've got the staff. We've got a good team.
4 And we are fully committed to facilitate these interagency
5 relationships and to partner with the Chief in the City of
6 Hayward.

7 We know that they teach us things when we get
8 down to the site and we teach them things. We have
9 different subject matter expertise, but we are fully
10 committed to bringing them in as a partner on the oversight
11 for this power plant.

12 COMMISSIONER MONAHAN: And I wanted to -- thanks,
13 Shawn, I appreciate that. I also want to just clarify that
14 as Mr. Babula was saying, that before the original language
15 in the order, we have the authority to do all of that
16 whether it's in the order or not; is that correct?

17 MR. BABULA: So this is Jared Babula again.

18 COMMISSIONER MONAHAN: (Overlapping colloquy.)

19 (Overlapping colloquy - multiple voices.)

20 MR. BABULA: Right, because this order, the
21 premise of the order is really directly focused on what the
22 petition was covering. It doesn't go -- I mean, obviously
23 we have conditions about biology. There's conditions.
24 There's all sorts of things in the original license and in
25 the other amendments, as we've gone through. There's been

1 a number of amendments to do this project over the years,
2 like adding the Black Start battery system. So anytime
3 there's an implication to a condition of the amendment then
4 it will get updated.

5 So when you look at the whole litany of
6 conditions and the general compliance conditions, you have
7 the whole entire authority over the project and what
8 they're required to provide both in terms of reporting
9 requirements and reports and studies and so forth. So
10 you'd have to look at the full litany of conditions. And
11 so this order would just be relevant to the particular
12 petition at hand.

13 COMMISSIONER DOUGLAS: Commissioner Monahan, any
14 other questions? Oh, go ahead.

15 COMMISSIONER MONAHAN: Well, actually that
16 confused me more. I wonder, I mean we had four very
17 specific items that were added to the order originally.
18 You know, the Applicant must admit to the CEC a safety
19 audit, fully identifying the circumstances that gave rise
20 to the petition. That if the CEC determines any of this
21 information, the audit should not be released, the
22 Applicant must do a public version. And there were two
23 other (indiscernible), do we have that authority?

24 MR. BABULA: Well, for reports, right. So they
25 could be -- if they submitted documents that they want to

1 be confidential, they would -- that's not specifically in
2 the -- so there is, yes. So the current license indicates
3 that any time they're submitting a document to us that they
4 wish to be confidential lets say, the license says you need
5 to go file an Application using the Commission's
6 regulations. So the actual mechanics of doing that are in
7 our regulations, but the license directs them there, so if
8 there was a document there.

9 For now, the audit thing, I'm not clear from that
10 statement what exactly is this audit. Like if they're
11 required to do some report or study or there's some type of
12 documentation that they're doing in furtherance of our
13 license, and they're sending it to us, then that process is
14 already laid out in the license about like if it's
15 confidential or not, how do we do that.

16 COMMISSIONER MONAHAN: Well, this is a very
17 specific question then, with the root cause analysis will
18 we have access to it? And is that a document that, with
19 the exception of confidential business information, would
20 be made public?

21 MR. BABULA: That root cause analysis would be
22 part of what staff would need to do our analysis, so yes
23 that would be provided. And then it would just be a matter
24 of if there's provisions in it, or sections that need to be
25 confidential.

1 Now, there may be in developing that root cause
2 analysis, which for other facilities, or other entities and
3 entities who have licenses with the Commission, they have
4 always provided and we've received root cause analysis from
5 them. Now there might be like notes or some other types of
6 documents that helped, that were used to create the root
7 cause analysis that we wouldn't necessarily get. We would
8 just get the report and that would be what we need. So we
9 would get information that staff needs to do their work,
10 and then it would be a matter of if there's something
11 that's confidential and whether they will be redacted or
12 there'll be like a public version that will be submitted.
13 And we would utilize the docket as the place where those
14 documents would be.

15 COMMISSIONER DOUGLAS: So, Commissioner Monahan,
16 I'll just step in and say something, which is that under
17 our process in addition to the root cause analysis, there
18 is an open investigation on this incident right now that
19 our staff is undertaking. As Jared said the root cause
20 analysis will be part of it, it's not the only part of it.

21 Staff have been to the site. They've taken
22 photographs. They will be working with the Fire
23 Department. They'll be analyzing what happened, and that
24 will be presented and provided to us in some form.

25 Staff is going to need to make a recommendation

1 through some of our enforcement authority as was
2 referenced, but that's just not before us right now. But
3 it is happening.

4 COMMISSIONER MONAHAN: Thank you. And I mean, I
5 think as we decide what to do if we were to move forward I
6 would recommend that we would have some kind of maybe
7 update at the Business Meeting. This is an important
8 enough issues that I want to make sure that there's a lot
9 of vigilance on our part, and on the staff's part in making
10 sure that we are building the relationships that we need to
11 see between the facility, the City and especially the Fire
12 Department, the Public Utilities Commission and our agency.

13 My concern is that there's just hasn't been
14 enough, you know, oversight and collaboration. And I'm
15 very concerned about what Chief Contreras says. And
16 ensuring that we're doing all we can to protect the
17 community and protect fire fighters, and maintain a
18 reliable energy system. That's the thing for all, you know
19 very cognizant of the risks right now to reliability and
20 how that is a life-threatening situation as well.

21 So you know we're balancing these and it's very
22 tough.

23 COMMISSIONER DOUGLAS: Yeah, I mean I heard him
24 loud and clear as well, in terms of his deep interest and
25 commitment to doing everything in his power to mitigate any

1 threat or any potential threat to the community. And I
2 think we need to take him up on that partnership and that
3 offer to work together. And we need to work very
4 collaboratively and closely with the Fire Department and
5 with the City. There's no doubt about it, I mean this is
6 as I said, it's under our jurisdiction. It's on our watch
7 and we've got to be -- you know, this has got to be top of
8 mind and we've got to be on this. And I very much hear and
9 appreciate your concerns and your interest in ensuring that
10 we are on this.

11 I think in terms of a Business Meeting briefing
12 I don't know the right timing for that. But of course the
13 benefit of a public briefing is it does give us the
14 opportunity to talk to each other, which otherwise is as we
15 all know well, limited.

16 Can I ask, do you have more questions right now,
17 or can I go on to the Chair and Commissioner Gunda?

18 COMMISSIONER MONAHAN: Yes, can go on, thank you.

19 COMMISSIONER DOUGLAS: Absolutely, so Chair
20 Hochschild?

21 CHAIR HOCHSCHILD: I don't have anything new to
22 add other than what I expressed earlier and I'll just
23 restate that. I mean this is an unacceptable event, and
24 Calpine failed to do the necessary preventive maintenance
25 here and I feel very fortunate nobody was hurt or injured.

1 Having said that, I am comfortable with the
2 understanding that the risk is in the steam unit and not
3 the CT, we operate CTs all over the state. And I have
4 never heard of the event like that. And we are under a
5 period of enormous stress for the electric grid. And that
6 is a health issue you know people depend on the grid to
7 stay cool, but also for operating medical devices. And
8 unfortunately we're at a period of just an enormous stress.

9 What's going on for those of you who may not be
10 following as closely, is that the drought -- again climate
11 change is sort of making it harder to fight climate change,
12 but the drought has reduced hydro capacity. Wildfires have
13 an impact on solar production. And of course load goes up
14 with air conditioning use. Inland has placed an enormous
15 stress, unprecedented stress, on the grid, so it is
16 imperative we get every asset that we can to support that.

17 So those are my comments. And Commissioner
18 Douglas, I'm comfortable with the outline you've laid out
19 for the order.

20 COMMISSIONER DOUGLAS: Thank you, Commissioner
21 Hochschild.

22 Commissioner Gunda?

23 COMMISSIONER GUNDA: Thank you, Commissioner
24 Douglas. I'm so sorry again for missing a significant
25 chunk of the conversation, but I was quickly able to review

1 the draft that was proposed by Commissioner McAllister and
2 that the staff kind of proposed again together.

3 So I think, I mean I know there's a lengthy
4 conversation here and I think you know I recognize the
5 concern that Chief Contreras is raising around not wanting
6 to be trusting again and then moving forward to have the
7 same situation from a lack of transparency and
8 collaboration moving forward. And I recognize that concern
9 and I share that concern in the sense that it is not easy,
10 even in the best of situations to be communicative and to
11 be collaborative.

12 You know, we all have silos and then we work
13 within the silos of our work. And it's hard to exchange
14 notes on a timely fashion, so I think I just want to make
15 two quick requests of the staff. I think it's consistent
16 with what Commission Monahan mentioned, I would really like
17 to see an ongoing business item, a Business Meeting item
18 here, as a way for all Commissioners to be able to hear
19 what's going on. And especially request Chief Contreras to
20 come to attend the Business Meeting and to share any
21 ongoing concerns he might have in terms of lack of
22 transparency, as we move forward.

23 So I think that's one thing I want to recommend
24 and request.

25 I also want to request our Public Advisor Noemi

1 Gallardo to be involved in developing the necessary
2 collaborative process here. And I think there are lots of
3 best practices. I do not know, Shawn, if it is time -- I
4 don't know what the resource constraints here are. I would
5 really like to have a weekly meeting or bi-weekly meeting,
6 something on the books between our three teams and CPUC
7 where you are actively listening. I think, a huge part of
8 this is really trust building.

9 And I think you know the engineering analysis is
10 the engineering analysis, and I can have some faith in kind
11 of the safety of the operations. But I think to Chief
12 Contreras's point it's not about just the analysis. It's
13 the lack of transparency and lack of faith. And so I
14 really want CEC to do everything in our power, and our
15 resources, and our time to help build a trust. And please
16 lean on our Public Advisor Noemi Gallardo, to help to do
17 that.

18 And finally, I also would try to request before,
19 you know, once the safety checks are all done, before as
20 the work kind of proceeds here (indiscernible) if the unit
21 were to go on a single cycle. I really would like to
22 request the Commissioners to go on a site visit to ensure
23 that we all see the kind of space in the community, and to
24 and make sure that Chief Contreras is with us to provide
25 feedback onsite. And I just want to recommend that to our

1 Commissioners, I commit to visiting and making sure I
2 follow through.

3 So it's a very difficult decision. I mean I
4 think the difficulty in the decision comes from the urgency
5 and kind of the constrained amount of time we have in
6 having to move things forward. As Chair Hochschild
7 mentioned we're in a very difficult situation on the grid
8 this year. And I recognize that as Chair Hochschild
9 mentioned, last year during the outages about 400,000
10 customers in California lost power, those households. So
11 you know you could expand that to about 2 million customers
12 were out of lights for a while.

13 And that also weighs in on my decision. And I
14 think while I understand how important it is to respect the
15 visions and ideas and concerns of the community, I also
16 take that into kind of the weight as I'm thinking through
17 this difficult decision.

18 So I think with the given provisions laid out
19 here, with the given recommendations for trust building I
20 am okay with moving forward with the recommendations as
21 proposed. Thank you, Commissioner Douglas.

22 COMMISSIONER DOUGLAS: Thank you, Commissioner
23 Gunda.

24 So I'm going to ask a question, and just speak up
25 if needed. I'm going to suggest that we ask the Chief

1 Counsel to help us formulate a motion to act on the order
2 as revised twice essentially. The order that we're looking
3 at now that has Commissioner McAllister's changes with the
4 edits provided subsequently by Calpine. I'm going to
5 suggest that the additional ideas, which I agree with and I
6 think we all commit to of having time on agendas to talk
7 about this item. To invite the City to present, your good
8 idea Commission Gunda of potentially considering an in-
9 person meeting or tour of the site or something like that.
10 I think that's a very good one. I don't think it needs to
11 be in the motion, but I think that we all see the value and
12 the absolute importance of that.

13 So that's what I'm going to suggest. But would
14 anyone like to propose a different path, if you would? Go
15 ahead and speak up.

16 MS. BARRERA: Commissioner Douglas, if I may?

17 COMMISSIONER DOUGLAS: Yes?

18 MS. BARRERA: With clarity for the record it
19 would be good to identify what additional orders or
20 additional findings you're proposing to add to Calpine's
21 revised order or revisions to the revised order, so that I
22 can add that to the draft that you choose to present as you
23 move for a vote.

24 COMMISSIONER DOUGLAS: Right, and right now I'm
25 trying to define a motion that has us all thinking about

1 the same document. And understanding what it actually is
2 and that's kind of step one. I have a document --

3 COMMISSIONER MCALLISTER: Commissioner Douglas,
4 can I ask?

5 COMMISSIONER DOUGLAS: Yes, please.

6 COMMISSIONER MCALLISTER: I guess so I think the
7 conclusion order would be a little bit difficult to make
8 further changes to without a lot of back and forth and some
9 time. And so I think -- but the findings, I guess the
10 question is given the comments that we've had, and all the
11 various Commissioners we've all had, is there any finding
12 that we would add in terms of process. In terms of, you
13 know, having a regular Commission meeting item.

14 I don't know just is there anything that rises to
15 that level to include here, or is there another way to just
16 point to this record from this meeting to kind of highlight
17 the various commitments essentially by staff in terms of
18 you know, active oversight or something like that. Is the
19 record here enough or is it something less than the level
20 of putting it in as a new finding?

21 COMMISSIONER DOUGLAS: So there are three options
22 and the Chief Counsel can speak up. If something could be
23 inserted into the document, or a motion could say approve
24 the document and also move that we have regular agenda
25 items at business meetings and so on. So you could do

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1 that.

2 Or we could -- you know, what I was proposing is
3 that we have five of us sitting here right now talking to
4 each other and the public and the City of Hayward saying,
5 we're going to do this. I think that's -- I think that
6 we're going to do this. So that's exactly the question I
7 was asking you.

8 COMMISSIONER MCALLISTER: Okay.

9 COMMISSIONER DOUGLAS: My proposal was that the
10 record and the conversation, and the fact that we're all
11 committed and the staff is hearing us -- and I think we're
12 going to do this. But if you want to wrap, for example,
13 into the motion that will bring this to a certain number of
14 business meetings in a certain time increment, you can go
15 ahead and propose that.

16 COMMISSIONER GUNDA: Commissioner Douglas, I
17 would like to go with the option of wrapping that into the
18 motion if feasible?

19 COMMISSIONER DOUGLAS: Okay. Okay, why don't you
20 propose -- well so let's just pause for a minute. Let's
21 get the document part of this right and then I'll ask you,
22 Commissioner Gunda, to propose a motion that includes some
23 of what you want to see in it, if you're willing.

24 COMMISSIONER GUNDA: Sure.

25 COMMISSIONER DOUGLAS: Linda, go ahead.

1 MS. BARRERA: Yes.

2 COMMISSIONER MONAHAN: Yeah, just --

3 COMMISSIONER DOUGLAS: Commissioner Monahan, did
4 you want to add something?

5 COMMISSIONER MONAHAN: Probably not. I was just
6 going to suggest that we read aloud the changes are,
7 because we don't have a single document that includes --
8 there's no document that rules them all. So it really
9 needs to be clear what we're adding, I mean
10 (indiscernible).

11 COMMISSIONER DOUGLAS: A good suggestion.

12 MS. BARRERA: Yes, I was going to propose that I
13 read the language that we're adding to the order, given
14 that the last version does not reflect that some of the
15 second version is not actually original language, so it's
16 better to wrap all of the new language in one reading.

17 So I'll proceed to read the order, the proposed
18 order, but just for clarification I would like to know if
19 you want to add the language of bringing this item to a
20 Business Meeting for a regular report out to the
21 Commission.

22 COMMISSIONER DOUGLAS: I think the suggestion is
23 that it will be part of the motion, but not written in the
24 order.

25 MS. BARRERA: Okay, so I will proceed to read the

1 revised language to be original proposed order.

2 COMMISSIONER DOUGLAS: Okay.

3 MS. BARRERA: So the revised language includes a
4 new third bullet that says it is prudent for the CEC to
5 exercise enhanced scrutiny for the facility, given the
6 circumstances that gave rise to the petition. And it's
7 reasonable for the public to have access to safety audits
8 conducted pertaining to the operation of the facility,
9 including the circumstances that gave rise to the petition.

10 After that, the fourth bullet stays the same and
11 then we're adding a fifth bullet that says the following.

12 "The City of Hayward Fire Department will continue to
13 exercise its existing authorities under our CEC Conditions
14 of Recertification including but not limited to, the Fire
15 Department's roles under the conditions HAZ-1, HAZ-2, HAZ-
16 7, WASTE-4, WASTE-8, WASTE-12, WORKER SAFETY-2 and WORKER
17 SAFETY-3."

18 And the remaining bullet remains the same.

19 Under conclusion and order, just to keep the
20 record clear I recommend that we strike everything. And we
21 just add the new language which is, "The CEC hereby
22 approves the petition for modifications, allowing for the
23 facility to operate in simple-cycle mode as set forth in
24 the analysis, in staff's analysis, and adopts the draft
25 order with the following modifications.

1 "At least 30 days after approval of the petition
2 of the temporary safety modifications, the Project Owner
3 shall meet with the California Energy Commission staff and
4 Hayward City Fire Department to discuss any needed
5 modifications of their standards of operating procedures
6 for first responders to implement when responding to
7 incidents on site, including establishing a process for
8 reimbursement of reasonable expenses."

9 And that concludes the new language under
10 conclusion in the order, of the order, for this item.

11 COMMISSIONER MONAHAN: I there's just one change
12 to that. It should be, "Not at 30" but "within 30."

13 COMMISSIONER DOUGLAS: Thank you very much,
14 Commissioner Monahan, you're correct, "within 30 days."

15 MS. BARRERA: Within 30 days, got it. Oh, maybe
16 I'm reading a wrong version, sorry.

17 COMMISSIONER MONAHAN: No, you're reading the
18 right version. It was (indiscernible) right.

19 COMMISSIONER DOUGLAS: Commissioner Monahan, a
20 fantastic catch, thank you.

21 MS. BARRERA: Thank you.

22 COMMISSIONER DOUGLAS: So then, Linda, when
23 Commissioner Gunda fashions a motion he will move to
24 approve the order modified pursuant to what you just read.
25 And that he will add what he wishes to propose.

1 Commissioner Gunda?

2 COMMISSIONER GUNDA: Yeah, thank you,
3 Commissioner Douglas. I'm doing this for the first time,
4 so if I mess up from a legal perspective just let me know.

5 But I propose to move the modified order --

6 MS. BARRERA: As read by the Chief Counsel, Linda
7 Barrera.

8 COMMISSIONER GUNDA: Yes, as read by Chief
9 Counsel Linda Barrera. And I would add the motion to have
10 the staff and the Fire Chief discuss the frequency and
11 cadence of business meeting (indiscernible) and have a
12 business meeting updates on the progress and concerns in
13 the public setting, one.

14 Number two, is to recommend that at least one
15 Commissioner visits the site prior to its operations.

16 COMMISSIONER DOUGLAS: Thank you, Commissioner
17 Gunda.

18 Do we have a second?

19 COMMISSIONER MCALLISTER: I'll second.

20 COMMISSIONER DOUGLAS: Very good, Commissioner
21 McAllister was ahead by a millisecond, so moved by
22 Commissioner Gunda, seconded by Commissioner McAllister.
23 So I'll call the vote.

24 Commissioner Gunda?

25 COMMISSIONER GUNDA: Aye.

1 COMMISSIONER DOUGLAS: Commissioner McAllister?

2 COMMISSIONER MCALLISTER: Aye.

3 COMMISSIONER DOUGLAS: Commissioner Monahan?

4 COMMISSIONER MONAHAN: Aye.

5 COMMISSIONER DOUGLAS: Chair Hochschild?

6 CHAIR HOCHSCHILD: Aye.

7 COMMISSIONER DOUGLAS: And I vote in support as
8 well, so the motion passes 5-0.

9 And I just want to again convey my thanks to
10 everybody, particularly the City. And I hope you hear from
11 this conversation our commitment to doing our part to work
12 with you. And early often and frequently in terms of
13 moving this forward. I know that this isn't the language
14 that you wanted us -- to see us come out with, but we want
15 to reach out and we will continue to reach out. And we
16 hope to work in partnership to ensure safety in your
17 community, so thank you very much for participating with
18 us.

19 MS. MCADOO: Sure.

20 UNIDENTIFIED SPEAKER: It's no different
21 (indiscernible).

22 COMMISSIONER DOUGLAS: All right, so Chair
23 Hochschild, I'm going to hand this over to you. We are
24 through all of the items.

25 CHAIR HOCHSCHILD: Okay, and in my absence did

1 you get through the rest of all the updates and stuff?

2 COMMISSIONER DOUGLAS: Yes.

3 CHAIR HOCHSCHILD: Okay, we're adjourned
4 everyone.

5 COMMISSIONER GUNDA: Chair Hochschild? Chair
6 Hochschild, I apologize.

7 CHAIR HOCHSCHILD: Yes?

8 COMMISSIONER GUNDA: I don't know -- I think I
9 was -- I thought the City of Hayward was trying to say
10 something. Just in the spirit of trying to enhance our
11 collaboration, I want to just make sure I get that.

12 MAYOR HALLIDAY: Just that we appreciate your
13 attention to this matter. And while I think we would have
14 preferred to see some stronger language, I hope that what
15 we got was basically what we wanted. But what we will get
16 from this language is the same thing, and that is the
17 ability of our Fire Department to be a part of ensuring
18 that that plant is safe to operate in our community.

19 So, again just -- and, you know, we will be back
20 at business meetings and we will look forward to the
21 updates. I appreciate, especially Commissioner Gunda, for
22 your additions to this. And I think it's going to be an
23 ongoing conversation. And we need to make sure that this
24 plant is safe. I would like to see the recommendations of
25 the 2019 report followed up on and I hope that your staff

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1 will assist on that.

2 And so thank you for giving it the attention that
3 you have. We do appreciate that.

4 COMMISSIONER DOUGLAS: Ms. Mayor, thank you so
5 much.

6 COMMISSIONER GUNDA: Thank you, Madam Mayor.
7 Thank you.

8 COMMISSIONER MCALLISTER: Thank you, Mayor.

9 COMMISSIONER DOUGLAS: Yeah, and thank you
10 Commissioner Gunda. I thought you were talking to each
11 other and not to us. And I really apologize.

12 COMMISSIONER GUNDA: No, thank you, Commissioner
13 Gunda.

14 I think I just wanted to just respond to Madam
15 Mayor if it's okay. So Madam Mayor, thank for taking the
16 entire day with your team to be here. And we hear the
17 concerns and thank you for giving this opportunity to
18 continue to build this trust again. So thank you for your
19 time and we look forward to working together.

20 CHAIR HOCHSCHILD: Okay, I think with that I
21 would move us to adjourn if we've concluded everything
22 else?

23 COMMISSIONER DOUGLAS: Chair Hochschild, if I
24 could -- sorry I was muted and I'll be super quick -- but I
25 just wanted to thank Commissioner Gunda publicly, I think

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1 for bringing us back into the discussion. I really thought
2 the City were talking to each other and not to us, so I
3 apologize. And I just wanted to say to the Mayor, you
4 know, I would be happy to meet with you as well. And I
5 oversee the siting and the power plant program. We're
6 very committed and we will work with you, so thank you so
7 much for spending the day with us.

8 COMMISSIONER MCALLISTER: I want step in, so I
9 want to just say -- just relate that as well. I mean all
10 of us, obviously you heard, we heard you and many of the
11 speakers, all the speakers today that are obviously -- You
12 know, this is a vital set of issues. And hopefully the
13 discussion and the outcome and the follow-up going forward
14 will give you and the citizens of Hayward comfort that this
15 is receiving the scrutiny and sort of due diligence that it
16 requires going forward. So we're all committed, I
17 certainly am committed to working with you on that as well,
18 so thanks.

19 CHAIR HOCHSCHILD: Okay, I think we're adjourned.
20 Thanks everyone.

21 COMMISSIONER DOUGLAS: Thank you, everyone.

22 (The Business Meeting adjourned at 3:48 p.m.)

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CERTIFICATE OF REPORTER

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of July, 2021.



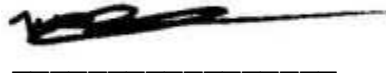
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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision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

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Myra Severtson
Certified Transcriber
AAERT No. CET**D-852