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In the Matter of:)
)
Business Meeting)
_____)

APPEARANCES

Commissioners Present

Robert Weisenmiller, Chair
Karen Douglas, Vice-Chair
Andrew McAllister
Janea Scott

Staff Present:

Rob Oglesby, Executive Director
Kourtney Vaccaro, Chief Counsel
Jeff Ogata, Staff Counsel
Roger Johnson, Siting Office
Marcia Smith, Local Assistance & Financing Office
Abhi Wadhwa, Appliances & Existing Buildings Office
Martha Brook, Appliances & Existing Buildings Office
Kristen Driskell, Appliances & Existing Buildings Office
Malachi Weng-Gutierrez, Demand Analysis Office
Shannon Dilley, CEC Volunteer Attorney, Of Counsel

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Elizabeth Shirakh	6
David Ismailyan	7
Christine Awtrey	8
Ingrid Neumann	9
Mark Alatorre	10
Shahid Chaudry	11
Cheng Moua	12
Tobias Muench	13
Elyse Cheung-Sutton	14
Larry Rillera	15

Others Present (* Via WebEx)

Interested Parties

Jane Luckhardt, Day Carter Murphy
Rachel Koss, California Unions for Reliable Energy
Jeffrey Harris, Independent Energy Producers Association
(IEP)
*Lisa Belenky, Center for Biological Diversity

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Interested Parties (* Via WebEx)

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Matt Stucky, Abengoa Solar
Christopher Hansmeyer, Abengoa Solar
*Lisa Belenky, Center of Biological Diversity
* Kevin Emmerich, Basin and Range Watch
*Monica Schwebs, Morgan, Lewis & Bockius
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Nathan Bengtsson, PG&E
Anthony Andreoni, California Municipal Utilities
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*Nancy Skinner, former California State Assembly
*Jeanne Clinton, PUC
*Dina Mackin, CPUC
*Barry Hooper, San Francisco Department of the Environment
*Hanna Grene, Center for Sustainable Energy
*Kate Meis, Local Governments Commission
*John Shipman, Energy Efficiency Management
*Kent Tryham, Community Home Energy Retrofit Project
*Barbara Hernesman from CalCERTS
*Paul Minus, Pilgrim Place Retirement Community
*Joel Pereda, Enso Squared Building Solutions
*Devon Hartman, Community Home Energy Retrofit Project
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Kevin Messner, PoliticaLogic, Association of Home Appliance
Manufacturers
*Peter Pirnejad, City of Palo Alto
*Bronwyn Barry, Passive House California
Kristen Macey, DMS California Department of Food and
Agriculture

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P R O C E E D I N G S

SEPTEMBER 9, 2015 10:04 a.m.

CHAIRMAN WEISENMILLER: Good morning, let's start the Business Meeting with the Pledge of Allegiance.

(Whereupon, the Pledge of Allegiance was recited in unison.)

CHAIRMAN WEISENMILLER: Good morning, Item 2 is being held and we're going to split the Consent Item up into two pieces. So go ahead.

COMMISSIONER SCOTT: Good morning. So as a member of the California Fuel Cell Partnership's Executive Committee, I'm going to recuse myself from the Commission's consideration of Item 1a, a one-year membership agreement with BKI on behalf of the Fuel Cell Partnership.

(Commissioner Scott recused herself.)

COMMISSIONER DOUGLAS: All right, I move Item 1a.

COMMISSIONER MCALLISTER: Second.

CHAIRMAN WEISENMILLER: Okay. All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: Item 1a 3-0, with one abstention.

COMMISSIONER MCALLISTER: 3-0, right?

(Commissioner Scott returns to the meeting.)

1 CHAIRMAN WEISENMILLER: Welcome back.

2 Let's go through the rest of the consent items.

3 Is there a motion?

4 COMMISSIONER DOUGLAS: Move Consent Calendar Item

5 1c of b, c and d.

6 COMMISSIONER MCALLISTER: Yeah, second.

7 CHAIRMAN WEISENMILLER: All those in favor?

8 (Ayes.)

9 The Consent Calendar passes 4-0. The rest --

10 Consent Calendar b, c, d passes 4-0.

11 So let's go on to Item Number 3, Hearing and

12 Possible Adoption. Jared, please?

13 MR. BABULA: Thank you. I'm Jared Babula, Staff

14 Counsel.

15 Staff recommends the Commission adopt the

16 Resolution Approving the Notice of Exemption under CEQA and

17 the Proposed Amendments to the Commission's Regulations

18 under Title 20 of the California Code of Regulations. The

19 amendments ensure the dual goal of efficient process and

20 effective public engagement.

21 This rulemaking encompasses the portion of the

22 Commission's Title 20 Regulations that primarily relate to

23 the Commission's general administrative process and

24 procedures and power plant siting procedures.

25 Over the last three years, Commission staff

1 undertook a comprehensive review of the siting process, as
2 well as general Commission administrative procedures, with
3 a goal to improve overall process. Early on staff sought
4 out and engaged stakeholders to determine what problem
5 areas could be identified and what means existed to improve
6 those areas.

7 Staff also reviewed the environmental documents
8 and processes from other jurisdictions to provide points
9 for comparison.

10 One process improvement strategy staff undertook
11 was to develop and propose changes to the Commission's
12 Regulations. After extensive review, and stakeholder
13 discussion, the following key changes were made to ensure
14 efficiency, functionality and fairness of commission
15 process and procedures, especially for those who do not
16 regularly conduct business with the Commission.

17 To improve clarity, readability, headings were
18 added in related sections that were once spread between the
19 1200s and 1700s were consolidated.

20 The updated Regulations reflect the development
21 and use of electronic filing, service and document
22 management systems and the changing role of dockets to
23 manage those systems.

24 We repealed the current complaint and request for
25 investigation provisions and developed a new investigation

1 and complaint process with greater process clarity and
2 adequate flexibility to resolve issues.

3 For siting cases, added a defined public comment
4 period on the staff assessment and a process for responding
5 to those comments.

6 For adjudicatory proceedings changes were also
7 made to clarify rights of parties, the composition of the
8 hearing record, and what can be used as the basis of the
9 decision.

10 A single noticing section was developed, so that
11 requirements for noticing of public events are contained in
12 one section that could be cross-referenced.

13 Other changes included language refinements for
14 greater clarity and a consolidation of provisions allowing
15 for elimination of unnecessary tax.

16 The version for the Regulations for your
17 consideration today is actually the fifth version subject
18 to public review and comment: two versions during the
19 informal process, the original 45-day language, the 15-day
20 language and finally the current supplemental 15-day
21 language.

22 All public comments on the various versions were
23 carefully evaluated, and a number of changes based on these
24 comments were incorporated into the proposed language.
25 Stakeholder comments that were filed, and you may hear

1 reiterated today, include: applying the new Regulations
2 only to siting projects after the effective date, concern
3 that intervention and proceedings will be more limited
4 under the new language, use of public comment to support a
5 finding, automatic inclusion of the staff assessment to the
6 record, and limitations on public participation in
7 jurisdictional determinations.

8 After careful consideration, staff does not
9 believe any additional changes are needed and recommend you
10 adopt the language as provided in the supplemental 15-day
11 language express terms.

12 In addition, as set forth in the CEQA memo
13 contained in the back of the materials before you, staff
14 recommends you adopt the Notice of Exemption attached to
15 the Resolution.

16 I'm available to answer any questions or respond
17 to public comment. Thank you.

18 CHAIRMAN WEISENMILLER: Thank you.

19 Let's take public comment. Let's start with Jane
20 Luckhardt.

21 MS. LUCKHARDT: Hi, Jane Luckhardt from Day
22 Carter Murphy. And I'm here today to really thank Jared
23 and the rest of staff in this Commission for taking on the
24 thankless job of reviewing the siting regs. I'm not sure
25 that's something I would want to take on if it were

1 assigned to me.

2 I think that we've reached -- you know, that you
3 guys really took into consideration the comments that
4 everybody filed and reached a reasonable balance, a good
5 balance, between the competing interests. I think we've
6 clarified some issues in the siting regs that were
7 confusing to folks before. So I support the changes and
8 I'm here to say thank you for the effort that you've
9 undertaken.

10 Oh, and before I go, in case this is Jeff's last
11 meeting I'd just like to recognize Jeff for -- I worked
12 with Jeff when he was at the Commission before. And I
13 really appreciate his willingness to listen to whatever
14 sometimes crazy idea I may have had and worked to find a
15 solution. So I just want take a minute and say thank you
16 to Jeff, as well.

17 CHAIRMAN WEISENMILLER: Okay, thank you.

18 Rachel Koss?

19 MS. KOSS: Good morning, Rachel Koss on behalf of
20 California Unions for Reliable Energy. I would also like
21 to thank staff, and particularly Jared, for working with us
22 and the Commission for taking on this very, very long and
23 difficult task. And I know it's been quite a process for
24 you.

25 And we're also really happy to say that all but

1 one of our issues have been addressed. That said, our
2 remaining issue is a very important one. And that has to
3 do with Section 1212 the Rights of the Parties, Record and
4 Basis for Decision. The proposed Sections 1212(b) and
5 (c)(2) allow public comments to be included in the hearing
6 record and relied on in a Commission decision, only if the
7 comments are received into evidence at a hearing. And the
8 commenter is subject to cross-examination among some other
9 requirements, but our focus is on these two requirements.

10 The result of these amendments is in absolute
11 conflict with the California Environmental Quality Act.
12 The result is that public comments would be prohibited from
13 automatically being part of the record and only public
14 comment accepted at a hearing could support a finding.
15 Written comments simply filed with the Commission could not
16 be used to support a finding.

17 CEQA clearly requires the record to automatically
18 include all public comments, written or oral, that are
19 submitted to the Commission prior to the close of the
20 hearing record.

21 In addition CEQA strongly favors public
22 participation; this is the heart of the CEQA. These
23 sections 1212(b) and (c)(2) would not only force members of
24 the public to attend a hearing to get oral and written
25 comments into the record, but for the Commission to rely on

1 those comments the members of public would be subject to
2 cross-examination by staff, by the Applicant or any other
3 party who wishes to do so.

4 This is a big hurdle for members of the public,
5 particularly those who aren't often doing business at the
6 Commission. And we just simply cannot see how the
7 Commission can adopt these amendments, the 1212(b) and
8 (c)(2) and still have a CEQA functional equivalent process;
9 the two just don't mesh. CEQA does not allow big hurdles
10 for public participation.

11 So we recommend that Section 12(b) be revised, so
12 that the hearing record automatically includes all oral or
13 written public comments that are submitted to the
14 Commission prior to the close of the hearing record.

15 And we also recommend that Section 1212(c)(2) be
16 revised so that the Commission's decisions are based on the
17 whole record, including public comments submitted prior to
18 the close of the record.

19 This would be consistent with CEQA. And without
20 these changes the Commission process frankly is not going
21 to be a CEQA equivalent process.

22 Thank you very much.

23 CHAIRMAN WEISENMILLER: Thank you.

24 Jeff Harris?

25 MR. HARRIS: Good morning, I'm Jeff Harris. I'm

1 here on behalf of the Independent Energy Producers
2 Association, IEP, as it's more commonly known -- one of the
3 oldest nonprofit trade associations representing
4 independent power producers and power marketers. Nearly
5 one third of all the capacity in the state of California is
6 owned or operated by IEP members. And so we've been
7 appreciative of the opportunity to participate in this
8 proceeding.

9 This is Jeff Harris and I did check "support."
10 And that was not a mistake and I'm glad to be here
11 supporting the final decision that's been put forth.

12 I've been working very closely with Jared, in
13 particular. I want to thank him for his hard work,
14 willingness to take both my sense of humor and my language.
15 He was nearly perfect, which means he didn't take all of my
16 suggestions. But I think worked with us honestly and we
17 always understood the basis for his decisions, his
18 recommendations to the Commission. So thank you very much
19 for your hard work Jared on this, it's very important and
20 was very well done.

21 IEP's comments started long and got short, which
22 tells you the process was working -- a lot to talk about
23 early, and then eventually down to just a couple of pages
24 of comments.

25 There are a few issues that are going be dealt

1 with in the final Statement of Reasons, which I think are
2 important -- mostly making a record of the intent of the
3 Commission in making the changes, particularly about
4 retroactive application potentially. And I think we've got
5 a good, clear statement now potentially for the Statement
6 of the FSOR, which I hate, Final Statement of Reasons,
7 which will help things.

8 I also want to say I do think your changes to
9 1212(b) and (c) are consistent with CEQA. I think you
10 could have left those sections the way they are, but I
11 think where you ended up is consistent with CEQA. I think
12 that public comment will end up in the record. I don't
13 think that was ever in question. The issue is how is that
14 used and how does it affect the due process rights of
15 Applicants?

16 And notice and opportunity to discuss an issue
17 instead of having things come in last minute is very
18 important to IEP's members. We want to avoid situations
19 where you create an incentive for people to come in last
20 minute with issues. Everything needs to be put on the
21 table early. And I think the compromise language that was
22 struck will fully achieve that. So I would have been happy
23 if the language remained as it was before, but I think
24 where we got -- where we got? -- where we ended up was
25 good.

1 I also want to, I guess just in closing, also
2 acknowledge Jeff Ogata although I refuse to accept his
3 resignation, so he will be around for awhile. So thank you
4 Jeff, for all your hard work, and Jared.

5 So and I'll be happy to answer any questions too.
6 Thanks.

7 CHAIRMAN WEISENMILLER: Anyone else in the room?
8 Then let's go to the phone lines, we have one commenter.
9 Yes, we have one. Lisa, please?

10 (Colloquy regarding audio issues.)

11 MS. BELENKY: Hi, does that work?

12 CHAIRMAN WEISENMILLER: Yes, it does. Great.

13 MS. BELENKY: Hello? Good, I don't know what
14 happened, sorry.

15 This is Lisa Belenky with the Center for
16 Biological Diversity. I also want to thank the Commission,
17 and particularly Jared, for all his work on these
18 amendments, many of which are clarifying and do overall
19 make the Regulations easier to understand.

20 We support the concern raised by Ms. Koss about
21 the 1212. The need for cross-examination seems to be
22 conflicting with the CEQA requirement regarding public
23 comment in order to rely on those comments. And I'm not
24 sure how -- that there's simple language there that you
25 could fix it with. And we would probably prefer if those

16

1 sections were removed, because we don't think that they
2 comply with CEQA. And therefore this would not meet the
3 functional equivalent test, which may need to be revised in
4 any case.

5 But I am actually calling specifically about the
6 section 1211.7(c), which discusses limiting the
7 participation by interveners and that they may be required
8 to consolidate their participation.

9 While this is taken from the Government Code
10 11440.50(c)(3) in that case, in the Government Code it
11 actually says, "combine" and in these proposals it says
12 "consolidate." And we're concerned that there may be a
13 difference between those. Particularly as it may seem to
14 the Commission, at first blush, that some of the
15 interveners have similar issues. But they may in fact have
16 very different takes on those issues, very different ways
17 of approaching those issues and very different questions
18 that they want to raise, for example, in cross-examination.

19 As you know the Center has participated in quite
20 a few hearings and we have always tried to combine, and to
21 coordinate our work, with other interveners to minimize
22 cross-examination and any duplication of questions,
23 etcetera. But we feel that the way that this is stated in
24 this Regulation would appear to allow the Commission to
25 force interveners to combine all of their participation to

1 consolidate in fact their briefing, for example. And to
2 consolidate their representation, which may cause other
3 issues as well as different interveners may have different
4 counsel.

5 So we are concerned that this is too broadly
6 worded and that the use of the term "consolidate" versus
7 "combine" -- combining for the purpose of presentation is
8 very different than consolidating your participation
9 overall in a matter. So we would like to see that removed,
10 the word, "consolidate." And if the Commission would like
11 to use the term that's in the statute the term is
12 "combine."

13 And overall, we think there need to be side
14 boards on this, so that interveners are treated as parties,
15 which is the intent and not subject to a sort of second-
16 class status during hearings.

17 Thank you.

18 CHAIRMAN WEISENMILLER: Thank you.

19 Anyone else on the line?

20 So let's transition over to -- well actually,
21 first, Jared. Do you have responses to the two comments?

22 MR. BABULA: Yeah, I can respond to those.

23 So first on the intervention, the staff feels
24 that the language we added is more for a -- to provide
25 notice to potential interveners of the ability that their

1 intervention maybe could be modified, that the existing
2 authority of the Presiding Member is to do everything that
3 we've identified. That's already there, but it's not as
4 clear in the regs now as we have added where we took some
5 specific samples from the APA that shows how intervention
6 can proceed and what limitations.

7 So for example, a certain topic, or if the
8 intervener does it rather late in the process they may not
9 be able to go back and do Discovery. So there's a lot of
10 aspects to intervention, but we don't believe that the
11 practice will change all that much. It was merely to
12 identify in the language upfront that there may be
13 limitations imposed so that there's some notice that when
14 someone intervenes they won't be surprised.

15 Regarding 1212 we had considerable discussion on
16 the hearing record and the different mechanisms of
17 developing the record. One thing to keep in mind, unlike
18 CEQA there's sort of a two-part system here, where there is
19 the process to develop the staff assessment, which entails
20 workshops and public comment and feedback and letters and
21 things being put into the record or the docket that help
22 staff understand the concerns of the local people and
23 interveners and stakeholders. So that, that could get
24 developed into the staff assessment.

25 Then when you get to the evidentiary hearing and

1 you develop your hearing record now you're at a part where
2 the project is well defined, there's been a staff
3 assessment, there's been the buildup to get to that
4 document. And now you're doing the final development of the
5 hearing record, which will be what the Commissioners use to
6 make the decision. And so in that process you have this
7 ability for the public commenters to now comment on a more
8 defined record.

9 And so there's three mechanisms in which public
10 comment gets into this hearing record. One would be to be
11 present at the evidentiary hearing. One would be to make
12 comments on the staff assessment, because those comments
13 would be summarized and responded to, and that goes into
14 the hearing record. Or letters could be brought to the
15 hearing record by the parties, but the Commission can take
16 notice of comment letters. And all that happens without
17 cross-examination or any procedural thing. It's just those
18 are part of the hearing record.

19 And if you look in the current regs, and in the
20 new regs, the decision is based on the whole of the record.
21 So the whole hearing record is what is considered.

22 The fine point here that needs to be articulated
23 is what can you use to make a finding or base? What
24 information can you use to base a finding or get to some
25 resolution of an issue? Currently public comment isn't

1 available that could support a finding -- that could
2 support additional information. But in and of itself,
3 that's not a method that can be used. You need to have it
4 sort of tied to other information already in the record.

5 We did include -- and this was an area that some
6 stakeholders didn't agree with -- but we did include a
7 mechanism where potentially public comment, in and of
8 itself, can support a finding. But there are some due
9 process procedural limitations of that. And so I want to
10 be clear that generally all public comments is going to
11 come into the record, the hearing record, but some
12 potential subset of that may be used to support a finding
13 in some certain circumstances.

14 So it's not that all public comments are going to
15 need to be cross-examined for it to be in the hearing
16 record, that's not true. Public comment is going to come
17 in the same way it does now and there's going to be a lot
18 of opportunity for that to happen, because that's very
19 important. We certainly do not want to put forth any regs
20 that limit public comment.

21 But what we want to do is have a clean, focused
22 hearing record, and not include the entire docket that may
23 have information from the project as it was prior to
24 changing. Let's say there is a project change, we don't
25 want to clutter the final hearing record that we're going

1 to use to base a decision, with facts and information of
2 features of the project that are no longer relevant.

3 And so that's one reason why there's sort of this
4 two-stage process where you develop the staff assessment,
5 get the final staff's report on the project. That's going
6 to have a lot of public process. And then you're going to
7 go into the evidentiary hearing where you get in front of
8 the decision makers and there's going to be opportunity for
9 public comment. And finally there is public comment on the
10 proposed decision.

11 If you have any further questions, I think I
12 covered both of their issues. Thank you.

13 CHAIRMAN WEISENMILLER: Okay, thanks.

14 So let's transition now to conversation among the
15 Commissioners, Commissioner Douglas?

16 COMMISSIONER DOUGLAS: Yes, thank you.

17 So I've got a number of comments really about all
18 of this. But I just want to start by saying that this has
19 been a very long process in a very long time in coming to
20 get where we are today.

21 We launched this review of our Siting
22 Regulations. And, of course, Chair Weisenmiller and I were
23 both deeply engaged in this and made the decision together
24 to do this. And it was because we had just been through
25 the really intensive process of permitting the ARRA

1 projects. And as part of that our process was put under
2 some significant stress, both in terms of efficiency and
3 also in terms of the fact that we had a lot more public
4 interest and public participation.

5 We had interveners who did not have any prior
6 experience in our process, but who have a lot of experience
7 in local government processes. Picking up our Regulations
8 and trying to pick their way through them, and trying to
9 understand what they said, and trying to mesh what they
10 could glean about our process with what they knew and know
11 about local government processes and other agency
12 processes. And it was very clear that there was a lot
13 learned out of that experience that should be brought
14 forward into revisions to the Regulations.

15 And so a number of the issues that we were trying
16 to address and that we wanted to achieve -- and some of
17 this has been mentioned and some of this may be only in
18 passing, but I think I should put a little more emphasis on
19 -- one is just to consolidate and clarify the Regulations.
20 The current Regulations that we have, have provisions that
21 are relevant to certain questions in various sections. And
22 you actually have to do quite a bit of cross-referencing
23 sometimes to figure out what the Regulations say about
24 certain kinds of procedural questions.

25 And so we wanted to simplify the Regulations. We

1 wanted to make it easier for somebody who might not be
2 familiar with our process to pick up the Regulations, look
3 at them and get a general sense of how it works. And I
4 think that the proposal that we have in front of us today
5 does that very, very well.

6 We wanted to create -- you know, one of the
7 things that we heard consistently from some of the
8 environmental groups especially, that participated in our
9 process during the processing of the ARRA projects, was
10 some frustration with the fact that the iterative nature of
11 the process that we have where there are really so many,
12 touches with the public. You know, there are workshops and
13 then there's the preliminary staff assessment and then
14 there's the final staff assessment. And then there are
15 evidentiary hearings and then there's a PMPD.

16 And you almost have in some sense too many
17 chances to comment. And, you know, not -- in the sense
18 that if you have limited resources and you've got a number
19 of projects you're following you kind of want to know,
20 "Well, where do I comment? And at what point do I comment
21 in order to ensure my comments will receive responses? And
22 then where do I find those responses? And how do I know
23 what the Energy Commission did with my comment?"

24 And so one of the issues that we really struggled
25 through was to find a way to mesh and build in a firm

1 comment and response timeframe into our process. So that
2 we would be able to say to people who had limited
3 resources, but wanted to comment and wanted to be involved
4 and engaged in some way, "Send in your comments on this
5 document. You'll find the response here. If you're
6 satisfied, great and if you're not satisfied the next step
7 is evidentiary hearings." And so that was achieved and as
8 Jeff mentioned obliquely, not perfectly right away.

9 I mean, that was one of the things that we really
10 had to work through with participants in this process,
11 because I don't know that anyone was too thrilled with the
12 first iteration that we threw out. But we kept at it and I
13 think found a way to make that work.

14 Another major goal of this was to update the
15 Regulations to reflect the role of the Docket Unit.
16 Everyone who participates in our process knows all about
17 dockets now and also e-Filing. And just simply it
18 reflecting and taking advantage of the advancements in
19 technology that have occurred since the last time we went
20 through our Regulations and updated the Regulations.
21 That's been done here.

22 We spent a lot of time and a lot of effort on
23 language to clarify rights and rules of parties, the
24 record. The current Regulations actually refer to the
25 record in three different ways and we've managed to take

1 that to two and maintain the functionality.

2 I remember well once working on a PMPD and my
3 team and my office for some reason had to do some forensic
4 work in the Regulations. And we found the administrative
5 record and the hearing record and the evidentiary record.
6 And for some reason it was important to parse what those
7 meant and it was really aggravating. And so we just -- you
8 know, the more you clarity you have the better. So these
9 Regulations I think provide a lot more clarity and guidance
10 about the process.

11 Another thing that these Regulations do -- and
12 Jared probably talked about this a bit, but again it was
13 quickly -- is that they create a new process for members of
14 the public to file a request for investigation or a
15 complaint when they believe that some aspect of Energy
16 Commission Regulations or decisions are not being complied
17 with. This is not just for siting this is an Energy
18 Commission-wide provision.

19 One thing I want to emphasize about this is that
20 we strongly encourage the -- where appropriate, the
21 informal -- You know, in a siting case for example call
22 the Compliance Manager or call the Hotline. Let's try to
23 resolve the issue, but we have created a very clear process
24 for elevating issues when there are issues. And again,
25 that's not just siting. That applies to programs

1 throughout the Energy Commission.

2 So now I'll go quickly to the two comments that
3 were raised.

4 On the public comment issue, this was the
5 hornet's nest that every once in awhile we wondered if we
6 should have approached. But the issue that we're trying to
7 address, and Jared spoke very correctly about this, is that
8 the way our adjudicative process currently works we
9 absolutely can, in our decisions, take into account public
10 comment. And we can use public comment to support and
11 bolster a finding, but we cannot use public comment as the
12 sole basis of a finding.

13 So if it turns out -- and this is rare -- if it
14 turns out that a member of the public shows up at a hearing
15 and provides some gem of information that nobody else
16 covered, not talked about in the staff assessment, not a
17 single witness in the room who can speak to it, none of the
18 parties have anyone who can speak to it. And here is this
19 member of the public saying, "Well I was there and this is
20 what it looks like," or whatever the case may be. What
21 this proposed Regulation does is it gives us a mechanism
22 protective of the rights, especially of the Applicant, to
23 not be surprised, because we try to minimize surprise in
24 our process. But it gives us an opportunity to use the
25 information.

1 And the process that's envisioned is that maybe
2 the one person out of a hundred who stands up and offers
3 this gem and has the Presiding Member thinking, "Oh, boy.
4 I wish -- you know, this is really something that I'd like
5 to use." There's nothing like this in the staff
6 assessment, you know, might ask staff and Applicant, "Can
7 you speak to this?" "Well, no we can't." "Well we might
8 think about we might really want to use this. Would you be
9 willing to answer some questions about it?"

10 And if they say, "No" that's fine, because we can
11 always -- and this is important to emphasize -- we can
12 always take a pause and schedule a new hearing. And tell
13 all the staff and Applicant and parties, "You know, we
14 actually need to know more about this. And the Commission
15 -- the Committee is not willing to move forward until we
16 know more about this." That's an avenue that's always open
17 to us.

18 And so the very small and yet helpful thing that
19 this new language tries to do, is give us an opportunity to
20 on the spot, where appropriate -- and which is going to be
21 -- I think very seldom -- be able to take that information
22 into the adjudicative part of our process and use it to
23 support finding in the absence of other corroborating
24 information. And I don't see it being used very often.
25 We've spent a huge amount on this issue for a pretty small

1 and narrow fix and so I just offer that.

2 The second issue I'll speak to briefly is what
3 Lisa Belenky raised on intervention as I had not heard
4 before the question about "consolidate" versus "combine."

5 I think that where I really want to go with this
6 is that as she noted very correctly, the Commission, at
7 least in my time on it, I don't we have ever told
8 interveners that they had to consolidate. I think it's
9 something that has been and is at the discretion of the
10 Presiding Member. But we have been much more along the
11 lines of asking interveners to be efficient and coordinate
12 and work out who is in the lead on what issues or who is
13 presenting on what issues and increasingly trying to focus
14 the whole process, so that we can get the best information
15 possible on different topics.

16 But, you know, I hear the concern. I just --
17 from as Jared said -- I just want to emphasize that this
18 language does not expand on the authorities of the
19 Presiding Member in any way in my opinion, outside of
20 whether if someone opened a Black's Law Dictionary in front
21 of me right now I could find a difference between
22 "consolidate" and "combine" -- that I would need someone to
23 pull up the definitions for me. But the intent here is to
24 provide more visibility and awareness of the authorities
25 that currently exist.

1 So those are a lot of comments, but then again we
2 spent a lot of years on this package.

3 COMMISSIONER MCALLISTER: So I want to just thank
4 Commissioner Douglas for taking on the yeoman's task here
5 and staff -- you know, Jared and Jeff and the team -- of
6 taking on rolling up your sleeves and really, really
7 working through the issues. I think I've paid attention to
8 this from afar not having been a lead on it, but certainly
9 agree that the clarifications in a sort of administrative
10 clarity, process clarity, was needed having been on a few
11 cases now.

12 And I guess, you know, I think certainly the
13 Committee has all the authority to do what it thinks needs
14 to be done whether or not these changes happen. But they
15 really improve the process and so I think that's important
16 to note that as we move increasingly into the low carbon
17 future. And we have a lot of issues come up in our various
18 proceedings, and various types of plants and siting cases,
19 that the substance will still be treated completely and
20 thoroughly in the process.

21 I think if there are any worries about that they
22 are there -- I don't think they're founded, really. So my
23 experience with the process is that it really does allow us
24 to do what's needed, so that's why I'm supportive.

25 COMMISSIONER SCOTT: I also wanted to say thank

30

1 you very much to Commissioner Douglas for her leadership on
2 this. I got to be involved in it a little bit
3 peripherally, so I feel like I've got some good details on
4 this as well. And I wanted to echo the thanks to Jared and
5 to Jeff and to the team for their terrific work on this. I
6 mean, they really had to dig in to the details, dig into
7 the weeds here.

8 But I think that we had a really good public
9 process here. And as Commissioner Douglas mentioned there
10 were many iterations, as we went through this, to make sure
11 that we got these important changes to our siting rules
12 right.

13 And I think what we have before us are some
14 really good clarifications and some sensible changes. And
15 I'm supportive of this as well.

16 CHAIRMAN WEISENMILLER: I also wanted to chime
17 and thank you for your leadership on this and thank staff
18 for the work.

19 As you recall, after my first year it was pretty
20 clear that it was time to go back and dig in to the siting
21 process, make changes, and certainly it's better now. I
22 mean, just the addition of the e-Filing. As you remember
23 we had some kludgy (phonetic) approaches to shift from
24 paper to e-Filing in that first year.

25 But anyway, again thanks for all the hard work on

1 this. And I look forward to that continual investigation
2 of how we can enhance our processes.

3 COMMISSIONER DOUGLAS: Thank you.

4 And yeah, this one has been as I said many, many,
5 many years in the making. So I also want to thank everyone
6 who engaged with us throughout this process. It's not
7 particularly fun to spend hours looking at process
8 Regulations. But as you know those of us who have
9 experienced the actual process know, it's also really
10 important.

11 And having rules that are clear and predictable
12 and easy to understand really helps everybody focus more on
13 the issues that are really important as opposed to issues
14 that are peripheral and more about process and
15 interpretation. And so I think that's one of the important
16 things that this will achieve.

17 And maybe I'll just make one more comment about
18 something Jeff Harris raised, which is the clear Statement
19 of Intent that I know is important to IEP. That first of
20 all, you know, these new regulation come into effect --
21 when they come into effect and not before -- in some sense
22 that part of the statement is obvious, but also that
23 they're not to be applied retroactively. It's not a "Got
24 you."

25 And so if there's something that we call out as

1 part of the new process in our Regulations it is supposed
2 to happen early in the process. And you've got a project
3 now by the time these come into effect that is well past
4 that early stage in the process. It's not like we're going
5 to scour the new Regulations and look for every single box
6 that needs to be redone. We're just not going to do that.

7 And so I believe that the transition to the new
8 Regulations will be smooth, but I think it is important to
9 state the intent not to apply this retroactively.

10 So with that, I'll move approval of this item.

11 COMMISSIONER SCOTT: Second.

12 CHAIRMAN WEISENMILLER: All those in favor?

13 (Ayes.)

14 CHAIRMAN WEISENMILLER: This item passes 4-0.

15 Thank you, again.

16 COMMISSIONER DOUGLAS: Thank you. And I'll join
17 everyone in thanking the staff, Jared and Jeff, but also
18 there was a huge effort on the Siting Team: Roger,
19 Angelique, many others really came and put hours into this
20 over a long period of time.

21 MR. BABULA: Right, it was quite a team and the
22 Public Adviser as well. And I would like to thank
23 Rachel Koss and Jeff Harris too for the feedback that we
24 got. And they were patient and had thoughtful comments, so
25 it was a really good process.

1 COMMISSIONER DOUGLAS: Jared, you're right to
2 raise the Public Adviser. And not only the Public Adviser,
3 but I think probably three Public Advisers over the course
4 of this.

5 CHAIRMAN WEISENMILLER: Okay, thanks.

6 Let's go on to Item 4, Palen Solar Power Project.
7 Mr. Ellison?

8 COMMISSIONER SCOTT: Oh, so the Palen Solar
9 Project is a project that I worked on while I was at the
10 Department of the Interior. And I had some discussions
11 with the Chief Counsel's Office and given some kind of gray
12 areas in the application of the facts, and the law on this
13 one, I'm going to err on the side of caution and recuse
14 myself from today's discussion and vote.

15 (Commissioner Scott recused herself.)

16 CHAIRMAN WEISENMILLER: Okay.

17 MR. ELLISON: Thank you, Commissioners.
18 Christopher Ellison; Ellison, Schneider & Harris on behalf
19 of Abengoa Solar, the Petitioner in this matter.

20 Before I say anything else let me add my
21 congratulations to Jeff Ogata for his exemplary public
22 service. And also congratulate the Commission on the
23 Siting Regulations. I think that's a huge achievement for
24 everybody.

25 We wanted to make a brief opening statement here.

1 First to make clear -- as we think we already have in our
2 written responses -- that Abengoa Solar is prepared to have
3 this extension conditioned expressly on using only a trough
4 technology. And that it be conditioned expressly on filing
5 an amendment this year. In a moment I'm going to ask --
6 we're going to discuss the decision to go to trough
7 technology and on how that decision was made. I do want to
8 address two other issues quickly though.

9 First, to the extent there's been confusion about
10 the nature of this project given the amendments that have
11 been previously filed and the various ownership changes, I
12 want to be clear that when we file the amendment there will
13 be a complete project description filed with that. And
14 that that project description will supplant any other prior
15 project descriptions. And people can rely on that project
16 description without having to go back into the record and
17 look at anything else to understand what's being proposed.

18 And secondly, I want to be clear that we believe
19 an amendment is appropriate as opposed to a new
20 application. In part precisely because we are going back
21 to the trough technology, which is what was previously
22 licensed. And that a great deal of the Commission's
23 extensive effort in reaching that initial decision remains
24 valid. And there's no reason to go back and re-litigate
25 and have all the parties and the staff redo all the work

1 that is still valid and can be applied.

2 So with that let me introduce Matt Stucky and
3 Christopher Hansmeyer from Abengoa Solar. And they're
4 going to briefly address the nature of the decision to go
5 to trough, how that decision was made, why it was made,
6 etcetera.

7 MR. STUCKY: Good morning, Commissioners. My
8 name is Matt Stucky with Abengoa Solar, I'm Development
9 Manager for this project.

10 Abengoa Solar would like to take this opportunity
11 to address the Energy Commission and further clarify our
12 intentions with respect to the Palen Solar Power Project.
13 As stated in our recent comment letter filed in this
14 proceeding we are proposing to construct and operate a
15 solar thermal project utilizing parabolic trough
16 technology.

17 Physically the proposed plant will be very
18 similar to that proposed by the original Applicant and
19 approved by the Commission in 2010.

20 There will be two power blocks, each designed to
21 produce and deliver 250 megawatts of electricity,
22 surrounded by a solar field comprised of trough-shaped
23 solar collectors. The most significant change will be the
24 addition of a thermal energy storage component.

25 In all other respects, the proposed project will

1 be very comparable to the originally approved design.
2 The footprint will be similar to the reconfigured
3 alternatives proposed by the original Applicant, which
4 moved the northeast boundary of the project to minimize
5 impacts to the San Transport Corridor. The proposed
6 grading plan will be comparable, proposed water usage will
7 also be comparable. So from an environmental perspective
8 the issues and impacts associated with the project will be
9 substantially similar to those analyzed for the original
10 project.

11 For that reason, we think it makes sense to
12 evaluate the updated project as an amendment to the
13 existing decision rather than starting from scratch with a
14 new application for certification. Several issues that
15 have been considered and resolved will not need to be
16 reopened and re-litigated. And this approach will save the
17 resources of all parties involved.

18 Finally, we would like to briefly elaborate on
19 the addition of energy storage to the project. The
20 addition of energy storage will revolutionize the way the
21 project operates and increase the value it will bring to
22 the State of California, yet will require only minor
23 adjustments to the physical layout of the project.

24 The project will be configured to decouple the
25 solar energy collection process from the electricity

1 generation process. This will allow the project to address
2 a market need that has not typically been addressed by
3 solar projects. That is, providing a capacity product that
4 can be flexibly dispatched to meet the off-taker's specific
5 generation need, no matter how that needed changes
6 seasonally or over the years.

7 In short, the project will provide the same
8 function as a gas peaker plant. It will help address the
9 CAISO duck curve and reliability issues. And will do so as
10 a renewable resource that simultaneously helps the state
11 meet its greenhouse gas reduction goals.

12 Now this market need could be met with either a
13 molten salt power tower project or a parabolic trough
14 project, coupled with thermal energy storage. Abengoa
15 Solar has experience with both technologies and is pursuing
16 both types of projects globally. However, given unique
17 site-specific circumstances in taking all aspects of this
18 development into consideration, we've determined that
19 proposing a trough project with storage is the best fit for
20 this location.

21 So in conclusion we ask the Commission to grant
22 our extension request and allow us to file a formal
23 Petition To Amend later this year. And we thank you for
24 the consideration you've given our current petition.
25 Thanks.

1 CHAIRMAN WEISENMILLER: Okay, staff?

2 MR. PAYNE: Yeah. Commissioners, I'm Lon Payne.
3 I'm a Siting Project Manager in the Siting Office of STEP
4 Division. And to my left is the esteemed Jeff Ogata of
5 CEC's Legal Office --

6 MR. OGATA: Not for long.

7 MR. PAYNE: -- who would be handling this matter
8 on our behalf.

9 And I'd also like to recognize for the record
10 Roger Johnson, the Deputy Division Director of STEP
11 Division in case he has anything else to add on the matter.

12 MR. OGATA: Chair Weisenmiller, Commissioners, I
13 am Jeff Ogata, Staff Counsel.

14 The Project Owner has described the request that
15 he is making and staff is not opposing the petition for
16 extension of the construction deadline. As you know, from
17 reading staff's position statement however we have several
18 concerns about the request. Several have been addressed by
19 Mr. Ellison and Mr. Stucky.

20 Title 20 California Code of Regulations Section
21 1720.3 provides that the Commission may grant an extension
22 of the deadline to commence construction of the facility
23 upon a showing of good cause. The Project Owner, staff and
24 the parties who commented, including the Center for
25 Biological Diversity, agree on the factors that make up

1 good cause based on past Commission decisions.

2 The Commission has held that the determination of
3 good cause to grant an extension of the construction
4 deadline requires consideration of three factors: one,
5 whether the Project Owner was diligent in seeking to begin
6 construction and in seeking the extension. Two, whether
7 factors beyond the Project Owner's control prevented
8 success. And three, comparing the amount of time and
9 resources that would have to be spent by the Project Owner,
10 the Commission and interested persons in processing any
11 amendments to the license if the extension is granted.
12 With the amount of time and resources that would have to be
13 spent in processing a new application for certification, or
14 AFC if the extension is denied.

15 With respect to diligence, the Project Owner has
16 described the changes in ownership of the project. While
17 staff is not convinced that there has been diligence in
18 constructing the originally licensed project we understand
19 the difficulties that remain in bringing a project online
20 even after the Commission has issued the license.

21 Whether there are factors beyond the control the
22 Project Owner is also a matter of perception. Instead of
23 building the permitted project, the Project Owner decided
24 to bring in an amendment to change the technology that
25 would be used. That effort took some of the time that

1 could have been used to begin construction.

2 And finally we agree with the stakeholders that
3 filing a new AFC would be preferable to proceeding with yet
4 another amendment to this project. Although the recently
5 abandoned amendment could be entirely disregarded -- this
6 is a project the owner is saying it would build a solar
7 trough project, similar to the originally licensed project
8 -- there could be confusion for the public and stakeholders
9 as to what project staff is analyzing for California
10 Environmental Quality Act purposes.

11 As Mr. Ellison and Mr. Stucky just referred to, a
12 well-prepared amendment petition would be needed to
13 minimize any confusion on what is being changed from the
14 project that was approved.

15 We can't say if more or less resources will be
16 required to process a new amendment versus an AFC, because
17 we don't know exactly what the proposed amendments are.
18 Based on the Project Owner's representation, an amendment
19 may proceed faster using fewer resources. But using a new
20 AFC would ensure that there is a clean administrative
21 record and no confusion about what the project is.

22 Also, in case the Project Owner is not able to
23 begin construction by December 15th, 2016 it will have to
24 return to the Commission for another extension of time.

25 For the record the following Indian tribes,

1 organizations and persons have filed written comments
2 opposing the extension of time. The Quechan Tribe of
3 Ft. Yuma Indian Reservation, the Colorado River Indian
4 tribes, the County of Riverside, the Basin and Range Watch,
5 the Center for Biological Diversity, Defenders of Wildlife,
6 the Sierra Club, a coalition of 17 California desert
7 organizations and 7 individuals.

8 In conclusion, a solar trough project with
9 storage is a project the staff would like to analyze at
10 this location. And so we do not oppose requests combined
11 with the two conditions set forth by the Project Owner.

12 Staff has prepared a Draft Order for your
13 consideration that is in the backup materials that are made
14 available to you and the public.

15 And we do want to point out that the staff has
16 inserted into the proposed order a condition that if that
17 the petition for amendment is not received by 5:00 p.m. on
18 December 22nd, 2015 that the order is automatically
19 rescinded and the permit shall be deemed to have expired as
20 of December 15th, 2015.

21 So depending upon what your decision is, there
22 may be an additional clarification that we would like to
23 propose to the Draft Order, so it's subject to whatever you
24 guys decide. Thank you.

25 CHAIRMAN WEISENMILLER: Thank you.

1 So first, anyone else in the room?

2 None, let's go to the line.

3 Ms. Belenky from the Center, please.

4 MS. BELENKY: Hello?

5 CHAIRMAN WEISENMILLER: Yes, we can hear you.

6 Please go ahead.

7 MS. BELENKY: We have the details of our
8 opposition in our written materials that were filed with
9 the Board, the Commission. I think the most important
10 pieces of that, and our biggest concern at this point, we
11 agree with the staff that there hasn't likely been
12 diligence and there are not really factors beyond the
13 control of the owner that would have caused this delay.

14 As far as the new amendment we do actually think
15 that a new AFC would be far more efficient and preferable
16 than an amendment. And we are very concerned that there is
17 significant new information and changed circumstances from
18 the time that this initial application was approved and the
19 permit approved by the Commission. And that includes
20 issues about surface hydrology that are new.

21 We've seen some very unexpected impacts at two of
22 the projects nearby, one of which is a trough -- impacts to
23 avian species. Again we have seen impacts at the two large
24 projects nearby, one of which is a trough, that were never
25 evaluated or considered.

1 And there are impacts to terrestrial species as
2 well, including the Mojave fringe-toed lizard and the sand
3 habitat that we have quite a bit of new information on.
4 And also as to the rarity of those habitats and the status
5 of those species that were not evaluated initially into the
6 permit.

7 So all of those would have to pretty much start
8 from scratch, as well as some of the other issues that have
9 been raised. I believe one of the other interveners,
10 Colorado River Indian Tribes, has raised some similar
11 issues regarding the cultural.

12 So we very strongly believe that the Commission
13 should deny an extension and that a new AFC should be
14 filed. Thank you.

15 CHAIRMAN WEISENMILLER: Thank you.

16 Kevin Emmerich?

17 MR. EMMERICH: Hello, can you hear me?

18 CHAIRMAN WEISENMILLER: Yes I can.

19 MR. EMMERICH: Okay. Basin and Range Watch agrees
20 with Center. We would like to ask the Commission to oppose
21 the extension and have a new application filed for the
22 following reasons. During the power tower hearings for the
23 Palen Project, Abengoa actually said that a parabolic
24 trough was not a feasible alternative for them. So let's
25 take that into consideration. A parabolic trough will not

1 relieve the impact.

2 We too are concerned about hydrology,
3 specifically Abengoa's other U.S projects are both wet-
4 cooled. And the Harper Lake Mojave Project uses 2,200 acre
5 feet a year while Solana and Arizona uses 3,000. Solana
6 should also be noted, because there have been some recent
7 fuss about Solana where it only has about a 60 to 65
8 percent capacity factor and it's not running at full
9 capacity.

10 Other issues, a parabolic trough would require,
11 from what they're saying, a bigger footprint than the power
12 tower. And it too would impact terrestrial species more.

13 We agree that there is new information in the
14 five years since the first parabolic trough proposal was
15 set up here. Including there's been a drought in
16 California and that's been affecting a lot of the species.
17 There are cumulative impacts from other large scale solar
18 projects that are nearby that weren't there during the
19 first application.

20 Bird kills are a big deal in the Genesis Project.
21 And there were quite some large numbers of incidental kills
22 in 2013 during the construction of that project, so that's
23 not going to go away.

24 Cultural resources, this will be a very big
25 project. It will impact on-the-ground resources just like

1 the Genesis Project did at Ford Dry Lake. We know about
2 that incident and how severe it was. Visual resources,
3 parabolic troughs have flash glare events that can be seen
4 both from the ground and from above. And this will still
5 impact wilderness areas as well as Joshua Tree National
6 Park.

7 So if the Applicant was so unsure if this is a
8 feasible alternative during the power tower hearings it
9 really seems odd that they want to try to get this together
10 by December 2016. And we would again really like to urge
11 you to deny this petition and start over, because the
12 impacts are going to be quite intense as we have learned in
13 the past six years from these big projects. Thank you.

14 CHAIRMAN WEISENMILLER: Thank you.

15 Anyone else on the line?

16 Applicant, do you want to respond?

17 MR. ELLISON: Certainly and I will just say two
18 things.

19 First, there will certainly be an opportunity
20 when we file the amendment for parties to raise issues
21 where they believe that circumstances have changed or
22 there's new information. That we do not intend to preclude
23 that, but there are a number of disciplines that have not
24 been raised in these comments where we believe that is not
25 the case and the prior record is valid. And the issue is,

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1 "Are we going to re-litigate those with a new application
2 as opposed to rely upon the uncontroverted, currently valid
3 record that has already been developed?"

4 Secondly, with respect to the prior concerns that
5 Abengoa had, and that it's true, about the feasibility of
6 trough I will say two things.

7 First, at the time that Abengoa had those
8 concerns the project was subject to a power cells
9 agreement. And one of the reasons that trough was not
10 feasible is it didn't conform to that power cells
11 agreement. That power cells agreement has expired.

12 Secondly, Abengoa has -- as explained by Mr.
13 Stucky -- figured out a way to make trough work in this
14 marketplace in a way that is responsive to the market that
15 we felt was not the case previously. And that the addition
16 of storage is a key component of that.

17 So those are the issues that I think merit being
18 addressed that have been raised in the comments. Do you
19 want to add anything, either of you?

20 MR. STUCKY: No.

21 MR. ELLISON: Okay, that's our response. Thank
22 you.

23 CHAIRMAN WEISENMILLER: Thank you.

24 COMMISSIONER DOUGLAS: So I just wanted to make a
25 couple of comments as we look at this issue.

1 One is that just one of the things I did, as this
2 issue came up, was take a look at how the Commission has
3 handled similar, comparable, not identical requests for
4 extensions in the past. As I think people know we've
5 generally had a practice of granting reasonable extension
6 requests.

7 And the conditions, particularly, that the
8 Applicant is proposing or willing to accept on this one
9 certainly mitigate against the concern that we might be
10 extending a project and then maybe being asked to extend it
11 yet again. I mean they are proposing a timeline that will
12 be fairly near term. And I think that's, from my point of
13 view, a good thing.

14 The due diligence and factors outside of your
15 control analysis, as I think somebody said, can be a bit
16 subjective. At one extreme you may have a Project
17 Applicant that kind of doesn't write and doesn't call and
18 doesn't file things on time and appears at the last minute
19 hoping for an extension. And that's clearly not the case
20 with this project.

21 I mean this project diligently pursued an
22 amendment. They didn't diligently seek to build the
23 project we permitted in the first place, but they didn't
24 disappear, as I think everyone following this process knows
25 very well.

1 The only kind of comparable situation I found to
2 that -- and I didn't do a comprehensive review in any way,
3 shape, or form -- but in the Black Rock Project, which this
4 Commission has taken action on we approved a license in
5 2003 and approved an extension that was followed by an
6 amendment, which was followed by an extension for the
7 amended project.

8 And so clearly I think we did give the project
9 some credit for having put the resources and effort into
10 developing the site that is at least required to file and
11 process an amendment with us, which is not a small thing as
12 people who are involved in our process also know. It can
13 be expensive to file and process an amendment. It can take
14 quite a bit of time and effort as well.

15 The time and resources saved in terms of
16 approaching this as an amendment versus an AFC I think
17 there will be some. I hear staff's caution about the --
18 and this has come out in some of the public comments as
19 well -- that in fact there could easily be new information
20 issues. And the CEQA requirements around amendments are
21 very clear. When there is an amendment the Commission's
22 required to make prudent and efficient use of the
23 environmental analyses compiled and the environmental
24 analysis done. And in our case that would be obviously the
25 work done for the license.

1 But there was also a tremendous amount of
2 analysis done for the amendment which was not voted on, but
3 which is in some cases for analysis pertaining to a power
4 tower not relevant. But some aspects of that could be
5 relevant. And we would want to use all existing
6 information that was useful and not re-litigate issues.
7 But we would definitely want to consider new information
8 and issues.

9 And CEQA addresses this in Section 21166 of the
10 statute and 15-162 of the Guidelines. We're required to
11 reuse the previous analysis except where it's necessary to
12 supplement it to address new information, project changes,
13 or changes in project circumstances that result in
14 significant impacts not previously analyzed. Or -- and
15 commenters addressed this today -- the possibility that
16 impacts that were previously analyzed might actually be
17 more significant or more severe than the prior analysis
18 found.

19 And so I think that with the amendment route, the
20 Project Owner would need to factor those provisions in
21 mind. And obviously starting with a complete project
22 description is very helpful.

23 I know staff places a lot of value in the data
24 adequacy process, which is -- of course, comes with the
25 filing an AFC and which is not formally part of an

1 amendment process. I think that even engaging even
2 informally with a form of data adequacy dialogue, if not
3 the formal process, actually could help things quite a bit.
4 Because I know that one of the things that staff worries
5 about is that we'll get a certain way down the road or they
6 will get a certain way down the road and not have something
7 that they might have been asking for, for some time. And
8 have that affect their analysis or affect the timeline or
9 both.

10 So all of that being said, I think there are
11 certainly some parts of the first analysis that can be
12 used. Although as staff noted there may be a significant
13 amount of supplementation needed in certain areas. So
14 those are some of my thoughts.

15 In any case I'm interested in what other
16 questions other commissioners may have or comments.

17 COMMISSIONER MCALLISTER: So just a couple
18 questions. I guess I'm interested in hearing a little bit
19 more about the footprint of the proposed idea now versus
20 the certified project. I guess, really that means
21 describing sort of what the storage piece of it looks like.
22 I mean I imagine there's quite a bit of earth movement or
23 I'm not sure what that entails from your perspective. But
24 that seems like a substantive change that I'd like to hear
25 a little more about.

1 Also I wanted to know about the status of an
2 application, if any, to the BLM for right-of-way or right-
3 of-grant.

4 MR. STUCKY: I can address those. This is
5 Matt Stucky with Abengoa Solar.

6 With regards to footprint one reason that we
7 haven't yet filed the Petition To Amend is that we are
8 finalizing that. But we do have a good sense of where
9 that's going and do expect that it will be smaller. The
10 overall footprint will be smaller in size than that
11 originally approved in the PSSP Project. Some of that has
12 to do with newer, updated trough technology and
13 efficiencies we can capture there.

14 With respect to earth movement yes, the project
15 does require earth movement, site grading, but we wouldn't
16 expect it this time any more than the originally approved
17 in the first project.

18 You know, adding storage is primarily a change
19 you would see in the power block with the addition of
20 molten salt storage tanks. But given how we intend this
21 project to be a peaker plant we don't see the addition of
22 storage meaning we need to add so much additional solar
23 field that it would expand the footprint beyond what was
24 originally contemplated.

25 So like we said in our statement we really do

1 expect the footprint to be very similar to that originally
2 approved.

3 COMMISSIONER MCALLISTER: Those tanks are not so
4 big that they fundamentally change the footprint?

5 MR. STUCKY: No.

6 COMMISSIONER MCALLISTER: Okay, thanks. And then
7 the BLM?

8 MR. STUCKY: Right. We have been in contact with
9 BLM and intend to file a Revised Plan of Development with
10 them on the same schedule that we proposed filing the
11 Petition to Amend here at the Energy Commission.

12 COMMISSIONER MCALLISTER: Okay. Okay, I guess
13 reading the staff recommendation here I guess -- and the
14 way you described it Jeff, you sort of said, "Well we're
15 not opposing, but really we'd like this other stuff."

16 So I guess, is there a firm recommendation from
17 staff here?

18 MR. OGATA: A firm recommendation. We believe
19 that there are a lot of questions that we've posed. I
20 think Mr. Ellison and Mr. Stucky have given us some answers
21 to that. Again, we're not privy to the details. Obviously
22 as I said they're still working out details. We are not
23 opposed to the extension of time as Commissioner Douglas
24 has pointed out. There is ample precedent for allowing an
25 extension for this kind of a project where we know that

1 there's going to be an amendment coming in.

2 So sort of based on that of course we're not
3 opposed to this, but again we do have some concerns. I
4 think Commissioner Douglas's described her thinking on a
5 lot of those and those are all perfectly valid.

6 Again, we don't really get into the diligence,
7 into that kind of thing, because again we're not privy to
8 that information about why it is that something was not
9 done. And we are aware -- we're not totally oblivious to
10 the fact -- that there's lots of other factors outside of
11 what happens in this building that may help or hinder
12 construction of projects that are licensed by us. But
13 again raising the issue about the factors that we have, we
14 have questions.

15 COMMISSIONER MCALLISTER: Okay.

16 MR OGATA: So I mean I don't know exactly what to
17 say unless Mr. Johnson who is the Deputy Director Of The
18 Siting Division wants to get up and offer additional
19 comments about that, but --

20 COMMISSIONER MCALLISTER: No, I think I
21 understand. I mean, I guess it sounds like it's kind of a
22 fear about resources sort of. And, "Okay, how much effort
23 is this amendment really going to be when it comes in?" and
24 some uncertainties there, so I understand that. And I
25 guess I would have similar concerns. And then apart from

1 the cleanliness of the record that will be created with a
2 new AFC.

3 But it sounds like clarity will come to this in
4 December anyway.

5 COMMISSIONER DOUGLAS: I think that part of what
6 I have said, and I'm thinking about and also trying to
7 articulate clearly, is that I think some of the questions
8 about new information or project changes are fair. And
9 that's something that we'll have to look at. And the
10 amendment process offers an avenue to look at it and take
11 it seriously, and we would.

12 And as I said before, definitely here the concern
13 articulated by staff or the -- I'll say preference for a
14 data adequacy type-process where they sort of sign off that
15 they have the information they think they need to move
16 forward with an analysis. And that's something that while
17 we don't have that kind of process built in formally for
18 amendments, the more complex the information or the
19 supplementation might be, the more important it can be.

20 And that said we don't have the details of what
21 the Applicant will propose. But what we've heard today and
22 is that the footprint will not be larger and will probably
23 be smaller. We've heard that while the proposal would be
24 to return to the trough technology, which requires grading
25 that was explicitly analyzed in the approved project.

1 There may, in fact, be additional information
2 that might cause us to take a look at the impact of grading
3 based on new information we have today we didn't have then.
4 That's something that we would do as part of an amendment.

5 Until we get the details of a proposal I think it
6 will be hard to do more than speculate about where on that
7 continuum this proposal would fall. But I do think based
8 on footprint, based on what the Applicant has said, and
9 also my sense of what the trough projects are like that
10 incorporate molten salt storage the tank is really a very
11 small part of the footprint.

12 Matt, I don't know if you're able to describe
13 more clearly how, you know, what are some of the physical
14 differences in a trough project with molten salt storage
15 versus without it to give us a better sense of what kind of
16 physical components might be part of this project that
17 aren't part of the licensed project?

18 MR. STUCKY: Okay. Well, namely it's the
19 addition of a heat exchanger to transfer heat from the heat
20 transfer fluid, which is heated in the solar field, to
21 transfer that heat to the molten salt fluid. And I can't
22 tell you today the footprint of that piece of equipment,
23 but it's a smallish component of the overall power block.

24 And then the number of tanks, again I don't have
25 sizes today, but I think that the plan is likely for two

1 tanks though we'll finalize that -- and as you
2 characterized -- a small piece of each individual power
3 block. So I didn't come today with a comparison of our
4 current power block layout compared to the original one.
5 But I stand behind the statement that it will be very
6 comparable.

7 COMMISSIONER MCALLISTER: Okay. That was really
8 kind of my -- thanks for asking (sic) the follow-up
9 question.

10 And yes, you've made claims about, "Well, this
11 will help to treat the duck curve" and there a lot of
12 technical details that sort of staff is going to need to be
13 able to gauge how much that's the case. You know, storage
14 capacity, how much time can you get part of the evening and
15 that kind of stuff. And I think those details are really
16 going to matter. So but we don't have those details now.

17 So I think the next few months you're kind of in
18 the hot seat to get the amendment put together and with all
19 those details for staff. So with that I'm comfortable.

20 MS. VACCARO: Chair Weisenmiller, if I could just
21 make two points that might clarify or further inform you as
22 you make your decision, these are of a legal nature.

23 CHAIRMAN WEISENMILLER: Please do.

24 MS. VACCARO: The first is that there is
25 discussion with respect to staff resources. And that there

1 might be some legitimate fear or concern there. I think
2 it's important to note though that there is a new statute
3 that went into effect that applies to the use of staff
4 resources in the processing of amendments. And I think
5 that's just an important legal point to be aware of.

6 The other -- and I think this is just me
7 protecting the Commission -- is that we work very
8 diligently to ensure that there is a clear and defensible
9 record in everything that we do. And it relates to power
10 plant siting whether it's an application for certification
11 or if it's an amendment, because it is still a very
12 iterative and rigorous process that complies with the
13 certified regulatory program as well as CEQA requirements.

14 And so in either event, whether it's an AFC or
15 amendment if that does matter to you it's going to be a
16 rigorous process. And it will be a record with integrity,
17 in either instance.

18 COMMISSIONER DOUGLAS: Yes, that's exactly right
19 Kourtney. Thank you, for raising that.

20 And I also want to say that we do our best to
21 ensure that the documents are clear and user-friendly for
22 the public as well. Obviously the complete project
23 description is a very good start. And we would just want
24 staff to think about how to present information in this
25 case in a way that is clear and easy to follow for the

1 public. And I think that can be done.

2 So with that I will move approval of -- what item

3 are we on -- this is 4 --

4 COMMISSIONER MCALLISTER: Yeah, 4.

5 COMMISSIONER DOUGLAS: -- Item 4.

6 COMMISSIONER MCALLISTER: I'll second.

7 CHAIRMAN WEISENMILLER: All those in favor?

8 (Ayes.)

9 CHAIRMAN WEISENMILLER: This passes 3-0.

10 Thank you.

11 MR. ELLISON: Thank you.

12 CHAIRMAN WEISENMILLER: Let's go on to Item

13 Number 5, which is -- we're waiting for Commissioner Scott.

14 No, I think she took a walk, I thought.

15 Anyway, we're going on to Santa Clara Data

16 Center. Jeff Ogata, while you're still here we're waiting

17 for Commissioner Scott we need to track down.

18 (Pause for Commissioner Scott to rejoin the meeting.)

19 CHAIRMAN WEISENMILLER: Okay. So we're ready, 5

20 please?

21 MR. OGATA: Great, thank you Chair Weisenmiller,

22 Commissioners. Again for the record I'm Jeff Ogata, Staff

23 Counsel. And I'm making the presentation for staff today

24 on this matter.

25 As you are well aware the Energy Commission is

1 responsible for licensing all thermal power plants in
2 California that have a capacity of 50 megawatts or greater.
3 Pursuant to Public Resources Code Section 25541 the
4 Commission may exempt power plants from the requirements if
5 they have a capacity not exceeding 100 megawatts and if the
6 Energy Commission finds that no substantial adverse impact
7 on the environment or energy resources will result from the
8 construction or operation of the proposed facility or from
9 the modifications.

10 We call these Small Power Plant Exemptions or
11 SPPEs and these projects remain subject to local permitting
12 requirements.

13 The Santa Clara SC-1 Data Center was granted a
14 Small Power Plant Exemption on March 28th, 2012. With the
15 exception of specific conditions of exemption, once a
16 project has been granted an SPPE the Energy Commission does
17 not maintain active oversight of the project. In this
18 case, the Commission indicated that the Project Owner must
19 submit any changes in the design or operation of the
20 project to the Commission for approval.

21 Staff received a letter dated July 22nd, 2015
22 from DuPont Fabros Technologies, LP stating that DuPont
23 Fabros is proposing to change the description of the Santa
24 Clara SC-1 Data Center by increasing the capacity from 72
25 megawatts to 99 megawatts.

1 Based on review of the project during the SPPE
2 proceeding, and a cursory overview of the current proposal,
3 staff does not believe there will be any adverse impacts on
4 the environment or energy resources.

5 This proposal adds 12 backup generators, each
6 with a capacity of 2.25 megawatts for a total of 27
7 megawatts. We believe the conditions for operation of
8 these backup generators would be essentially the same as
9 those set forth in the SPPE.

10 Therefore, instead of approving the project
11 modification or appointing a committee for that request
12 staff recommends that the Commission acknowledge the notice
13 of change. And direct the Project Owner to receive
14 approvals from the appropriate lead agency, either the City
15 of Santa Clara or the Bay Area Air Quality Management
16 District.

17 Upon conclusion of those environmental reviews,
18 DuPont Fabros shall inform the Commission, and staff will
19 review the documents to determine if there are any
20 substantial adverse impacts to the environment or energy
21 resources. If there are none staff will place this matter
22 on a Business Meeting Agenda to have the Commission approve
23 the project modification.

24 Staff has provided a proposed order in the backup
25 materials available for review by the Commissioners and the

1 public. And I believe the representatives from DuPont
2 Fabros are on the phone. Thank you.

3 CHAIRMAN WEISENMILLER: Thank you.

4 Anyone else in the room?

5 So let's go to the phone, Applicant, please.

6 MS. SCHWEBS: Hello, this is Monica Schwebs of
7 Morgan Lewis, Counsel for the Applicant.

8 And Jeff has done a fine job, as always, of
9 presenting. And fortunately Jeff made himself, and staff
10 made themselves available, to discuss how to proceed with
11 regard to this request. And the Applicant fully supports
12 the recommendation that Jeff has so ably presented.

13 CHAIRMAN WEISENMILLER: Anyone else?

14 Okay, so let's transition to the Commissioners.

15 MS. DOUGLAS: I don't have detailed comments on
16 this item. I support it. I will -- does anyone else have
17 questions about it?

18 No. Okay. I'll move approval of Item 5.

19 COMMISSIONER MCALLISTER: Second.

20 CHAIRMAN WEISENMILLER: All those in favor?

21 (Ayes.)

22 CHAIRMAN WEISENMILLER: This passes 4-0.

23 Thank you.

24 Okay. So let's go on to Item 6. This would be
25 California Clean Energy Jobs Act, I'm on.

1 MS. SHIRAKH: Good morning, Commissioners. I'm
2 Elizabeth Shirakh from the Local Assistance and Financing
3 Office of The Efficiency Division. I'm the Acting
4 Supervisor of the Prop 39 K-12 Program. For your
5 information today, I will present a brief overview of the
6 Proposition 39 California Clean Energy Jobs Act and a
7 status update on the Energy Commission's Prop 39 K-12
8 Program.

9 As a brief history on November 6, 2012, in a
10 statewide general election, California voters passed that
11 Proposition 39, the California Clean Energy Jobs Act. The
12 initiative made statutory changes to the corporate income
13 tax code and allocates up to \$550 million in projected
14 revenue to the General Fund and the Job Creation Fund for
15 five fiscal years, beginning with fiscal year 2013-14.

16 In June 2013, Senate Bill 73 became law and
17 codified the California Energy Commission as lead agency
18 for the K-12 school portion of the Clean Energy Jobs Act
19 Program.

20 To set the stage for the entire Proposition 39
21 Program the California Clean Jobs Act provides funding for
22 five program areas.

23 The first is the Energy Commission's K-12
24 Program. The Energy Commission is the lead agency
25 responsible for establishing the program guidelines,

1 accepting, reviewing and approving energy expenditure plan
2 applications, and upon approval directing the California
3 Department of Education to distribute the allocated funds
4 associated with the approved energy expenditure plan
5 projects. The other program areas include the California
6 Community College Chancellor's Office, which funds energy
7 efficiency and clean energy projects for community college
8 districts.

9 Next is the Energy Commission's Energy
10 Conservation Assistance Act Education subaccount, also
11 known as ECAA, which provides zero percent interest loans
12 for energy projects to K-12 schools and community college
13 districts. The California Conservation Corps Program
14 provides energy surveys and other energy conservation
15 related activities for public K-12 facilities.

16 And finally, the California Workforce Development
17 Board, formally known as the California Workforce
18 Investment Board, also received funding to develop and
19 implement a competitive grant program for eligible
20 workforce training organizations.

21 As you can see from this slide the total
22 Proposition 39 out annual appropriations are less than the
23 original projected revenue of \$550 million per year.

24 Now I'd like to discuss the Energy Commission's
25 Proposition 39 K-12 Program implementation and status.

1 This timeline slide illustrates the K-12 Program from the
2 beginning with the passage of Proposition 39 and Senate
3 Bill 73 to the end date of June 30th, 2021 when all school
4 final reporting is due.

5 The Proposition 39 K-12 Program quickly began
6 just six short months after the Governor signed enabling
7 legislation. And in July of 2013, the Energy Commission
8 swiftly began a comprehensive, public process to gain input
9 for drafting the guidelines. This included focus group
10 meetings, five public meetings, three Webinars on the draft
11 guidelines to answer questions and receive comments. These
12 outreach efforts resulted in a total of over 500
13 participants and 175 docket submittals.

14 And on December 19th, 2013 the Energy Commission
15 adopted the Proposition 39 California Clean Energy Jobs Act
16 2013 Program Implementation Guidelines. The Guidelines
17 establish the Energy Commission's Prop 39 K-12 Program.
18 This program provides energy efficiency projects and clean
19 energy installation grant funding to local educational
20 agencies, also known as LEAs. LEAs are counting Office of
21 Education, public school districts, charter schools, state
22 special schools. In fiscal year 2014-'15 2,079 LEAs
23 received funding allocations.

24 Program funding is divided into two categories.
25 The first category is planning funds. Planning energy

1 planning is a critical step to effectively achieve and
2 maintain long-term energy savings. Energy projects are
3 complicated and many schools need assistance identifying
4 and prioritizing energy efficiency retrofits and estimating
5 energy savings.

6 Allowing funding for energy planning helps
7 schools develop an energy plan for a five-year program.
8 And depending on the LEA size LEAs can request all or a
9 portion of their first year funding for planning. LEAs can
10 request up to 20 percent of their five-year entitlement for
11 planning. And this category also allows funding for energy
12 managers and energy training for classified school
13 employees. To date, over 1,600 LEAs have requested
14 planning funds totaling \$154 million.

15 The second category of funding is for energy
16 efficiency and clean energy generation measures. This
17 includes lighting systems, such as interior and exterior
18 lighting retrofits and lighting controls; heating,
19 ventilation and air conditioning retrofits and upgraded
20 controls, such as energy management system and smart
21 thermostats. Appendix E of the Guidelines lists 14
22 categories of eligible energy measures.

23 The Public Resource Code requires all projects
24 shall be cost-effective with total benefits greater than
25 project cost over time. To meet this requirement, the

1 Energy Commission established the Savings to Investment
2 Ratio or SIR. The SIR represents the total net present
3 value of savings over the total project cost for the entire
4 energy project. This ratio compares the investment the LEA
5 will make now with the energy cost savings the LEA will
6 achieve over time. An eligible energy project must have an
7 SIR of 1.05 or higher.

8 Now that I've summarized the program basics, I'll
9 continue with an update of the implementation timeline.
10 Once the Guidelines were adopted the Energy Commission
11 continued on this expedited program implementation path.
12 And in January 2014, launched the Proposition 39 K-12
13 Program releasing the Energy Expenditure Plan Application
14 Handbook and the energy saving calculators, established an
15 electronic submission process, trained Energy Commission
16 staff, provided Webinars, training seminars reaching over
17 800 LEAs, and established a Proposition 39 K-12 Hotline
18 call contact center.

19 First applications started flowing into the
20 Energy Commission in February of 2014. And by the end of
21 the first fiscal year 2013-14 the staff had approved 33
22 Energy Expenditure Plans totaling \$16 million. Some LEAs
23 who submitted these early applications have now completed
24 projects achieving energy savings from their Prop 39 energy
25 investments within months of the program launch.

1 The Energy Commission continued to fast-track the
2 program. And in the second fiscal year 2014-15 responded
3 to school needs by launching an Energy Expenditure Plan
4 Online System. As promised the Energy Commission continued
5 to listen to LEAs and other stakeholder concerns, and
6 responded by fine-tuning the program. And in December 2014
7 the Energy Commission adopted Revised Guidelines to better
8 meet the needs of schools.

9 Finally, for the second fiscal year over 400
10 energy expenditure plans were approved totaling \$257
11 million.

12 The online system was launched in February 27th,
13 2015 and allows LEAs to create and submit energy
14 expenditure plans online. This provides efficiencies for
15 both the Applicant and the Energy Commission staff
16 reviewers. LEAs can make immediate corrections and edits
17 to the energy expenditure plan and ensure no delay in the
18 review process. This also provides a management tool to
19 LEAs providing them access to view all of their submitted,
20 approved and amended energy expenditure plans at any time.

21 As we've moved through the Proposition 39 K-12
22 Program timeline we've reached the "where we are today."
23 We have accomplished a tremendous amount in a very short
24 time, but as you can see we are still at the early stage in
25 the program. We are just starting year three of a five-

1 year program. K-12 schools are still waiting their
2 entitlement calculations for fiscal year 2015-'16 from the
3 California Department of Education.

4 Stopping here on the timeline I'd like to report
5 on our accomplishments. As of August 30th, 2015 the Energy
6 Commission staff have approved 536 energy expenditure
7 plans, which is 83 percent of the plans submitted, totaling
8 \$367 million. In addition, LEAs have requested \$154
9 million for energy planning activities. Therefore, to
10 date, \$521 million has been approved.

11 The types of energy measures approved to date are
12 summarized in this slide. A total of 6,559, about 60
13 percent, are lighting and lighting controls; 30 percent
14 fall in the categories of heating, ventilation and air
15 conditioning and HVAC control measures; with the remaining
16 10 percent in various other categories such as plug loads,
17 pumps, motors, building envelope and clean energy
18 generation measures.

19 At this early phase of the program based on the
20 approved energy expenditure plans an estimated \$26 million
21 in annual energy cost savings is projected. That
22 represents about \$145 million in Kwh savings, \$1.2 million
23 in therm savings, 106,000 gallons of propane and 6,000
24 gallons of fuel oil. These projections represent the
25 expected energy savings when all the Energy Commission

1 approved projects are completed and final. These numbers
2 are estimated. They are not actual energy savings.

3 As a condition of receiving Prop 39 funding the
4 Public Resource Code requires LEAs to report the number of
5 direct, full-time equivalent employee jobs created as a
6 result of installed energy measures. The Energy Commission
7 estimates direct jobs that will be created using the
8 formula recommended by the California Workforce Development
9 Board based on a report by Carol Zabin and Megan Emiko
10 Scott's May 2013 paper, "Proposition 39 Jobs and Training
11 for California Workforce."

12 This job creation formula is dependent on the
13 type of energy measure. For energy efficiency measure
14 installation, 5.6 direct job years per million dollar
15 invested is used. And for renewable projects and clean
16 distributed generation projects, 4.2 direct job years per
17 million dollars invested.

18 Using the formulas just described the total
19 funding approved as of August 30th, 2015 the Energy
20 Commission estimates a total of 1,800 direct job years will
21 be created once all approved projects are completed and
22 final.

23 The California Workforce Development Board is
24 responsible to quantify actual, total employment resulting
25 from the energy expenditure plans funded from the

1 California Clean Energy Jobs Funds and submit a report
2 annually to the Citizen's Oversight Board.

3 In 2011, the Donald Vial Center on Employment in
4 the Green Economy University of California Berkeley
5 published a report, "California Workforce Education and
6 Training Needs Assessment for Energy Efficiency, Distribute
7 Generation and Demand Response." Based on this analysis,
8 energy efficiency direct jobs are only 25 percent of the
9 total jobs produced per dollar spent on investment. So if
10 we multiply a 5.6 direct job years per million dollar
11 invested times 4, it results in 22.4 total job years per
12 million invested.

13 Finally, using 22.4 total job years per million
14 dollars invested times the \$367 million the comprehensive
15 estimate of jobs includes direct, indirect and induced jobs
16 is approximately 8,200 job years.

17 This fall, the Energy Commission will launch a
18 report database for LEAs to self-report energy saving
19 progress or energy project progress. Annual progress
20 reports and the final completed project reports will be
21 submitted online as part of the Energy Expenditure Plan
22 Application System.

23 LEAs will be required to provide annual progress
24 reports on approved energy expenditure plans. And once all
25 the measures in the entire energy expenditure plan are

1 completed the LEA will submit a final project report to the
2 Energy Commission 12 to 15 months after the project
3 completion date. This requirement is a statutory condition
4 designed to allow LEAs a full year of energy usage date
5 post-installation of approved energy measures. The LEA
6 reporting will begin this fall and will continue each year
7 with all final reports due no later than June 30th of 2021.

8 The Energy Commission continues to better
9 understand the energy challenges of schools and provides
10 outreach and education to assist and guide schools
11 throughout the Proposition 39 K-12 Program.

12 To promote full school participation and to gain
13 further insight regarding program hurdles the Energy
14 Commission has an ambitious outreach plan, establishing a
15 Prop 39 K-12 Program webpage, statewide training and
16 educational seminars to LEA representatives, including
17 their contractors and consultants, ongoing Listserv
18 announcements, social media, program updates and project
19 representation published on the California Clean Investment
20 map.

21 Energy commission staff also target outreach to
22 the smallest and largest LEAs and those in disadvantaged
23 communities, offering technical assistance and support.

24 Although LEAs will not begin reporting project
25 status until late 2015 we already know of 43 completed

1 Energy Expenditure Plans representing 91 school sites
2 totaling 310 completed energy efficiency measures.

3 One example is Pleasant Ridge Union Elementary
4 School District located in Grass Valley. This was one of
5 the first LEAs to complete an approved Energy Expenditure
6 Plan. The District submitted one of the first plans and it
7 was approved in April of 2013. The District was able to
8 update its heating, ventilation and cooling systems as well
9 as lighting at Alta Sierra elementary, Cottage Hill
10 Elementary and Magnolia Middle School. The project was
11 completed in July of 2013.

12 Another example of a completed project is Santa
13 Ana Unified School District. The District applied in June
14 2014 and was approved for 1.6 million for energy-related
15 school improvements including HVAC systems, controls and
16 programmable thermostats at Harvey Elementary, Monte Vista
17 Elementary and Kennedy Elementary. The District completed
18 this Energy Expenditure Plan Project and submitted a second
19 application in June 2015. This was approved for \$2.3
20 million to fund HVAC system upgrades and pump and motor
21 retrofit measures at 10 schools.

22 And finally, I'd like to provide a brief update
23 on the Citizen's Oversight Board. This Board is
24 responsible to review all expenditures from the Job
25 Creation Fund. The Citizen's Oversight Board is composed

1 of nine members, three members appointed by the Treasurer,
2 three by the Attorney General, and three by the Controller.
3 The Energy Commission and California Public Utilities
4 Commission each designated an Ex Officio Member to serve on
5 the Board.

6 The Citizen's Oversight Board met for the first
7 time yesterday, September 8th, 2015. At this first meeting
8 they received an overview of the California Energy Jobs Act
9 objectives and implementation, the rules and
10 responsibilities of the Board, and also presentations on
11 the Energy Commission's K-12 Program and the California
12 Community College Chancellor's Office Program.

13 Board elections were held for the Board Chair and
14 Vice-chair. The Board elected Kate Gordon as the Board
15 Chair and James Ray as Vice-Chair. The meeting concluded
16 with public comments sharing their participation experience
17 and appreciation of the Prop 39 Program.

18 In conclusion, the Prop 39 K-12 Program
19 successfully launched in a very short time through a
20 collaborative interagency, stakeholder and direct customer
21 input. The program has achieved success and evolved to
22 provide processes, tools, and procedures that maximize the
23 program participation while maintaining the integrity of
24 the program objectives.

25 We look forward to the program's continued growth

1 and our partnership with LEAs, our interagency working
2 group, and program stakeholders to achieve the purpose of
3 the program and serve its customers.

4 And finally, I'd like to thank the Commission
5 leadership for their constant support and guidance. And
6 I'd like to thank the amazing Prop 39 staff. It's truly a
7 privilege to be part of this team. And that concludes my
8 presentation and I'd be happy to answer any questions.

9 CHAIRMAN WEISENMILLER: Thank you.

10 Any public comment, no apparently.

11 COMMISSIONER MCALLISTER: Great. So thank you,
12 Liz. I have just a few comments here. I wanted just to
13 congratulate staff and really say thank you. And as you
14 said we're in the still front-end of a process, a program
15 that's going to take eight years, overall. And I think
16 there are really a number of things to highlight here.

17 You don't just push out billions of dollars into
18 the world willy-nilly, okay? We were tasked by the voters.
19 That was then put in place by the Legislature and the
20 Governor. And there's as a state agency and a public
21 agency we are absolutely accountable to use those tax
22 revenues in an accountable and transparent way.

23 And all of those boxes have been checked
24 tremendously well. I mean, the due diligence we've done on
25 this program I've seen up close every day, every week,

1 every month as things have moved forward. And I know how
2 much knowledge and expertise has gone into this. I know
3 that it's a robust program design. And I know that it's a
4 solid foundation for the years-long implementation process
5 that we need, to enable schools to not only apply for the
6 money, but get the money and then implement quality
7 projects that achieve the desired goals.

8 Overall, this is one aspect of our trying to be a
9 positive influence in the existing building stock and
10 schools are just at the front end of that. I mean, they
11 are under-invested, under-capitalized, under-maintained for
12 decades. You know, we don't have to go into all of the
13 reasons for that, but they need these resources. And these
14 are often -- these monies are the first facilities
15 investment resources they have seen in a long, long time
16 for many of them. And so I think we are all kind of
17 familiar with that problematic.

18 So we've been tasked with focusing on the energy
19 piece by and large, but this will come along. Each project
20 will come along, will bring tremendous co-benefits as well
21 in terms of the air quality even inside the rooms, the
22 learning environment, just the quality of the spaces. And
23 the ability of teachers and the students to be doing what
24 they need to be doing in those classrooms.

25 So there's just so much to like about this

1 program and I think it's sort of that time of the year
2 where there's a little bit of silliness flying around in
3 terms of the points that people want to score on, you know,
4 for or against the State Government. But I think there's a
5 lot of misinformation that we can easily correct on the
6 merits. And so thank you for doing that.

7 This informational item, I think, is part of the
8 messaging and sort of letting the world know that we are
9 actually doing a bang-up job on this and really laying a
10 solid foundation to go forward and get quality projects
11 done in our schools.

12 A project is not a trivial thing to do and
13 schools are strapped in all sorts of different ways, but it
14 takes time to procure equipment, get a contractor, install
15 it properly, commission it, evaluate it. As Liz said,
16 we've put in place data flows from every school that gets
17 an allocation, so the 2000 plus LEAs that have a formal
18 allocation, if and when they apply, they'll get their
19 money.

20 And they'll sign a permission slip that gives the
21 Commission the ability to have the pre- and post-
22 information from their consumption information that will
23 let us, as a group, evaluate the program. And program
24 evaluation is a science and an art in some ways and so that
25 will be an analytical lift for us.

1 But again this is part of the Commission moving
2 in that direction to do more robust analytics and to
3 characterize what's going on out there in the marketplace.
4 And schools are really a fantastic way to kind of begin
5 that transition over to that new MO.

6 I wanted to thank Liz. I want to thank you, the
7 team, and the Local Assistance and Financing Office. Jack
8 Bastida, who presented yesterday, did a fantastic job. Dave
9 Mason, Haile Bucaneg, Michelle Vater, and Armand Angulo
10 who's the Manager of the Office now that's managing that
11 program.

12 So other people have participated as well.
13 Marcia Smith, who also got on the front end of this and
14 really managed it -- there she is in the back -- and who
15 has passed the baton on this for the moment, but I guess
16 permanently not for the moment. Yeah, she's -- (Laughter)
17 And then Dave Ashuckian, Christine Collopy, the leaders of
18 the Energy Efficiency Division have really kept their eyes
19 on the ball here too. So really there's just a lot of
20 credit to go around.

21 It's a great team complemented by all the other
22 things that that office does. You know, the Financing, the
23 ECCA Program, etcetera. The schools really have good
24 service and I think we heard some of that yesterday at the
25 Oversight Board meeting.

1 I have personally just gotten a lot of kudos.
2 Just, "Hey, I've got to tell you" -- pulled me aside and --
3 "Got to tell you boy, I didn't expect to get my funds that
4 quickly." You know, the school districts I think are
5 pleasantly -- I won't say surprised -- but they see a
6 program that's being well run. That's well designed and
7 it's getting them what they need.

8 And so the online tools, the support and the
9 application process will -- and obviously there's a lot of
10 lifting left in this program, but I think we're all
11 committed and understand what's needed to keep it a
12 success.

13 So with that I just wanted to sort of note that
14 this is something to be celebrated. This is definitely
15 something that we are on top of and will continue to be so.
16 And there are a lot of eyes on this program and it's really
17 important. It's a signature initiative of the Pro Tem.
18 The Governor's invested in making it a success. And our
19 schools really need it, it's the right thing to do. So
20 we've really got a lot of positives with this program.

21 And I'm happy to be Lead Commissioner on it. And
22 I really think it's going to have a big impact and it's
23 already having a big impact, but it's going to have a much
24 bigger impact still.

25 So thanks again to staff. I'll pass it to the

1 others on the dais if they want to comment.

2 COMMISSIONER DOUGLAS: I will just briefly say
3 that I fully recognize the lift that staff has gone through
4 in creating this program very quickly. It's not easy to
5 move large amounts of money out the door quickly. And I
6 think the balance that's been struck between finding
7 processes that can be streamlined and move quickly, get
8 money out the door to create jobs and create energy
9 benefits -- and yet, of course, we recognize and are
10 constantly reminded of the fact that people also want
11 rigorous accounting and near results.

12 And they want to know, "Well, what did this get
13 us in terms of jobs and in terms of better energy savings?"
14 And I think the process has been effective so far. The
15 numbers are pretty good in terms of projects in the
16 pipeline and work being done.

17 And we went through some of this as well. And,
18 of course, I have some pretty vivid memories of the ARRA
19 experience where there's a strong desire to get the money
20 out the door now. And that's followed by a strong desire
21 to know that every penny was spent well. And both of those
22 urges are good and both of those imperatives are real. And
23 I just want to express appreciation to staff for working
24 really hard.

25 And this is a really heavy lift and for some of

1 the folks working on this, of course, they've been through
2 it before as well. Which I think is very much to our
3 benefit, because we get the experience that comes from
4 that.

5 COMMISSIONER MCALLISTER: Definitely, so just to
6 say a couple of other things. We've already done the
7 Guidelines -- one of the reason -- we've already done one
8 revision on the Guidelines. So we cranked out the initial
9 guidelines within a few months of the law being passed and
10 the money being allocated, which is about as fast as
11 possibly could have happened given the process that legally
12 we have to go through. And the public participation and
13 all the stakeholders had an ample chance to participate.
14 We got up there in the world, as Liz said.

15 And then we've already sort of taken additional
16 comments. You know, rubber started to hit the road and we
17 got different comments. "Okay, here's where we need to be
18 more flexible, here's what we need to change," and we've
19 done that. We filled a bucket of issues and we solved them
20 in the Guidelines Update. And that guidelines process can
21 continue to morph and respond to what happens out there in
22 the schools.

23 And the support service sort of industries that
24 support the schools, because there are a lot of third
25 parties that are key to making all of this work as well.

1 The planning funds I think were a key part of that and very
2 positive.

3 But I think just to put a highlight on the
4 diversity here we have one-room charter schools, tiny
5 schoolhouses in rural areas, and we have L.A. Unified and
6 we have everything in between. So having a process that
7 can get relatively small amounts of money to a modest
8 school and help them apply, get the money and do something
9 helpful with it, is a very different activity from working
10 in a huge environment, such as L.A. Unified.

11 And in terms of disadvantaged communities and
12 ethnic diversity, and just all the issues that we know are
13 here in California that make us a strong state, we have to
14 be able to approach all of those different communities and
15 school districts and LEAs and help them participate, get
16 their money and do their projects.

17 And so there are lots of different flavors on
18 what this look likes upon the ground. And I think that's
19 often lost on the folks who really don't get what the
20 project environment or the school environment actually
21 looks like in fact. So I want to just highlight the
22 challenge and say, "Look, I think we're really up to the
23 task and we're really succeeding." And I fully expect that
24 we'll continue to do so.

25 COMMISSIONER SCOTT: I wanted to echo much of

1 what Commissioner Douglas and Commissioner McAllister have
2 said, so I won't say too much about it. But I will
3 highlight again I think that this has been a very effective
4 program and we've put together a very effective process.
5 And Commissioner McAllister noted built in places where we
6 can listen and adapt and learn as we go forward with this
7 program.

8 And also to highlight the balance that we've
9 struck here between, as Commissioner McAllister and Douglas
10 both mentioned, moving the money quickly, getting it to the
11 school districts, so that they can get their projects going
12 and up and running. But also doing it with enough rigor,
13 so that we will be able to show the benefits of the
14 program. And I think we've done a good job striking the
15 balance there, so I'll just underscore those two points.

16 I also wanted to thank Liz for the great
17 presentation and the team who's put this all together and
18 also you, Commissioner McAllister, for your leadership in
19 this phase. So thank you very much.

20 COMMISSIONER MCALLISTER: We ought to
21 acknowledge, actually, the community colleges as well.

22 I mean, we didn't -- you know, that's not our
23 part of the program. But we, I think, quickly realized
24 that they had a pipeline in place to go out and do projects
25 quickly and effectively and they sort of all in-house

1 basically. I mean, they do this kind of for a living with
2 their facilities management and across the various
3 campuses. And so they're doing a great job and really hit
4 the ground running.

5 And then also acknowledging the WIB and the
6 Conservation Corps -- I guess they're not called the WIB
7 anymore, but the Conservation Corps. I think the job
8 training sort of taking at-risk youth through the
9 Conservation Corps and giving them basic training on how to
10 do energy assessments.

11 And even little, simple projects will really
12 potentially have a big impact going forward. And I think
13 it's laying a good foundation for the sort of workforce of
14 the future and having a bunch of corollary benefits as
15 well. So I think there's just a lot of aspects of the
16 program that we've put in place as the Energy Commission,
17 the other agency partners. And also a good part of it is
18 the Legislative Division as well.

19 I think the Legislature talked through a lot of
20 these issues and decided what the priorities ought to be.
21 And we're being faithful to those. So all in all I just
22 think it's a great story I wanted to put on the agenda and
23 give staff the opportunity to explain what's going on. So
24 thank you very much, Liz.

25 MS. SHIRAKH: Thank you.

1 COMMISSIONER MCALLISTER: And so I'll move Item 6
2 -- or go ahead. Yeah.

3 CHAIRMAN WEISENMILLER: Thanks.

4 Let's go on to Item Number 7 Existing Buildings
5 Energy Efficiency Action Plan. I'm going to try to cover
6 that before lunch.

7 MR. ISMAILYAN: Are we waiting for Commissioner
8 McAllister?

9 CHAIRMAN WEISENMILLER: No, go. He's heard it
10 before. (Laughter)

11 MR. ISMAILYAN: Got it. Good afternoon, Chair
12 and Commissioners, I'm David Ismailyan with the Existing
13 Buildings Unit in the Efficiency Division. I would like to
14 present a few slides on the Existing Buildings Energy
15 Efficiency Action Plan and formally recommend adoption.

16 We have a proposed resolution for your adoption
17 today improving that Action Plan. It was previously made
18 as part of the backup materials for this item and has been
19 made available at the back of the room today. Next slide.

20 For those who may not have fully followed the
21 development of the Action Plan I wanted to provide a brief
22 history and highlight the level of public engagement that
23 staff had. Assembly Bill 758 passed, charging the Energy
24 Commission to develop a comprehensive program to achieve
25 energy savings in the State's existing residential and non-

85

1 residential building stock.

2 Following, the Energy Commission published a near
3 160-page Scoping Report, which would become the basis of
4 the first Draft Action Plan.

5 Staff held three workshops. One in San
6 Francisco, one in Fresno and one in Los Angeles as a
7 marketing, education and outreach effort for the first
8 draft. Valued public comments were received and considered
9 in the re-drafting of the plan.

10 The second draft of the document was published,
11 followed by a series of topic-specific workshops as part of
12 the IEPR development process.

13 Staff actively asked for comments and received
14 several during the workshops and found they were very
15 highly support of the plan. This support encouraged staff
16 to release the final version in the shorter than usual five
17 month timeframe -- great job. Next slide.

18 The Action Plan's release and proposed adoption
19 couldn't be timelier since California's energy future, or
20 should I say cleaner energy future, is receiving major
21 support. Governor Brown stated in his 2015 Inaugural
22 Address that by 2030 California will double energy
23 efficiency in existing buildings. He also envisioned two
24 other major goals as shown on the slide. Next slide.

25 Doubling energy efficiency is represented by the

1 graphic we see here. Projecting the most recent energy
2 demand forecast to 2030 we arrive at a baseline, which is
3 the top line shown in purple. The forecast assumes
4 achievement of the energy efficiency from current adopted
5 and funded policies, standards and programs.

6 From here we graft the incremental savings under
7 development, which is shown in the orange. This is the
8 electricity and natural gas per capita savings projected in
9 both IOU and POU service territories through planned State
10 and National Appliance Standards, Building Energy
11 Efficiency Standards through 2022 and continues
12 implementation of approved ratepayer funded energy
13 efficiency programs.

14 The blue edge is the doubling of the incremental
15 savings under development. A portion of these savings will
16 be achieved by behavioral changes, but a vast majority will
17 be the result of new efforts and revised approaches. The
18 goals and underlying strategies are the new efforts and
19 revised approaches expected to achieve exonerated savings.
20 I'll provide detail about the strategies later in the
21 presentation.

22 The overall result is a 20 percent reduction in
23 building energy use per capita. This is a massive
24 undertaking considering California's population is
25 projected to grow to over 44 million. Next slide.

1 As mentioned there is need for the Action Plan.
2 The current trajectory is insufficient to achieve these
3 aggressive goals. Tapping the full energy efficiency
4 potential of existing buildings requires a market focused
5 approach. For example, there's a need for data analytics
6 to support consumer decisions, research to better predict
7 savings and pricing impacts, and a need for increased
8 priority capital. We will discuss these in a few slides.
9 Next slide.

10 The Action Plan proposes five central goals to
11 achieve the accelerated savings shown earlier. Increased
12 government leadership in the energy efficiency is the first
13 goal. Data-driven decision making is the second goal.
14 Increased building industry innovation and performance is
15 the third goal. Recognize the value of energy efficiency
16 upgrades is the fourth goal. Affordable and accessible
17 energy efficiency solutions is the final goal. Next slide.

18 The Action Plan proposes strategies to increase
19 access to accurate, useful data to guide informed energy
20 decisions. The expected outcome is that this will activate
21 efficiency markets and allow innovative business models to
22 develop and better serve consumers. Savings can be
23 estimated more precisely and realized the more
24 successfully, encouraging continued action and investment
25 in energy efficiency.

1 Currently energy related data is scattered and
2 inaccessible to key market actors. Adopting common data
3 exchange conventions and employing the capability of smart
4 meters, the plan proposes the streamlined data sharing for
5 a number of markets stimulating purposes. At the state and
6 local level increased access will enable well-informed
7 planning, implementation and tracking of different policies
8 and programs. Next slide.

9 For example, one such program supported by
10 increased data access is a time certain, non-residential
11 building, benchmarking and disclosure program.
12 Benchmarking energy use is a way to provide easy to
13 understand, comparative energy-savings metrics to owners
14 and managers. This allows performance monitoring, measure
15 improvements and motivates upgrades in existing buildings,
16 which ultimately result in energy savings and stimulates
17 the economy.

18 EPA's Portfolio Manager is a highly accepted and
19 used tool, allowing for reduced implementation costs of
20 such a program. Additionally, building on the existing
21 benchmarking programs and lessons learned will make this an
22 effective strategy. Next slide.

23 Another proposed approach is to establish
24 Standards for building assessment tools, broadening the
25 market for various tools to be actively used. The

1 validation process would protect consumers from conflicting
2 results and eliminate inaction.

3 The broader market allows for services to be
4 offered at greater skill and lower cost. Once energy-
5 saving opportunities are made visible there needs to be
6 easy access to low cost assessments identifying the most
7 cost effective approach projects. Currently the market is
8 not structured this way and additionally lacks performance
9 based tools.

10 Project savings are estimated and there isn't
11 really verification to ensure that these savings are
12 realized. Providing performance based tools and policies
13 builds confidence among the main market actors -- that is
14 owners, consumers, lenders and investors. This confidence
15 coupled with the high performance building professionals
16 access to new customer demand leads to projects being
17 completed with high quality and results in increased energy
18 savings. Next slide.

19 Creating value for energy efficiency
20 characteristics is another strategy. This valuation is
21 important in building awareness and creating demand for
22 energy-savings attributes. One example, is enabling MLS
23 listings to highlight these energy characteristics as an
24 asset score. Occupant behavior is removed from such a
25 score and allows comparing two similar buildings.

1 Another example is to incorporate these
2 characteristics in financing transactions where terms can
3 be modified depending on the existing property efficiency
4 characteristics or newly attained efficiency.

5 Lastly, implementing the strategies to scale will
6 require a robust financing market to attract private
7 capital. The amount of funds currently spent on efficiency
8 programs is insufficient.

9 The Action Plan proposes creating a financing
10 market where products are readily available for projects at
11 different scale. As an example, events like equipment
12 failure can trigger projects if the right financing
13 mechanisms exist.

14 Allowing owners access to the initial capital to
15 replace equipment and knowing that the equipment will pay
16 for itself in a higher property resale an energy savings is
17 one example. Next slide.

18 AB 758 directed the Energy Commission to address
19 energy efficiency in existing buildings. After a
20 comprehensive process, which included significant public
21 input and support, staff asks that you adopt the resolution
22 approving the existing buildings energy efficiency Action
23 Plan. Thank you all.

24 CHAIRMAN WEISENMILLER: Thank you.

25 Let's go to public comment. Bob Raymer.

1 MR. RAYMER: Thank you, Mr. Chairman and
2 Commissioners. I'm Bob Raymer, representing the California
3 Building Industry Association. And as this is the last
4 week of the legislative session a number of other
5 representatives were unable to be here today. They are
6 over at the Capitol drinking Red Bull and staying up till
7 all hours, doing no good.

8 So with that I've been given authority from the
9 California Business Properties Association, the Building
10 Owners and Managers Association of California, and the
11 California Apartment Association to indicate all of our
12 strongest support for the adoption of today's AB 758 Action
13 Plan.

14 I know this has been many years in the making.
15 We've been participating since day one of the various
16 workshops throughout the State. You've got a very viable
17 product here. I'm particularly interested in being able to
18 get your hands on the needed utility billing information in
19 a rather expedited way. So we can make informed decisions
20 on how best to spend the money.

21 So with that I know we're getting ready for
22 launch. We just strongly support adoption today of this
23 plan. Thank you very much.

24 CHAIRMAN WEISENMILLER: Thank you. Thanks for
25 being here.

1 Tim Tutt?

2 MR. TUTT: Good afternoon Chair, Commissioners.

3 I am Tim Tutt from the Sacramento Municipal Utility
4 District. And I also am here in the support of adoption of
5 the Energy Efficiency Action Plan for Existing Buildings.

6 Energy efficiency is an important component of
7 SMUD's strategic direction of keeping sustainable energy
8 supplied for our customers. We're leaders on energy
9 efficiency where our goal is to achieve at least one-and-a
10 half-percent energy efficiency per year. And we can't do
11 that without efficiency in existing buildings, so this plan
12 fits with our plans generally.

13 I've been around long enough to know that
14 tackling energy efficiency in existing buildings is a tough
15 nut. It takes a lot of effort. There's been a lot of
16 effort put into this plan, that's clear. You're throwing
17 not just the kitchen sink, but also the bathroom sink, at
18 this whole effort. And hopefully the combination of those
19 strategies or at least one or two of them will take hold
20 and create a lot of action and activity towards getting
21 additional efficiency in these existing buildings.

22 So I just stand here in support and I appreciate
23 your action. Thank you.

24 CHAIRMAN WEISENMILLER: Thank you.

25 Jonathan Changus.

1 MR. CHANGUS: Good afternoon, now.
2 Jonathan Changus with the Northern California Power Agency
3 here and definitely it could be considered optimistic
4 neutrality on the Action Plan, echoing a lot of the
5 comments from SMUD about the importance of energy
6 efficiency going forward and the commitment that we
7 continue to make to pursuing it.

8 Existing buildings has been a tough nut to crack
9 for many, many years. And there are a number of strategies
10 that we think that are included within the plan that are
11 going to help encourage customer decision making.

12 We continue to have some fairly serious concerns
13 about specific strategies and look forward to continuing to
14 work with your staff and with Commissioner McAllister in
15 particular on addressing those. And the optimistic part is
16 I do believe that there are concerns they are nothing
17 that's insurmountable. And we look forward to continuing
18 that dialogue. Thanks.

19 CHAIRMAN WEISENMILLER: Thanks, great. Thank
20 you.

21 PG&E?

22 MR. BENGTSSON: Good afternoon Commissioners.
23 Nathan Bengtsson with PG&E. I'm glad to be here to offer
24 PG&E's overarching support for the adoption of the Existing
25 Building and Energy Efficiency Action Plan.

1 Many of the plan's recommendations are critical
2 to reaching the State's ambitious energy efficiency goals.
3 And the plan sets forth numerous initiatives and work
4 streams to achieve those goals. And it recognizes the
5 significant effort needed to increase efficiency in
6 existing buildings, as well as the time it will take to put
7 those strategies into place.

8 It provides a robust framework to harvest the
9 savings potential in these existing buildings. And that
10 includes essential elements of a comprehensive and
11 implementable plan.

12 And I just also want to say that we are grateful
13 for your hard work and staff's hard work in creating this
14 plan over these past years and for diligently addressing
15 stakeholder input during its development.

16 There is some new language in the Action Plan
17 that we have not seen previously. And we would like an
18 opportunity to work with staff to better understand the
19 implications of that language -- in particular, sub-
20 strategy 4.2.1, which calls for the establishment of a
21 statewide market transformation entity.

22 We'd like to better understand the specifics of
23 that sub-strategy including which agency would solicit and
24 select the third-party market transformation organization.
25 And whether the CEC envisions a collaborative structure for

1 that organization, made up of utility members like that of
2 the Northwest Energy Efficiency Alliance?

3 Further clarity on that sub-strategy is needed
4 and because this section has not been issued for public
5 review previously, we'd like to recommend this section be
6 deleted from the Action Plan until stakeholders have an
7 opportunity to review and comment.

8 With this limited modification again, PG&E
9 supports adoption of the Action Plan and shares its
10 appreciation of the Commission's hard work. I want to
11 sincerely thank staff and the Commission one more time for
12 their attention to stakeholder input throughout the
13 process.

14 And we look forward to continued partnership with
15 the CEC to achieve greater energy efficiency. This plan is
16 an important step forward. Thank you.

17 CHAIRMAN WEISENMILLER: Great, thank you.

18 Anthony Andreoni.

19 MR. ANDREONI: Thank you.

20 Good afternoon Commissioners, I am Anthony
21 Andreoni with the California Municipal Utilities
22 Association. And I'm here to also commend the Commission
23 for putting forth the plan. I think having a plan in
24 place, many of our members agree, is definitely the right
25 direction.

1 We do as an organization support energy
2 efficiency. As SMUD mentioned and CPA mentioned, our
3 members are out there making sure that we have significant
4 gains on energy efficiency, both in existing buildings and
5 as well as new construction.

6 We do also want to mention a few other things.
7 We are working with CEC closely on implementation of this
8 document. We want to make sure that as you move forward if
9 there are changes that come about or areas that need to be
10 refined, as you've mentioned, in the document that CMUA and
11 our members can be there to help and assist the Energy
12 Commission.

13 We also are working very closely with Energy
14 Commission staff on issues related to AB 1103 amendments
15 right now. And we definitely appreciate staff's workshops,
16 involvement and appreciate their ability to listen and work
17 together cooperatively to make changes as needed.

18 And we also encourage the continued discussions
19 with staff on listening to some of the customers regarding
20 various privacy concerns. And some of the behaviors
21 associated with making energy efficiency improvements.

22 So thank you again, we appreciate it.

23 CHAIRMAN WEISENMILLER: Thanks. Thanks for being
24 here.

25 Anyone else in the room?

1 Okay, so we'll switch the phone and I'll start
2 with the public officials. Let's actually start with Nancy
3 Skinner first -- ex-public official, but she's soon to be
4 back.

5 MS. SKINNER: Yeah, do they have me on?

6 CHAIRMAN WEISENMILLER: Yes, go ahead.

7 MS. SKINNER: Great. Okay. Thank you very much.
8 I also want to thank staff and Commissioner McAllister for
9 the incredible work that they have been doing on this plan
10 and the rest of the Commissioners. I've attended some of
11 the stakeholder meetings and I know that other
12 Commissioners have also participated.

13 So I want to indicate that I applaud that the
14 plan focus is on doubling energy savings. As articulated
15 specifically in the plan, is a 20 percent reduction in the
16 statewide building energy use by 2030, compared to the
17 businesses usual scenario. And I think it's very important
18 that a tangible or a quantitative goal was articulated.
19 And it obviously reflects the Governor's intention
20 expressed in his January 5th State of the State.

21 So I very much applaud that, but I also would add
22 the caveat that it may not be enough. And I say that now a
23 bit -- not that we should be responding only to individual
24 heat incidents, like we are currently experiencing, but we
25 know that we're in this warming world. And how much, how

1 consistent we will have this type of -- this is the hottest
2 year on record yet -- it's hard to say. But I note that
3 last night on the news there were two school districts in
4 San Jose that have now announced that they are going to
5 install air conditioning in every one of their facilities.

6 So we know that there's many parts of the State
7 that don't commonly have air conditioning in their
8 buildings, because with the rain influence we don't need
9 it. But if we see that, we move towards that, then we're
10 going to see an increase in demand. It may take a
11 different set of actions than articulated so far in the
12 plan.

13 The Action Plan is focused on improving the
14 availability and accessibility of quality info and data on
15 energy use in buildings. And by increasing access to this
16 data and deploying that information to drive the
17 marketplace and the consumer to take action, so based on
18 that goal I guess the plan is well developed.

19 Certainly we know from examples as the plan
20 states in New York City and Chicago, that having baseline
21 energy use per building type, known and easily accessible,
22 can have a transformative impact.

23 I applaud the raising of the compliance issues.
24 While I think that in implementation we probably need to
25 get more specificity we do know that very much of the --

1 well, our Building Codes, but also the work of the plan is
2 going to be -- its delivery will be reliant on our local
3 government, inspectors, and compliance officers. And
4 making sure that they're actually able to do their job and
5 doing that job is going to be very important. So I applaud
6 that that's in the plans. I think it may need more
7 specificity.

8 The expansion and growth of PACE programs like
9 HERO is also important. And as the staff member who
10 provided the overview -- the discussion around the more
11 available financing, PACE and HERO being great
12 possibilities for that -- I think is very good.

13 The emphasis on the cohort approach potentially
14 has great promise. We've already seen it having promising
15 and producing results. So I think that's also a very good
16 aspect of the plan. However, I think that better
17 information and better access to information may not
18 produce -- hopefully it will produce the intended results,
19 but it may not.

20 So I think that the aspect of the plan that
21 clearly articulates a review and assessment scheduled for
22 three years in is essential for us to be able to assess
23 whether this increased -- whether number one, we've
24 achieved the type of baseline energy data that we're trying
25 to achieve in the plan, whether we've achieved this type of

1 information access that is articulated. And whether than
2 that is also changeable, driving some action or changing
3 some behavior.

4 And so I raise that, because I look forward to
5 being part of that review. And so that we can think in
6 advance, rather than just when it occurs, what type of
7 targeted strategies might be additionally necessary to get
8 the type of results that we have in mind.

9 And I think that the plan shows certain energy
10 uses. For example, lighting and plug load, being the
11 largest energy use in residential -- and water heating is
12 the largest in multifamily -- that we may want to do
13 further work on very targeted strategies in those areas
14 that we might add as complementary to the strategies that
15 are articulated in the plan so far.

16 And then finally my final comment would be as we
17 hopefully -- and I don't know yet the fate of the bills
18 that the Legislature is currently debating -- for example
19 SP350, which would very much help to de-carbonize our
20 electricity. So assuming that we as a state do move in
21 that direction, and are greatly de-carbonizing our
22 electricity, then we need to be a bit more intentional in
23 terms of our focus on how to reduce our reliance on natural
24 gas, which we know is very dominant in our home heating,
25 our water heating and from our other energy uses.

1 So those are the comments I wanted to make. And
2 I really appreciate being able to do this by phone instead
3 of having to either -- drive up on today. And I really
4 appreciate the work of the staff and Commissioner
5 McAllister.

6 And I look forward with continuing to work with
7 you as this plan gets implemented.

8 CHAIRMAN WEISENMILLER: Okay. Thank you.

9 Let's go to Jeanne Clinton next.

10 MS. CLINTON: Hello, can you hear me?

11 CHAIRMAN WEISENMILLER: Yes, go ahead.

12 MS. CLINTON: Okay. So this is Jeanne Clinton,
13 I'm the Energy Efficiency Adviser at the Public Utilities
14 Commission appointed by the Governor. And this morning my
15 remarks are representing the Governor's Office.

16 First of all I want to underscore that this
17 Action Plan is very important to California, because it is
18 a full economy-wide statewide outline of actions that are
19 necessary in California to double the pace of savings. And
20 to do this by tackling over 6 billion square feet -- that's
21 "billion" with a "b" -- of commercial buildings and over 13
22 million homes and apartments.

23 So this is a daunting challenge. It will be a
24 big lift. And it is also a vital component of California's
25 commitment to the smart actions that we need to achieve our

1 greenhouse gas reduction goals.

2 While there is much in the plan that indicates
3 the roles that state and local governments can play in
4 leading California through this transition, I would like to
5 point out that the Action Plan calls upon both invigorated
6 utility programs and innovative, new solutions and services
7 from the energy efficiency in building markets and the
8 companies and providers that are active in those markets.

9 We understand that accomplishing this plan will
10 require mobilizing up to tens of billions of dollars of
11 investment. And that we will need ever greater
12 collaboration, new tools and techniques and new forms of
13 financial products, in order to connect these many dollars
14 of investment to the right opportunities and conditions in
15 our myriad range of situations in these buildings.

16 Furthermore, the clean California energy economy
17 that we expect will be resulting will be good news in the
18 creation of many, many, many more building sector jobs
19 across the State and as this plan has flagged. And also
20 working in collaboration with The Public Utilities
21 Commission and the utilities we expect to see increased
22 emphasis on ensuring that we have savings in our
23 economically disadvantaged communities.

24 So on behalf of the Governor's Office I would
25 like to applaud the tremendous effort that the Energy

1 Commission has put into reaching today. To state
2 personally, that I have collaborated with the Energy
3 Commission, as have others here at the California Public
4 Utilities Commission over the past few years in getting to
5 this point. And that we encourage all of the stakeholders
6 to work together and collaborate to ensure the success of
7 this plan. Thank you.

8 COMMISSIONER MCALLISTER: Thanks, Jeanne.

9 CHAIRMAN WEISENMILLER: Thank you.

10 Sue Frost, Mayor of Citrus Heights?

11 (Technical difficulties.)

12 Dina Mackin then?

13 MS. MACKIN: Hello?

14 CHAIRMAN WEISENMILLER: Hello. We can hear you.

15 MS. MACKIN: Hello. Okay, great.

16 Hi, this is --

17 CHAIRMAN WEISENMILLER: We can't hear you now.

18 MS. MACKIN: I'm sorry, I got cut off by the
19 conference line. This is Dina Mackin. I'm a Supervisor
20 with the CPUC Energy Efficiency Branch. And we just wanted
21 to share our support for this, for the AB 758.

22 We find this to be a comprehensive project and we
23 believe that half of this gets accomplished then it will go
24 a long way to achieving our energy efficiency goals. And
25 we look forward to working with the CEC on this.

1 CHAIRMAN WEISENMILLER: Thank you.

2 Let's go to Barry Hooper San Francisco Department
3 of the Environment.

4 MR. HOOPER: It's a fantastic document and
5 really, as the other speakers have mentioned, incredibly
6 comprehensive. The emphasis on collaboration and the
7 utilization of resources of local governments is certainly
8 very popular to local governments, but also a very useful
9 way of expanding the tool set and the influence that the
10 Commission would have on these issues.

11 And we really applaud the emphasis on how data
12 access is essential for the Commission itself as well as
13 for decision makers across markets, particularly building
14 owners. And look forward to continue to collaborate with
15 the Commission on unrelated issues.

16 In implementing San Francisco's energy
17 benchmarking requirements, ease of access to data for
18 tenant-occupied buildings has been the single biggest
19 challenge. And this is one of the instruments in which the
20 Commission has highlighted the value of the data flowing
21 freely as it does in many other states to the building
22 owner for reasonable use for energy management.

23 We really appreciate the Commission's great
24 effort on this document and look forward to supporting its
25 implementation. Thank you.

1 CHAIRMAN WEISENMILLER: Hanna Grene from the
2 Center for Sustainable Energy.

3 MS. GRENE: Hello?

4 CHAIRMAN WEISENMILLER: Hello. We can hear you,
5 go ahead.

6 MS. GREEN: Great, thank you. I'm calling in
7 from the Center for Sustainability to express a great deal
8 of support for AB 758. We've been engaged in providing
9 comments throughout the draft process and appreciate the
10 level of engagement that the Commission and staff have
11 shown to stakeholders.

12 In particular, I'd like to highlight our support
13 for the enormous potential we see for a statewide
14 benchmarking program to facilitate greater energy savings.
15 We're very pleased to see that really fleshed out in this
16 final draft.

17 Second, I want to express our strong support for
18 the local government challenge. We see this as a fantastic
19 opportunity for local governments across the State to
20 really demonstrate their ability to develop innovative
21 solutions to energy efficiency and to really incubate
22 models that we can all learn from across California.

23 Third, we also strongly support the establishment
24 of a statewide market transformation entity. And are eager
25 to participate in the regulatory proceedings and

1 forthcoming stakeholder engagement around what that market
2 transformation entity would do and what they could look
3 like and we think that that's a great opportunity for
4 California to really make big strides and hit those deeper
5 energy-savings goals.

6 So thank you very much.

7 CHAIRMAN WEISENMILLER: Thank you.

8 Kate Meis from the Local Governments Commission.

9 MS. MEIS: -- (indiscernible) for the critical
10 strategies outlined in the AB 758 Action Plan. And urge
11 the Commissioners to vote today to adopt the plan.

12 And in particular, we appreciate the recognition
13 of the role that local governments play in achieving state
14 energy goals. As noted in the plan, local governments play
15 a critical role in developing innovative solutions to
16 improve community energy performance.

17 The local government energy challenge in
18 particular, that's highlighted in the Action Plan, will
19 provide much needed funding to allow disadvantaged and
20 under-resourced communities to implement existing energy
21 efficiency best practices and also incentivize innovative
22 new solutions from leading communities across the State, so
23 thank you all for your laudable work in developing this
24 plan. And thank you for working with local governments to
25 assure that existing programs and resources are fully

1 leveraged.

2 We look forward to partnering with you to
3 implement the Action Plan and to build the capacity of
4 local governments to implement effective and innovative
5 energy reduction strategies through the energy challenge.

6 Thank you.

7 CHAIRMAN WEISENMILLER: Thank you.

8 John Shipman.

9 MR. SHIPMAN: John Shipman from Energy Efficiency
10 Management. And also I'm the Southern California Regional
11 Director of CHERP, the California Home Energy Retrofit
12 Program. And we are very much in support of the Action
13 Plan and applaud the effort by staff and Commissioner
14 McAllister. And especially the local government energy
15 challenge grant portion of it.

16 We've been pretty active in engaging local
17 governments and also local communities, and especially the
18 real estate community. We've been very active in
19 integrating real estate education and having that interface
20 with local community, existing building and energy
21 retrofits.

22 One of things we really encourage and we hope to
23 see is an active program, not just centered around realtor
24 education, but also actual mentoring of realtors. So that
25 they can actually take this from the classroom to their

1 business and help affect energy retrofits for existing
2 buildings. And support local contractors, utility
3 programs, and local government programs in the process.

4 So once again thank you very much. And we
5 appreciate all the effort and support the initiative
6 wholeheartedly.

7 CHAIRMAN WEISENMILLER: Thank you.

8 Let's go to Kent Tryham (phonetic) also of CHERP.

9 MR. TRYHAM: Good afternoon, Commissioners. Can
10 you hear me?

11 CHAIRMAN WEISENMILLER: Yes.

12 MR. TRYHAM: All right. I'm here today
13 representing the Community Home Energy Retrofit Project,
14 also CHERP. Thank you for the opportunity to speak in
15 support of the Action Plan and especially the local
16 government challenge grant component.

17 Under leadership of Devon Hartman, CHERP has been
18 extremely effective in engaging hundreds of volunteers at
19 the local level. We've educated thousands of people in
20 building energy and distributed generation. To date, over
21 2 percent of the homes in Claremont, the home of CHERP,
22 have retrofitted with an average of 30 percent in energy
23 reductions.

24 As others have mentioned we're really very
25 engaged at all levels, from contractors to real estate

1 agents and also branching out into other local governments.
2 I especially want to congratulate the Commission on its
3 focus on local government. This is very smart fiscal
4 policy.

5 I want to give you a specific example. The
6 latest program that CHERP is proposing will grow
7 Claremont's retail economy by over \$20 million a year. At
8 the same time, it will generate \$1.50 in new state revenues
9 for every dollar of grant input, which is a six-year
10 payback to the State of California.

11 With that same dollar of grant funding it will
12 mitigate 1.8 pounds of carbon. At the same time for each
13 million dollars of grant input it will create 21 job years
14 of employment.

15 The program is designed to support households of
16 median income and below, including rental households, a
17 first.

18 We urge the Commission to implement the local
19 government challenge grant component of the Action Plan.
20 The challenge grant will be a high return investment on
21 local economies. Volunteers, university, city councils,
22 chambers of commerce, realtors and mortgage brokers have
23 all been engaged and trained by CHERP and others that are
24 helping to lead the community engagement activities.

25 Broad local community involvement has proven to

1 be instrumental in effectively addressing existing building
2 efficiency to date. The challenge grant component will
3 help drive this success to scale. Thank you.

4 CHAIRMAN WEISENMILLER: Thank you.

5 Barbara Hernesman from CalCERTS.

6 MS. HERNESMAN: Yes. Hi, this is Barbara
7 Hernesman from CalCERTS. Can you hear me?

8 CHAIRMAN WEISENMILLER: Yes, go ahead

9 MS. HERNESMAN: So I want to start off by saying
10 compliments to the CEC Existing Building Energy Efficiency
11 staff, especially Martha Brook and David Ismailyan for
12 their exhausting efforts to engage market actors. It was
13 much appreciated to have the ability to have that much
14 access to the staff. And to be able to have a way to be
15 able to express our concerns, gaps and to participate in
16 the Action Plan, so much thanks to that.

17 In support of the EBEE Action Plan, the current
18 Goals 1 through 5, and their strategies as stated look
19 probably as -- what I could say, is as good as they can get
20 -- at this particular time. But I also want to make sure
21 that we have continued effort to keep the market actors
22 engaged going forward, in case there are modification or
23 additional strategies that may need to be brought into this
24 Action Plan as we roll it forward.

25 The additional modifications may appear as this

1 Action Plan takes on stride into the market, but the main
2 thing is in making sure that we keep the actors engaged and
3 there's an avenue for input.

4 So I want to say that the efforts going forward
5 to engage building owners, the market actors, the
6 compliance and performance workforce is essential as we
7 roll this out into the market and we make it as successful
8 as possible.

9 Again, I really compliment the staff,
10 Commissioner McAllister for all your efforts to really look
11 through an important lens of the business operators and
12 owners and the workforce to be able to put this Action Plan
13 into the market. Thank you.

14 CHAIRMAN WEISENMILLER: Paul from the Pilgrim
15 Place Retirement Community.

16 MR. MINUS: Yes, this is Paul Minus. I'm a
17 resident of the Pilgrim Place Retirement Community in
18 Claremont. And have been very involved with CHERP over the
19 last four or five years.

20 In that period we, with 350 residents at Pilgrim
21 Place, with approximately a hundred single-family
22 residences and three quarters of those, about 75 of them,
23 have been retrofitted in the last few years. And it's
24 clear to me and to all of the folks I work with that would
25 not have happened without the tremendous involvement of

1 CHERP and especially its leader Devon Hartman.

2 We think that the ingredients that have made our
3 retrofit success possible, particularly the kind of
4 leadership and educational challenge that Devon and others
5 have brought us, along with the financing that has been
6 particularly has been expressed in rebates that these
7 ingredients are an important part of what you are embracing
8 in the local government energy challenge.

9 And we think that with the passage of AB 758 in
10 particular this part of it, the local government energy
11 challenge, what is happening in Claremont can happen in
12 significant ways all across the state.

13 So we do encourage you to go full speed ahead in
14 the adoption and implementation of these proposals. Thank
15 you.

16 CHAIRMAN WEISENMILLER: Thank you.

17 So Joel Pereda, Enso Building.

18 MR. PEREDA: Yes, good afternoon.

19 My name is Joel Pereda with Enso Building
20 Solutions. I'm a contractor, a participating contractor,
21 in the Energy Upgrade Program. And over the last few years
22 I've also had a chance to work with CHERP and they've been
23 a tremendous influence on the way we do our work and how we
24 reduce energy costs.

25 And we would like to say we are in support of

1 this action. And we also would like to see more local
2 action. Thank you.

3 CHAIRMAN WEISENMILLER: Thank you.

4 Devon Hartman, CHERP.

5 MR. HARTMAN: Can you hear me okay?

6 CHAIRMAN WEISENMILLER: Yes.

7 MR. HARTMAN: Thank you very much. I would
8 really like to -- this is Devon Hartman the Executive
9 Director of CHERP.

10 And for the last several years we've been engaged
11 in proving happily, that there is a huge market for energy
12 retrofits in all building types. It's a very important
13 initiative if we're going to be able to reach our climate
14 action goals in California.

15 But I think one of the things maybe that I could
16 emphasize here that's a little bit different is in deeply
17 involving ourselves in local communities we have uncovered,
18 really, throughout California and the country a vast,
19 uncapped volunteer resource that are standing by and are
20 ready to be engaged. Vast numbers, really in the thousands
21 of people are very much believing in everything that we're
22 all trying to accomplish here. And they are only holding
23 back, because they don't really quite know what next steps
24 to take.

25 And so I think your focus on the entire Action

1 Plan is beautiful, I think it's appropriately detailed.
2 And I think that this local government challenge is
3 particularly important from a cost effectiveness and from a
4 community engagement perspective to be able to get some
5 tremendous leverage going forward.

6 One of our initiatives was to engage the City of
7 Claremont in the Georgetown University Energy Prize
8 Competition. And I've had a lot of occasion to speak with
9 many of the other 50 cities that are engaged in this
10 competition that's a small to medium city size across the
11 country. And I have to say that in my kind of rough guess
12 95 percent of them are drastically underfunded and under-
13 supported, but they all aren't -- with hundreds of
14 volunteers who are willing to help.

15 So any support that we can get out there at the
16 very local, the hyper-local community engagement, local
17 government level is wonderfully appreciated.

18 Thank you very much Commissioners and especially
19 Commissioner McAllister for all your work on this. Thank
20 you so much.

21 CHAIRMAN WEISENMILLER: Thank you.

22 Anyone else on the line?

23 Okay, so let's transition over to the
24 Commissioners. Commissioner McAllister.

25 COMMISSIONER MCALLISTER: Okay, well I have a few

1 things to say here. I guess I'm never really short of
2 words, but this is sort of a special case.

3 So I want to thank everybody who took the time to
4 be here and to talk and to manifest their support. But I
5 want to actually ask to go to the graphic -- David, if you
6 could sort of show that sort of initial graphic or if -- oh
7 yeah there we go. Don't escape quite yet. I wanted to
8 just highlight a point here on that. And this graphic
9 appears at the front of the Action Plan.

10 And yeah we make a big deal out of our per capita
11 -- California per capita has been flat since the '70s and
12 that's true. I mean I think that in part is due to our
13 policies in addition to some other sort of structural
14 changes that the State has seen. But that -- the forecast
15 there, the purple line is the forecast as we see it in, I
16 guess that's the 2014 Demand Forecast.

17 And I just want to make the case that that line
18 already reflects a lot of energy efficiency. California
19 has been a leader for decades in this. And so our business
20 as usual actually has a lot of ongoing energy efficiency.
21 And it reflects our decades of efficient new building
22 construction, it reflects appliance efficiency standards
23 and other efforts and the utility programs the rate payer
24 funded programs that got us to that purple line.

25 So the orange wedge is then additional things

1 that are currently under development that aren't quite
2 policy yet, but that we anticipate will be policy. So
3 that's the additional incremental efficiency.

4 And so that's more fruit on the tree, right?
5 We've gotten a lot of low-hanging fruit and that is sort of
6 the additional fruit that we anticipate being able to
7 harvest with additional effort and programs.

8 Now the blue is doubling up that, okay. So the
9 governor has given us a goal that we are going to double,
10 not just what we've been doing, but we're actually going to
11 double what we are currently thinking about implementing
12 and developing the implementation of. Okay, so this is not
13 a trivial thing this is a big deal. So capital "B",
14 capital "D", I think is very appropriate there.

15 And so in absolute terms that means we're
16 basically reducing per capita energy consumption. As of
17 2030 we're projecting it will be 20 percent less than it
18 is, than it would otherwise have been, okay.

19 And the tremendous thing from my perspective is
20 that also corresponds to a 5 percent reduction in absolute
21 building energy use in spite of the fact that our
22 population is going to grow by quite a bit and our economy
23 is going to grow by quite a bit.

24 So we're looking at different ways to express
25 this and I think within the overall carbon future that

1 we're envisioning across the agencies with the ARB and the
2 PUC and others, the Governor's Office we could develop I
3 think ways to make that message resonate and to demonstrate
4 what we're really talking about here.

5 Because I think it really is a tremendous goal
6 that we've set for ourselves and part of the reason why
7 we've all worked so hard on the Action Plan. Because there
8 are a lot of things we can do better, a lot of things we
9 can do different and a lot of just new things we can try in
10 2015 going forward, to get more penetration of upgrades of
11 our existing building stock, the various sectors that
12 comprise it.

13 So let's see, I want to just to highlight a few
14 things. Some of them have been said by some of the
15 speakers, but I wanted to kind of integrate the discussion
16 a little bit.

17 So this is a statewide program, so the bill,
18 AB 758 came out 2009. When I came to the Commission it was
19 right in the middle of my plate. I mean it's been my main
20 course ever since I came to the Commission. And frankly,
21 it's one of the reasons I wanted to come to the Commission,
22 because it's that important to impact the future of
23 California in a very substantive way. And engage our
24 population, our communities across the State in something
25 that really is going to bring a lot of value. It's really

1 huge.

2 And I think the part of what's going on here is
3 that this is really a new kind of endeavor for the
4 Commission. You've heard it in almost every speaker that's
5 to talk; it's the Commission engaging with the marketplace
6 very proactively with stakeholders out there, with local
7 communities.

8 You know, this isn't just sort of develop a
9 regulation and toss it over the firewall into the world.
10 This is real understanding businesses, people's lives,
11 communities, how they operate, local jurisdictions, local
12 governments, their building departments, all the ways that
13 they make decisions or don't make decisions.

14 And sort of trying to align the conditions under
15 which the marketplace operates with how actual decision
16 makers approach their buildings and live in their
17 communities. I think it's really quite a refreshing -- is
18 one word -- and challenging is another word -- it's both of
19 the above.

20 This Action Plan has been -- I think it's been a
21 long time in the making. We've had at least -- like David.
22 You've explained all the things that we've done. But we
23 had a draft, we had a road show all over the State, we had
24 another draft, we had a lot of conversations, we had
25 workshops.

1 The IEPR this year, I took the Lead on the IEPR
2 this year, so that I could actually make the 758 Action
3 Plan and some of its subtopics the central themes of the
4 IEPR this year. There are a lot of things going on.
5 Obviously we have been talking about many different topics
6 that are sort of the moment, but probably about half of the
7 IEPR workshops have had something to do with the AB 758
8 Action Plan.

9 And I want to commend staff -- I'll get a little
10 more detailed on the thank yous here in a little bit.
11 Commend staff on putting all those together -- both the
12 Energy Efficiency Division staff and the IEPR staff.

13 So the other thing I want to say and just by way
14 of context is this is not just about the Efficiency
15 Division or it's not just about the Existing Buildings
16 Office within the Efficiency Division. We have the nature
17 of this is that anything that touches existing buildings is
18 fair game to work on aspects of this Action Plan. So the
19 existing buildings and appliances -- it also includes
20 appliances. Well plug loads are huge, so the Appliances
21 staff is going to be very involved in contextualizing what
22 they do with respect to existing buildings.

23 The Standard Development Office, existing
24 buildings have additions and alterations, so we have to
25 really be proactive in how we look at the Title 24 Building

1 Efficiency Standards through the lens of existing
2 buildings. We do that quite a bit already, but I think we
3 need to look for ways to be, I think, more not
4 accommodating, but just appreciate the particular
5 challenges that existing buildings face. And work with the
6 actors in that space, which are different than -- in
7 general I think they overlap, but they are different from
8 the new construction, the developer community in important
9 ways.

10 The Standards Implementation Office, we really
11 had to get out there into the world and educate people
12 about code and about the conditions of how to engage with
13 the existing building stock and the implementation. We
14 have a great team doing a lot of that education and we need
15 to create these feedback loops, so people out there in the
16 world bring it back to the building and we can iterate and
17 improve it each time at each moment.

18 So you know, we're all in -- the Efficiency
19 Division and so within the Division we're all in -- but
20 across divisions, actually is really important.

21 So the Forecasting Team, this curve, this graphic
22 you're looking at is the AAEE. The top purple line is the
23 forecast. Well, we need to create the analytical tools to
24 be able to articulate the impact as we move forward; to
25 measure it, see it and incorporate it into the forecast so

1 that we can actually reflect. Go back to the Governor and
2 go back to the Legislature and say, "This is the role of
3 efficiency going forward in a much more robust
4 presentation."

5 So the data and the kind of analytical piece of
6 the Action Plan, I think, is critical. It's just one of
7 the pillars of what we need to know where we've been, to
8 assess where we want to go and see if we're getting there.
9 So that's just huge in terms of just our policy role.

10 So with that I guess I want to just thank
11 everybody again for chiming in. The local government piece
12 of this I think is massive. A few people have chimed in on
13 that.

14 Arguably the most important jurisdiction in
15 affecting the existing build environment is the Building
16 Office in a local community, right? The city, the county,
17 they're the ones who issue permits and they're the ones who
18 follow up on those permits. They're the ones who enforce
19 code. So we have a lot of things in the Action Plan about
20 how to unpack that, the permitting process generally.

21 Part of it belongs to the Energy Commission, but
22 not all of it by any means. And improve it and make it
23 sort of more utilized, I guess. That's another nut. Some
24 nut, I guess, that would be hard to crack here. But
25 permitting is really important to get that right and to

1 work with local governments to improve it.

2 The benchmarking piece is also a huge aspect of
3 the Action Plan. Not that benchmarking solves all of these
4 problems in the commercial sphere on its own, but again it
5 creates the conditions by which better decisions can be
6 made. And so that's really what we're trying to do.

7 I want to take to heart what Nancy Skinner said
8 about she would like to see more priorities and more sort
9 of details and sort of map each strategy onto its likely
10 impacts. And I am very sympathetic with that comment and I
11 have had a lot of conversations with her, she's been very
12 involved in this. I really hope that she is in a position
13 to actively engage during the implementation and the
14 updates of the Action Plan.

15 At this point I think what we're trying to do is
16 set the stage for success. We're trying to create the
17 conditions that the marketplace can go out there and do it.

18 I've said it a million times, and I'll say it
19 again, the Energy Commission doesn't have the white trucks.
20 We're not going to go out there in the world and do
21 installations -- maybe each of you on your own homes or in
22 businesses -- that's an important piece.

23 But there are contractors out there trying to
24 make a living, there's local governments that have mandates
25 and citizens that they have to be accountable to. And so

1 they're the ones who need to see a reason to do this. And
2 so we need to figure out how to express and give them that
3 reason.

4 So the data piece, the analytics piece, down to
5 the homeowner, the renter or the homeowner, the apartment
6 dweller the right information has to come to them at the
7 right time. So they can make better decisions, so all of
8 that is necessary for any piece -- for any person involved
9 in this supply chain of energy efficiency upgrades to say,
10 "Hey, this is in my best interests. I'm going to pick up
11 the phone and call a contractor, I'm going to Home Depot
12 and buy the latest LEDs and put them in my apartment,
13 whatever it is." So those incremental improvements sum up
14 to be the expression of our goal that we have for the
15 state.

16 I'm dwelling on this, because I think it's really
17 important. This is a communal -- we're going to have 40
18 plus million people in this state and this is something
19 that really has to be done by everybody.

20 Down the road also in the Action Plan, is if we
21 don't hit our goals, then we have to start talking about
22 mandatory requirements. I think that that's going to be
23 possibly necessary, but it's a difficult route. And so if
24 we're going to go down that route and propose mandatory --
25 use our authority to propose mandatory upgrades to the

1 existing building stock then we have to have every duck in
2 a row to be able to justify that it's a no-brainer, cost
3 effective, in everyone's best interests.

4 And so part of the goal here is to like, "Look,
5 if we don't have the analytical tools to show that then it
6 limits our options going forward." So there's really a lot
7 of knowledge infrastructure in the plan.

8 And then there are specific programs that attack
9 specific sectors. And so the sum total of that hopefully
10 is to see change in the way we do business for the built-in
11 environment and the built-in environment.

12 I'm an optimistic person here, I think staff and
13 my office have just worked together tremendously over time.

14 And stakeholders, we have really listened to the
15 stakeholders. There are some open questions on how all
16 these strategies probably are going to pan out and work,
17 but we've listened to stakeholders and we've said, "Hey,
18 we're going to put this in, we're going to assign a lead to
19 it and we're going to monitor it over time."

20 And if it doesn't? Well, in two years we'll be
21 updating the Action Plan and we can toss it out or we can
22 refine and improve.

23 So that's what the legislation says is that
24 "Every IEPR cycle we're going to do a check-in on the
25 Action Plan to see how it's going," so that's part of the

1 plan.

2 Let's see, so I want to do a few acknowledgments
3 here and then I'll pass off to my colleagues.

4 Actually, on the graphic, one more point here.

5 So we're no longer in the natural gas power plant, a
6 hundred percent environment here, but if you translate that
7 to energy and capacity by 2030 we'll be avoiding about 32
8 power plants, 500 megawatt natural gas power plants. So
9 that's a pretty big deal.

10 So I'm not sure how many large renewables plants
11 that would be, but we're going to be --

12 CHAIRMAN WEISENMILLER: About the same number.

13 COMMISSIONER MCALLISTER: -- probably about the
14 same number. But also I guess I'm just pointing out that
15 energy efficiency is not in a silo here. We're
16 transitioning towards a radically different fleet over
17 time, generation, at all scales and all locations. And a
18 byproduct of some of the data resources that I think we're
19 developing.

20 And I just want to point out some of the great
21 stuff that Commissioner Douglas has led on the DRECP,
22 similar kind of thing, using analytics to help us
23 understand how things work and how they can be integrated.

24 The ready and some of the distribution planning
25 efforts, all of those, energy efficiency is a key part of

1 all of those. We've got to create that head room so that
2 we can -- through energy efficiency -- so that we can have
3 more options for our distribution grid in our supply
4 overall, going forward. So this is really part of a bigger
5 deal.

6 So I want to thank staff first of all. Abhi
7 Wadhwa -- I see back there -- she has just stepped into the
8 role in the existing Buildings Office and doing a fantastic
9 job. Martha Brook as well -- we're really happy to have
10 you in the existing Buildings Office. I know the Standards
11 Development Office, they're unhappy that you left. But
12 Martha is just a real great resource for the Commission
13 overall.

14 David Ismailyan, thanks for the presentation.
15 Really I think -- and Erik Jensen, Laith Younis, Daniel
16 Johnson and Ken Rider on the Appliances Team also has
17 contributed a lot to the Action Plan. Really, almost
18 anybody in the Efficiency Division I could thank for their
19 input on the plan, because it's really hit everybody at
20 some point I think.

21 And then Dave Ashuckian, Christine Collopy have
22 really sort of been the fearless leaders of the iterative
23 process that we've gone through to put together the plan
24 and keep developing it and improving it over time.

25 Again, I want to thank Nancy Skinner for her

1 vision. We are so thankful, we're so lucky in California,
2 to have legislators that have that kind of vision and that
3 kind of drive and take time to educate themselves about
4 what's actually needed and try to express that through
5 legislation.

6 The Governor's Office has been incredibly
7 supportive on many of the themes: Ken Alex on the data
8 front, Cliff Rechtschaffen on any number of fronts
9 throughout this process.

10 And Jeanne Clinton, who spoke earlier, has really
11 just been an invaluable partner both liaising with the PUC
12 and really rolling up her sleeves and developing even parts
13 of the Action Plan on the financing goal. She was really
14 critical, instrumental to getting that done.

15 And Pete Skala, as he leads the Efficiency Team
16 over at the PUC, and he and his team have been very
17 engaged. If you look at the plan and you look at the
18 tables of what the strategies are and who's going to lead
19 them and implement them the PUC appears quite a bit, as
20 does the Energy Commission.

21 But there are many, many other stakeholders.
22 There are lots of state agencies that touch buildings and
23 there are local agencies, the local governments, the
24 contractors, the building officials. If you look through
25 there I think you'll be impressed sort of with the breadth

1 of coverage.

2 And that's to say that this is a Statewide Plan,
3 this isn't all about the Energy Commission. This is what
4 we think is necessary, but this isn't what we think only we
5 have to do. So there's a lot of people, there's a lot of
6 entities out there that kind of -- we all need to roll up
7 our sleeves and work together in a cooperative,
8 collaborative way to move this whole endeavor forward.

9 Local governments, in general, the
10 representatives that called in today thank you very much.
11 I thank Kate and the LGC and the LGSEC and the Green
12 Cities, we got a nice letter from the Green Cities in
13 support.

14 You know, the County and City of L.A., I think,
15 have been real partners in doing a lot of great stuff on
16 the ground and planning a lot of great stuff.

17 City of San Francisco, Barry thanks a lot to you
18 and your colleagues over there at the City. You're doing a
19 lot of great stuff.

20 All of our ARRA partners -- I'm looking at
21 Christine. I'm not going to list those, that would take
22 all afternoon. And then Commissioner Douglas knows who I'm
23 talking about pretty clearly, just the learning that we
24 went through during that period. And then I think the
25 thinking was that it sort of was AB 758 version, you know,

1 Alpha Version. And that we learn from that and incorporate
2 a lot of those lessons into the Action Plan, so that was
3 really I think a key learning period for the Commission and
4 for the State, in general.

5 I also want to thank Diane Grueneich who sent us
6 a nice letter of support as well. She was the PUC
7 Commissioner back in the day and really took a lot of
8 leadership in the energy efficiency realm at that agency
9 and continues to work in the area. And so is a really
10 great resource for the state on this front as well.

11 So in summary I guess I'm just really gratified
12 to be at this stage. Again this is I think one of the most
13 impactful things that I could imagine doing with myself,

14 And really the team building that I think we're
15 going through not just within the Commission, but just
16 across the board, the brand of the Energy Commission as
17 enabling economic activity that helps contribute to our
18 state's goals. I think that's huge and nobody's going to
19 do that but us, it's got to be the Energy Commission to
20 lead that.

21 Really, almost whether or not AB 758 became law
22 that was something that I think was needed and so I want to
23 just -- given the fact that we are at a real critical
24 moment with some of the legislation that's going on, the
25 discussions that are going on, the expression of those

1 goals in various forms and all the stakeholders chiming in
2 I really wanted to have this adoption, this vote prior to
3 the end of the legislative session.

4 So we can no longer say, "Oh you know, we've got
5 this draft plan." No, it's a final plan okay. And it's
6 going to be the expression of policy. And so we can move
7 forward forthrightly and in earnest with implementation.

8 So again, it is a living document. This is the
9 formal version one of it. Absolutely there are all ears
10 open at the Commission to hear people's comments. We heard
11 a few of them today about different things that people
12 wanted to revisit.

13 We can do that going forward. I don't really
14 want to modify the document as it is today from the dais,
15 but certainly acknowledge PG&Es comment about the market
16 transformation entity.

17 You know that's a bold recommendation. There have
18 been a lot of conversations about that and I think the
19 document admittedly may be a little uneven on that topic.
20 But there was a very robust discussion that is ongoing in
21 the legislature and elsewhere about that topic. And the
22 PUC and the Energy Commission I think will continue that
23 discussion about that topic going forward. So I think
24 that's really all I want to say about that.

25 So with that I want to just thank everybody for

1 bearing with me on this. I obviously believe this is a
2 really big deal.

3 And I'm really looking forward to the
4 implementation of all the different strategies in there and
5 learning as we go along what's going to work the best.

6 So thanks for your indulgence.

7 CHAIRMAN WEISENMILLER: Thank you.

8 Commissioners.

9 COMMISSIONER DOUGLAS: Well, I'll just jump in
10 and say that I recognize that this is a heavy lift. AB 758
11 is an ambitious goal, an ambitious law. And obviously
12 that's what we need given the size of the goals that are in
13 front of the State in clean energy generally, but
14 particularly also in the energy efficiency space.

15 So I know because I have seen although I've been
16 spared the details in the iterations for the most part I
17 have seen the level of effort that has gone into this.

18 I want to thank Commissioner McAllister and the
19 staff team on this. As he noted over the course of the
20 evolution of AB 758 work and some of the work that I've
21 been engaged in renewable energy planning we've found some
22 common interests, one of those around data where he and I
23 can sit down and really geek out over the importance of
24 data and good information and how that supports good
25 decisions.

1 And certainly another one has been the experience
2 of working really closely with local governments and other
3 partners outside of the state to make things happen on the
4 ground that the Energy Commission just can't do by itself.

5 And when you're looking at market transformation
6 on the level that's called for in the AB 758 Action Plan
7 it's very clear that the Energy Commission has an extremely
8 important role in articulating a plan and articulating a
9 structure and kind of sub-goals within that plan.

10 And doing the reassessment as was discussed in
11 three years and on time frames that make sense after that
12 to assess progress against plan, but achieving these goals
13 is something that we need to just be very proactive about
14 engaging broadly outside of the CEC and broadly engaging in
15 partnerships to do it.

16 So I really strongly endorse that approach as
17 well to moving forward with building energy efficiency.
18 And obviously it's a really important part of meeting our
19 long-term climate goals.

20 So I just want to express my support and
21 appreciation for the work that's gone on. I know it's been
22 a very heavy lift.

23 COMMISSIONER SCOTT: I will underscore a few
24 things that have been said already. I like,
25 Commissioner McAllister, what you said, "This is it. This

1 is a big deal with a capital "B" and a capital "D." But it
2 really is.

3 Energy efficiency is such an important component
4 to achieving the state's clean air goals, achieving the
5 state's climate goals, getting all of the clean to -- and
6 achieving what we're trying to do on clean energy and so
7 this really is I think a big deal.

8 One of the things that I am eagerly anticipating
9 or most excited about with this is the how you kind of
10 build what I think will be a successful foundation for
11 unleashing the creativity and innovation that we find in
12 the marketplace: bringing in the local agencies, the local
13 governments, like a whole bunch of people to really think
14 together and be creative and innovative in this space.

15 And I think that there will be solutions and
16 ideas that we can imagine today that will be transformative
17 that come from kind of the foundation that you've built
18 within this plan. So that's the part that I'm really
19 eagerly anticipating, kind of seeing how it goes as we get
20 to implementing it.

21 I want to say thank you to you and to the whole
22 team, thank you so much for your leadership. And
23 congratulate all of you on shepherding this from draft to
24 final. This is terrific and I look forward to supporting
25 it.

1 CHAIRMAN WEISENMILLER: Thanks.

2 I'm just going to make a couple of brief
3 comments. One is one of the reasons why this is really
4 important is that we really need our programs to reach out
5 to all Californians. And particularly many of our
6 Californians are low income.

7 You know, people live in rented housing and so
8 those are the existing buildings that are probably the
9 toughest part of this nut to crack frankly. But it's
10 really important to really help all Californians, low
11 income, disadvantaged communities. I mean this is a key
12 part of our efforts there as opposed to say new
13 construction.

14 And I would also note that when I became Chair
15 and Liz Fletcher (phonetic) asked me what I was going to
16 try to accomplish one of the things, I mentioned was the
17 758 Plan being adopted and the other was lessons learned,
18 so this is a good day.

19 All right, so any motions?

20 COMMISSIONER MCALLISTER: I'll move Item 7.

21 COMMISSIONER SCOTT: Second.

22 CHAIRMAN WEISENMILLER: All those in favor?

23 (Ayes.)

24 This item passes 4-0.

25 We're going to take a break until 2:00 o'clock

135

1 and come back then. Thanks.

2 (Off the record at 1:15 p.m.)

3 (On the record at 2:03 p.m.)

4 CHAIRMAN WEISENMILLER: We have a postscript
5 according to you.

6 COMMISSIONER MCALLISTER: Yeah. You know, as I
7 was walking back to my office after the 758 Item I realize
8 I forgot to thank some of the most important folks that
9 have really been by my side the whole time in working with
10 staff extensively and all the stakeholders. And that's Pat
11 Saxton, my primary advisor on 758, has just been
12 invaluable, just very substantive and very proactive and
13 just with a great sense of problem-solving and creativity
14 and positivism. So I really very much appreciate his work
15 across the board as my advisor, but specifically on 758
16 he's really been invaluable and a terrific colleague and
17 partner on that.

18 And on the sort of policy side, Hazel Miranda,
19 one of my other advisors actually, has also been just
20 terrific on the Action Plan. I mean, interacting with
21 stakeholders is an art and a real skill and they both have
22 it.

23 And then more recently, Charles Smith has been
24 helping, primarily with the IEPR, but since there's so much
25 overlap with the 758 Action Plan and IEPR this year I

1 wanted to recognize him as well, because I feel like the
2 team mentality and just the level of commitment of all
3 three of them has just been fabulous. And so that really
4 goes along with the with all the staff hard effort and
5 great work on the 758 Action Plan. So I would have been
6 remiss if I had not really called them out as having been
7 great contributors.

8 CHAIRMAN WEISENMILLER: Great. Let's switch in
9 order to Number 10 next, Nonresidential Compliance Option.
10 Please?

11 MR. ALATORRE: Good afternoon, Commissioners. My
12 name is Mark Alatorre and I'm a Mechanical Engineer in the
13 Building Standards Office.

14 Public Resource Code Section 25402.1(b) requires
15 that the Energy Commission establish a formal process for
16 certification of compliance options related to new
17 products, materials or calculation methods that are usable
18 for showing compliance with the Building Energy Efficiency
19 Standards.

20 In response to this requirement, Section 10-109
21 of the Building Energy Efficiency Standards establishes the
22 process for introducing designs, materials or devices that
23 cannot be adequately modeled in any currently approved
24 alternative calculation methods. Or that are not
25 appropriately accounted for in the currently approved

1 compliance approaches.

2 Currently, the Building Energy Efficiency
3 Standards prescriptively require that the mechanical
4 cooling equipment serving a computer room, be equipped with
5 either an integrated air-side economizer or an integrated
6 water-side economizer. A mechanical cooling system
7 integrated with one of these features can provide cool air
8 to the space without operating a mechanical cooling system
9 provided the outside conditions are sufficiently cool.
10 This results in energy savings due to not having to operate
11 a compressor, to mechanically cool the air or water.

12 Emerson Network Power used this established
13 compliance option process of Section 10-109 to submit an
14 application for approval of their Liebert DSE data center
15 cooling system to be accounted for in the currently
16 approved prescriptive compliance approach.

17 This system features a pumped refrigerant
18 economizer that follows the same principle of economizing,
19 in that it provides cool air to the space when the
20 compressor is off or assisted, and is still able to provide
21 sufficient cooling.

22 The Liebert DSE system uses pumps to move the
23 refrigerant from the condenser to the evaporator, absorbing
24 heat from the computer room and rejecting the heat to the
25 outdoors. The energy savings is the difference in energy

1 consumption between the pump and compressor. The proper
2 outside conditions must be present for this process to
3 work, just like air or water-side economizing, but unlike a
4 water-side economizer the Liebert DSE system does not
5 consume any water.

6 As part of their application Emerson included
7 building simulation files comparing their system to a
8 water-side economizer using the approved public domain
9 software CBECC-Com. The results showed energy savings in
10 14 of the 16 climate zones. The climate zones where their
11 system does not perform as well as a water-side economizer
12 is Climate Zones 10 and 15.

13 Staff therefore ask that you adopt the resolution
14 approving this compliance option for pumped refrigerant-
15 based economizers as a prescriptive alternative to water-
16 side economizing for computer rooms in Climate Zones 1-9,
17 11-14 and 16. This proposed alternative will provide
18 energy savings in 14 out of the 16 climate zones, and will
19 potentially offset roughly 4 million gallons of water per
20 year that would otherwise be consumed by the installation
21 of a water-based system.

22 Allowing the use of this technology is consistent
23 with compliance options process prescribed in the Public
24 Resources Code Section 25402.1(b) and Section 10-109 of the
25 Building Energy Efficiency Standards, which allows for the

1 introduction of designs, materials, or devices that cannot
2 be adequately modeled in the currently approved alternative
3 calculation methods or are not appropriately accounted for
4 in the currently approved approaches.

5 I am available to answer any questions that you
6 may have as is Steve Madara of Emerson.

7 CHAIRMAN WEISENMILLER: Great, thank you.

8 Mr. Madara, do you want to say a few words?

9 MR. MADARA: Mr. Chairman, Commissioners, first
10 of all thank you for taking me out of order here, because
11 of a commitment I have. I'm Steve Madara, I'm Vice
12 President of Global Thermal Management for Emerson Network
13 Power, the Applicant here.

14 I want to first of all, thank the CEC staff that
15 did the analysis with us. We spent a lot of time working
16 through the comparison with the water economizer to make
17 sure that they understood how our system worked.

18 As Mark indicated here, the technology that we're
19 proposing here, and that we've been using, is more
20 efficient than the current prescriptive option of a water
21 economizer in the range of 8 to 10 percent with the added
22 benefit it does not use any water. So in a data center
23 that's roughly one megawatt in size you're consuming
24 roughly 4 million gallons of water a year.

25 If you look at all of the data centers being

1 built in California on an annual basis, that amounts to
2 probably 100 million gallons a year of water savings. As
3 well as, you know, you still have the energy savings of
4 about 1,000 megawatt hours of electric energy.

5 This system has been deployed since 2011. We've
6 got about 1,600 systems globally installed, all measuring
7 the results which match up with the results that we have
8 presented to the CEC.

9 So what I'd like to do is just conclude and thank
10 you for consideration to approve this option as a
11 prescriptive alternative.

12 CHAIRMAN WEISENMILLER: Thanks. Thanks for being
13 here.

14 Commissioner, any questions or comments?

15 COMMISSIONER MCALLISTER: I know I thank Mark and
16 we thank the Applicant for sure. I mean, you know, always
17 looking for new technology that's proven and saves energy
18 and in this case has a huge upside on the water side as
19 well. So I want to thank Mark for doing all the due
20 diligence and staff as well: Peter Strait and Eurlayne
21 Geiszler in that same office.

22 So I'm in full support of this item. Okay. I'll
23 move Item 10.

24 COMMISSIONER SCOTT: Second.

25 COMMISSIONER MCALLISTER: Actually, there's a

1 resolution here. Is that --

2 MS. VACCARO: Yeah, I was just going to make sure
3 we do the call for public comment before we take the vote.

4 COMMISSIONER MCALLISTER: Oh, right. Of course,
5 yes.

6 CHAIRMAN WEISENMILLER: Any other public comment?
7 Okay. Now, all those in favor?

8 (Ayes.)

9 CHAIRMAN WEISENMILLER: This passes 4-0. Thank
10 you.

11 Let's go on to Number 8, Modernize Appliance
12 Efficiency Database System.

13 MS. AWTRY: Good afternoon, Commissioners. I'm
14 Christine Awtry with the Appliances and Existing Buildings
15 Office of the Energy Efficiency Division. Today I will be
16 giving an overview of our recently deployed, modernized
17 Appliance Efficiency Database System.

18 The Energy Commission remains the main worldwide
19 source of appliance data that is this wide-ranging,
20 accurate and consistently available. There are other
21 sources where certain appliance data is available, but
22 there is no other single source where all of the data
23 available in the Energy Commission's Appliance Database can
24 be found in one place.

25 This database includes all current, active data,

1 more than 400,000 individual models, as well as historical
2 data certified to the Energy Commission since 1978, which
3 is more than 1.4 million individual models. Current law
4 states that manufacturers may not sell or offer for sale,
5 regulated appliances in California unless the appliances
6 are certified by their manufacturers or approved third-
7 party and listed in the database. And appliance may only
8 be listed after a manufacturer submits data on the
9 appliance with a statement certifying that the appliance
10 meets the State's water and/or Energy Efficiency Standards.
11 And has been tested and marked as required.

12 The California Energy Commission's Appliance
13 Efficiency Program collects, validates and publishes model-
14 specific data for 65 different unique appliances in 15
15 different categories. Until the launch of the new,
16 modernized Appliance Efficiency System on August 6, 2015
17 the submittal of appliance data was a manual process.

18 This data is typically used by local government
19 building departments to enforce Energy Efficiency
20 Standards, utilities conducting appliance efficiency rebate
21 programs, consumers making purchasing decisions, energy
22 consultants for design work, manufacturers confirming their
23 listings and a wide range of groups seeking to research and
24 propose new Efficiency Standards.

25 MAEDBS, a streamlined and user-friendly online

1 system, went live on August 6, 2015. It was deployed on
2 time and on budget.

3 The former appliance database system consisted of
4 four separate systems, which relied upon Microsoft Access,
5 SQL Server, Microsoft Excel and Microsoft Access. (sic)
6 The manufacturer submittal process was entirely manual.
7 Our old process was fragmented and paper intensive. Email
8 tracking was not viable.

9 The new database is one integrated system that
10 allows manufacturers and others to submit certification
11 data and verify compliance electronically, giving them more
12 control over timing and accuracy of their submittals, while
13 dramatically reducing the time Commission staff spends
14 processing paperwork. They can set up an account, go to
15 "public search" to look for models or search for approved
16 third-party and test labs.

17 Manufacturers can manage their own accounts now.
18 They can look to see what they have submitted in the past,
19 what models were input into our database and if their
20 third-party or test lab application is approved.

21 The goal of the 2012 Feasibility Study Report was
22 to reduce the amount of staff time needed to process an
23 appliance certification submittal from seven to ten working
24 days down to three to four working days. We beat that
25 expectation and we were at one working day or less to

1 process a data submittal.

2 Time to process data submittals went from two
3 weeks to a business day. The time to process a submittal
4 has now dropped by 90 percent. It took one to two weeks to
5 respond to compliance and certification questions. Now on
6 average it takes less than two days to respond.

7 Failure rate -- submittals that had to be sent
8 back to the manufacturers, because of errors -- has now
9 gone from 22 percent to less than 10 percent of submittals
10 that are now being rejected by staff.

11 Here's just some statistics since we went live,
12 for August. We've had 369 appliance database account
13 requests, 213 appliance database hotline calls, 368
14 appliance database hotline emails, 618 manufacture data
15 submittals have now been processed, 76 test labs and third-
16 party applications processed and over 10,000 appliance
17 models have been processed in the database since we've gone
18 live.

19 Most of the calls and emails are for account
20 management, account setup, password resets and just
21 assistance with submitting manufactured data. In summary,
22 MAEDBS facilitates the processing of more certification-
23 related submittals with fewer staff in less time.

24 Here are just some of the resources we've set up
25 to make it easy for the manufacturers. We've created the

1 MAEDBS Hotline, which is able to assist with the account
2 setup and data submittal issues for the new database.
3 Manufacturers can also email the Appliances Team with any
4 questions regarding MAEDBS and other compliance questions.
5 Average response time is now two days or less.

6 They can also go to our website. We have forms,
7 we have instructions on how to use the new system. You can
8 also go to the Webinar documents and actually see a
9 presentation on how to use MAEDBS.

10 And something nice, also Energy Code Ace is a
11 one-stop shop for a suite of free training tools and
12 resources, which is designed to improve compliance with the
13 State's Energy Codes and Standards by helping to decode
14 Title 24 and Title 20. New Title 20 on-demand video
15 trainings will be launched by the end of this week. They
16 were developed by the California Statewide Codes and
17 Standards Program in support of CEC.

18 If anybody had any questions -- I just wanted to
19 thank everybody and let everybody know this was just a very
20 successful deployment. We had just a very committed staff
21 and IT. We had a lot of support from our contractor,
22 Trinity. And I think the manufacturers have now embraced
23 this system, increased the number of submittals, so they
24 can actually maintain their own data.

25 So this has been really exciting, so any

1 questions? No? All right, thank you.

2 CHAIRMAN WEISENMILLER: Okay. We have one public
3 comment, I believe, from Kevin Messner.

4 Come up, please.

5 MR. MESSNER: Hi. Kevin Messner with
6 PoliticaLogic, I represent the Association of Home
7 Appliance Manufacturers.

8 So I wanted to first off say thank you that we
9 were reached out to -- the Appliance Manufacturers were
10 reached out to on the beta testing, which was great. And
11 then had a training for the member companies, which was
12 really, really helpful.

13 I got some feedback on the database and I just
14 wanted to read something from it to you, they're positive.
15 One person said, "I had a couple of system issues during
16 the initial launch setup phase. I had a CEC contact that
17 was very supportive and was able to address the issues
18 pretty quickly." So that was good to hear.

19 And then the other was, "I have observed that
20 their stats that they're putting up there to be true, that
21 the reductions have happened." I know you guys would like
22 "true" as "accurate," probably, but doing the quote.

23 There were a couple of things and I do have one
24 question. One is the processing time for manufactures,
25 it's great that it's reduced on CEC's end, because it

1 speeds up the two weeks or one-week down (indiscernible)
2 but the manufacturer processing time has been more from
3 this. And I think part of it may be due to just learning
4 curves, and others there are some complications. So one
5 area is this delegation of authority to source the product
6 seems to be a little complicated for folks right now. And
7 we --

8 MS. AWTREY: Yeah, we can do some more outreach
9 on that.

10 MR. MESSNER: Yeah, okay. Good. And then the
11 other point is they said that there's maybe a FAQs and a
12 frequently asked questions documents that may be due and
13 the sooner, the better on that. Right now there's a lot of
14 pages to weed through, so they're looking forward to a FAQs
15 quickly. And one of the things to put on there, and maybe
16 you have an answer now, is when do they know when the
17 submission is finally -- or officially approved if you
18 don't get a rejection notice, which happens much more
19 quickly now. But if there's something wrong -- but how do
20 you know when it's officially --

21 MS. AWTREY: You will get an email and it will
22 either say that it's either successful or unsuccessful or
23 partially successful. So you're notified usually, like I
24 said, within a day. And you will know --

25 MR. MESSNER: So that first email is --

1 MS. AWTREY: So you get the first email that
2 says, "Hey, thank you for submitting."

3 MR. MESSNER: Yeah.

4 MS. AWTREY: And it gives you your submittal
5 number. And then once we've processed it on our side they
6 immediately get an email back and it will say whether it
7 was unsuccessful or successful. It will also list all the
8 models and it will also put in the date that they're going
9 to show up in the public search.

10 MR. MESSNER: Oh, okay.

11 MS. AWTREY: That's been a feature that everybody
12 really likes. So now people, if they know they don't want
13 it shown and let's say until October, they can get all
14 their data through and make sure it validates, it looks
15 good. And they can say, "I don't want it to be shown until
16 October." So they can make sure. So that has been one of
17 the best features and they will know that on that email,
18 "Your data will show on this date that you chose and here
19 are the models that will be listed."

20 MR. MESSNER: Okay. Great, fantastic. Thank
21 you. Thank you for all your help and thanks to the
22 Commissioners for going through this. Thank you.

23 CHAIRMAN WEISENMILLER: Okay, thanks for being
24 here. Thank you.

25 Let's go on to Item Number 9, the City of Palo

1 Alto.

2 COMMISSIONER MCALLISTER: Can I make one comment
3 here?

4 CHAIRMAN WEISENMILLER: Sure.

5 COMMISSIONER MCALLISTER: I just want to make one
6 comment on the appliance database.

7 This has been a huge -- I want to just -- yeah,
8 this is an informational item, but thanks Christine. Big
9 team on this and I want to just acknowledge that team, so
10 Kristen Driskell who's in charge of the -- oh there she is
11 -- in charge of the Appliances Team and John Nuffer.
12 There's a lot of people have had a hand in this, John
13 Nuffer's been instrumental as well, Betty Chrisman, Carolyn
14 McCormick, Ben Fischel, Maunee Berenstein, Bruce Helft,
15 Peter Strait, Cheryl -- and then the IT Team, Mark Boyer
16 and Cheryl Kettlewell.

17 So that's a lot of people and it's really, I
18 think, commensurate with the effort. This was huge, it was
19 successful. It's again, you know, we have a theme here
20 today, which is modernizing the way the Energy Commission
21 deals with stakeholders. And this is just really, it's
22 kind of a killer app in terms of dealing with our
23 appliances project flow, work flow and being responsive to
24 stakeholders and participants in the California
25 marketplace.

1 So I appreciate, Kevin, your comments as well.
2 And again, this is never done in that -- to the extent that
3 stakeholders have comments we want to take to them. And
4 there are always going to be issues popping up and that's
5 not anything that's strange or a problem. We just have to
6 have the mechanisms to hear them and deal with them and get
7 to a solution, so I think that's the way we do business.

8 So I really want to congratulate the team for
9 getting this thing up and running. And it's been very
10 smooth. I've gotten regular updates and they've been
11 delivering as represented and really on time and under
12 budget or on budget rather. So thanks for that.

13 COMMISSIONER DOUGLAS: So I just kind of wanted
14 to jump in on this. I was really pleased to hear the
15 presentation. And I remember pretty vividly that way back
16 in the day when I had responsibility for some of these
17 Energy Efficiency items I would have conversations with the
18 Efficiency staff that would sort of go like, "You know,
19 well boy we sure wish we had a modern database. We sure
20 wish we could do some of these updates and make it easier."

21 And it's really hard to get this kind of project
22 approved. And it's hard to find the funding. And it's
23 hard to find the resources and it's tremendously hard. And
24 so I just also want to thank the staff for persisting in
25 this effort. You know, I encouraged it and I didn't expect

1 anything overnight and sure enough, it wasn't overnight at
2 all. And this sort of thing usually takes many years of
3 work and I've had no involvement whatsoever, ever since
4 Commissioner McAllister came on board. But I'm just really
5 happy to see this has come to fruition.

6 COMMISSIONER SCOTT: I'll just note as the Public
7 Member on the Energy Commission I am always pleased when we
8 have something like this that really makes it easier for
9 the public and people to engage with us and then to get
10 clear and consistent feedback from us. It was great.

11 Christine briefed me on this yesterday actually,
12 and gave a terrific briefing. And I really enjoyed
13 hearing about the WebExes, the call-in line and all of
14 these things also that help people to learn and understand
15 our new system. So I wanted to add that.

16 CHAIRMAN WEISENMILLER: Okay, so thanks.

17 Let's go on to 9, City of Palo Alto, Ingrid
18 Neumann, please.

19 MS. NEUMANN: Good morning or sorry, good
20 afternoon, Commissioners. My name is Ingrid Neumann. I'm
21 from the Building Standards Office.

22 Local government agencies are required to apply
23 to the Energy Commission for approval of local Energy
24 Standards that are more stringent than the adopted
25 statewide Energy Standards pursuant to Public Resources

1 Code Section 25402.1(h)(2) and the 2013 Building Energy
2 Efficiency Standards Section 10-106.

3 Staff has reviewed the City of Palo Alto's
4 application for approval of its local Energy Efficiency
5 Standards enumerated in Ordinance Number 5345. Staff has
6 found that the application contains all of the components
7 required by Section 10-106(b) of the Standards. Number
8 one, the proposed local energy standards; number two, a
9 study with supporting analysis showing how the local agency
10 determines energy savings and cost-effectiveness of the
11 local energy standards; number three, a statement that the
12 local standards will require buildings to be designed to
13 consume no more energy than permitted by Title 24 Part 6.
14 And number four, a California Environmental Quality Act
15 Assessment.

16 The City of Palo Alto submitted its completed
17 application including its proposed Energy Standards on
18 August 10, 2015. The original application was received
19 June 17th, 2015 after being heard by the Palo Alto City
20 Council on May 11th. However, several errata were
21 identified were identified during the 60-day comment period
22 and subsequently corrected.

23 On August 31st, 2015 the Palo Alto City Council
24 approved the revised Ordinance 5345 adopting the 2013
25 California Building Energy Efficiency Standards, repealing

1 Municipal Code Section 16.18 and completely replacing
2 Section 16.17.

3 The City of Palo Alto's locally adopted Building
4 Energy Efficiency Standards will require all newly
5 constructed buildings to demonstrate the TDV energy of the
6 proposed building design is at least 15 percent less than
7 the TDV energy of the standard building design. This is
8 the minimally-compliant building under the existing 2013
9 Standards.

10 New single-family residential construction must
11 also increase the solar ready zone from 250 to 500 square
12 feet and provide electrical conduit from the solar ready
13 zone to the main service panel for future solar
14 installations. Moreover, all additions, alternations or
15 tenant improvements to existing buildings must follow
16 either a performance path to exceed the TDV energy savings
17 of the standard design by 5 percent for single-family
18 residential, 10 percent for multi-family residential and 5
19 percent for nonresidential or the prescriptive path as
20 described in Ordinance Number 5345.

21 Various exceptions and exemptions are provided
22 for in the above when requirements are not deemed feasible.

23 The City of Palo Alto's local ordinance will
24 ensure that less energy will be consumed by buildings. In
25 regards to environmental impact reducing the energy

1 consumption of occupants is more protective of the
2 environment.

3 Staff recommends that the item be approved and
4 the Energy Commission Resolution be signed. I am available
5 to answer any questions you may have.

6 George Hoyt, the Chief Building Official and
7 Peter Pirnejad, Director of Development Services -- both of
8 the City of Palo Alto -- and Melanie Jacobson, Consultant
9 to the City are also available to answer questions and
10 would like to provide a comment. Thank you.

11 CHAIRMAN WEISENMILLER: Thank you.

12 City of Palo Alto, you want to go forward now for
13 your comments?

14 MR. PIRNEJAD: No, Star 3 or?

15 CHAIRMAN WEISENMILLER: Yeah, we can hear you.
16 Go ahead.

17 MR. PIRNEJAD: Oh, sorry about that.

18 Okay. Well, hello. Good afternoon. My name is
19 Peter Pirnejad. I'm the Development Services Director here
20 in the City of Palo Alto.

21 Honorable Commission and staff, members of the
22 community, I wanted to just first of all thank you and your
23 staff for your remarkable support through the process.
24 It's been a long process for us, but we're happy to finally
25 come before you and present what we're very excited to

1 demonstrate it's real leadership step for both the city as
2 well as we believe the State. And in a fully inclusive
3 Energy Reach Code that attracts both above minimum code for
4 both residential and nonresidential.

5 The Development Services Director, myself Peter
6 Pirnejad, is bringing this before you along with our Chief
7 Building Official and Consultant Melanie Jacobson that's
8 worked together with PRC in preparing the cost-
9 effectiveness study, working very closely with your staff
10 to try to get to this point.

11 We ask that you support and approve the Reach
12 Code and again we apologize for bringing this to you so
13 late in the code cycle. We have a deep commitment here in
14 Palo Alto to sustainability and a dedication to both energy
15 efficiency and carbon reduction through the design and
16 construction of new and existing buildings.

17 We're a leader in Energy Reach Code for both
18 residential and nonresidential, requiring that both exceed
19 Title 24 Part 6 minimum code requirements. And we're
20 looking forward to the next code cycle where we'll again,
21 exceed that threshold, one again.

22 We're partnering with the California Energy
23 Commission to explore opportunities for Zero Net Energy,
24 carbon neutrality and electrification of buildings within
25 our next code cycle for the 2016 period. We hope to adopt

1 these changes on January 1st, 2017.

2 We are in the process now of doing a feasibility
3 study and develop a new ZNE standard for large residential
4 projects starting in January of 2017. So we're hoping to
5 have a ZNE Ordinance on the books in advance of the 20-20
6 State Goal.

7 The road to ZNE, as you know has proven to be
8 very challenging. We're dedicated to sharing and learning
9 lessons with the Energy Commission as well as our peers in
10 the industry. We've already established a knowledge
11 exchange with two leaders in the industry, one the City of
12 Santa Monica and Cambridge, Massachusetts, to share
13 challenges, opportunities and the like. To see how we
14 might move the needle forward even faster on achieving Zero
15 Net Energy for both residential and eventually commercial
16 buildings.

17 Again, we appreciate the pathway that the Energy
18 Commission has established for local jurisdictions. We
19 continue to ask for your support. It's an ambitious ZNE
20 goal that we're hoping to achieve -- the first milestone by
21 the 2016 Code Cycle. And this has to be through a
22 collaborative processes, both with your staff, and ours.

23 We're committed to sharing lessons, both with the
24 Energy Commission as well as with other cities, throughout
25 the State in advance of the 2020 Residential Goal. And we

1 look forward to working with your staff, sharing leadership
2 wins, and partnering with the Energy Commission now and in
3 the future, and we'll work forward on a Zero Net Energy and
4 Carbon Neutral world.

5 So with that I appreciate your time. I thank you
6 for your staff dedication and determination and would be
7 available to answer any questions.

8 CHAIRMAN WEISENMILLER: Thank you. Okay,
9 Commissioners? Oh, well first, any other public comment?

10 Okay. Go ahead. Okay.

11 COMMISSIONER MCALLISTER: Okay. Who is on the
12 line?

13 MS. BARRY: Hello?

14 CHAIRMAN WEISENMILLER: Yes, please go ahead.

15 MS. BARRY: Hi, thank you for taking my call. My
16 name is Bronwyn Barry and I'm here speaking on behalf of a
17 local nonprofit group by the name of Passive House
18 California.

19 And I'm here to lend support to this proposal by
20 the City of Palo Alto for taking some real leadership in
21 actually going beyond current code, minimum requirements.
22 Palo Alto residents have already shown incredible
23 leadership in going above and beyond current code
24 requirements.

25 They are currently the largest cluster of Passive

1 House Buildings in existence in California, are actually
2 all located in Palo Alto including an office building,
3 which is the first commercial Passive House Building that
4 has been built in California.

5 So I'd like to commend this proposal to the
6 Commission and commend the leadership at the City of Palo
7 Alto for actually going above and beyond. And we'll be
8 happy to be supporting them as we move forward to get
9 beyond current minimum to reach real carbon neutrality for
10 the State of California.

11 So thank you for this opportunity to support
12 them.

13 CHAIRMAN WEISENMILLER: Great, thank you.

14 Anyone else?

15 Okay. Let's transition, Commissioners do you
16 have questions or comments?

17 COMMISSIONER MCALLISTER: Just a comment I guess
18 quickly. It's really fabulous. I mean, this is one of the
19 things I love about the local governments is that they
20 bring creativity and they adapt to their local constituency
21 and their residents. And that's what Palo Alto, I think,
22 does really well along with the other jurisdictions who've
23 done stretch codes.

24 I think this is probably the most aggressive one
25 in terms of just relative to all the cities that have done

1 beyond code ordinances. So I want to just congratulate the
2 City for their vision and making future buildings a reality
3 sooner rather than later. We're all going to learn from it
4 and it'll help us at the Commission appropriately
5 incorporate those lessons into statewide policies.

6 But really there's no way to do that in a one-
7 size-fits-all and so Palo Alto's found a way that fits them
8 and figured out and ushered it through their own local
9 process. And gotten it to an ordinance that is acceptable
10 at the local level and that's huge. And we do sort of an
11 equivalent process at the State level, but we inherently
12 have to get to kind of a more least denominator approach.
13 And so I think the local governments are really key for
14 pushing the envelope and helping us see how to reach our
15 goals most effectively and cost effectively.

16 So thanks a lot, City of Palo Alto, I really
17 appreciate your doing this and being here with us today.

18 Okay, any other? Great, I will move Item 9.

19 COMMISSIONER DOUGLAS: Second.

20 CHAIRMAN WEISENMILLER: All those in favor?

21 (Ayes.)

22 Item 9 passes 4-0. Thank you.

23 MS. NEUMANN: Yep.

24 CHAIRMAN WEISENMILLER: Let's go on to Item 11,
25 City of Eureka. Chaudhry?

1 MR. CHAUDHRY: Good afternoon, Commissioners.
2 For the record, I'm Shahid Chaudhry with the Local
3 Assistance and Financing Office of the Efficiency Division.

4 City of Eureka has requested 1.29 million at 1
5 percent to implement a renewable energy project at its Elk
6 River Wastewater Treatment Plant. The City will use these
7 funds to replace two 30-year-old anaerobic digester gas-
8 powered 220 kilowatt engines, which are producing only 90
9 kilowatts at this time, with a 242 kilowatt cogeneration
10 system using digester gas.

11 The existing cogeneration system provides about
12 42 percent of the plant's electricity use. On completion,
13 the new cogeneration system will generate a little over 1
14 million kilowatt hours annually, offsetting 100 percent of
15 the plant's electricity needs averaged over time through
16 net metering.

17 This will save the City an estimated \$89,000 in
18 utility costs along with reducing about 367 tons of carbon
19 dioxide equivalent greenhouse gas emissions every year.

20 The total cost of the project is a little over
21 1.36 million and the City will provide remaining funds to
22 complete the project. Based on the amount, the simple
23 payback on this loan is 14-and-a-half years. The load
24 request is in compliance with the terms and conditions of
25 the ECAA Program.

1 Staff therefore requests your approval of this
2 loan. I'm available to answer any questions you may have.

3 CHAIRMAN WEISENMILLER: Thank you.

4 Any comments, public comments?

5 Commissioners, any questions or comments?

6 A move then?

7 COMMISSIONER SCOTT: I'll move approval of Item
8 11.

9 COMMISSIONER MCALLISTER: Second.

10 CHAIRMAN WEISENMILLER: All those in favor?

11 (Ayes.)

12 CHAIRMAN WEISENMILLER: Item 11 passes 4-0.

13 Thank you.

14 MR. CHAUDHRY: Thank you, Commissioners.

15 Let's go on to Durham Unified School District.

16 MR. MOUA: Thank you and good afternoon,
17 Commissioners. My name is Cheng Moua, I'm with the
18 Efficiency Division, Local Assistance and Financing Office.

19 This item is a request for the approval of an
20 ECCA-Ed loan with an amount of \$2 million for the Durham
21 Unified School District in Durham, California. The
22 District has requested this loan to fund a Solar PV
23 Project, which includes installing a total of 575.1
24 kilowatt of Solar PV at their combined school site that
25 consists of Durham High School, Durham Intermediate School

1 and Durham Elementary School.

2 Upon completion this Solar PV Project is
3 estimated to produce a total of 917,012 kilowatt hours
4 annually saving the District over \$175,000 in energy costs
5 per year.

6 The District also recently applied to the
7 Proposition 39 K-12 Grant Program and was approved for a
8 grant of \$263,572 to implement energy efficiency measures
9 that include interior and exterior lighting retrofits and
10 HVAC replacements.

11 The District wants to take another step forward
12 by installing Solar PV therefore requesting for this loan.
13 The simple payback for the Solar PV Project is
14 approximately 11.4 years based on the \$2 million loan
15 amount and the loan will be funded by the Energy
16 Conservation Assistance Account at 0 percent interest rate.

17 Staff has determined that this loan request
18 complies with all program requirements. I'm here today to
19 seek your approval. Thank you.

20 CHAIRMAN WEISENMILLER: Thank you.

21 Any public comment?

22 COMMISSIONER MCALLISTER: No one here from the
23 Recipient?

24 MR. MOUA: No one here from the Recipient, thank
25 you.

1 COMMISSIONER MCALLISTER: I just want to make a
2 comment on this and the previous item. I mean, these are
3 both ECAA, different flavors of ECAA, but I think we tend
4 to take ECAA for granted a little bit, you know, because
5 they just crank the projects out and they're generally
6 very, very compelling, good projects.

7 But in these two cases we have innovative -- the
8 one, City of Eureka innovate, the biogas. Not a new
9 technology, but just I think it shows their initiative in
10 putting together and taking advantage of all the resources
11 they have. And a lot of good stuff is happening up in
12 Humboldt County and they are very self-reliant and I think
13 that project just reflects their sort of can-do spirit.

14 And on Durham Unified, your message that they
15 also had energy efficiency and they've been doing both and
16 integrating, now that is best practices. We've got to just
17 drill that into everyone that when you're planning for your
18 energy -- the energy supply to your facility you want to do
19 it energy efficiency, you want to do distributed
20 generation, take advantage of all of the above.

21 You know, soon I think we'll be talking storage
22 and we'll be talking demand response. And when rates get
23 reformed that whole ecosystem will become much more, I
24 think -- it'll have to be much more proactive at the
25 facility level. So I'm really glad the Commission can

1 support these kinds of projects, so thanks.

2 Thanks to both of you, Shahid and yourself.

3 So I'll move Item 11 -- I'm sorry, I'm sorry,
4 Item 12.

5 COMMISSIONER DOUGLAS: Second.

6 CHAIRMAN WEISENMILLER: All those in favor?

7 (Ayes.)

8 CHAIRMAN WEISENMILLER: Item 12 passes 4-0.

9 Thank you.

10 MR. MOUA: Thank you.

11 CHAIRMAN WEISENMILLER: Let's go on to Item 13,
12 Lawrence Berkeley National Lab. Tobias?

13 MR. MUENCH: Good afternoon, Chairman
14 Weisenmiller, good afternoon, Commissioners. My name is
15 Tobias Muench. I'm with the Energy Assessments Division.

16 Today, staff is recommending for your possible
17 approval a \$250,000 contract with Lawrence Berkeley
18 National Lab for plug-in electric vehicles, load shapes and
19 methodology.

20 For the Energy Commission's Electricity
21 Consumption Peak Forecast plug-in electric vehicles are
22 anticipated to comprise a growing share of electricity
23 demand. Plug-in electric vehicle peak impacts are
24 currently represented in the California Energy Demand 2016
25 through 2026 Forecasts using a statewide load shape based

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1 on a generic peak load profile. But do not account for
2 actual regional charging characteristics.

3 This contract will significantly improve the
4 plug-in electric vehicle peak and great impacts analysis by
5 establishing regional load shapes based on actual plug-in
6 electric vehicle charging behaviors from unique data
7 projects run by Lawrence Berkeley National Lab and Idaho
8 National Lab. Lawrence Berkeley is the contractor, Idaho
9 is the subcontractor.

10 Lawrence Berkeley National Lab will subcontract
11 with INL, Idaho National Lab, to leverage a detailed
12 California-specific regional plug-in electric vehicle
13 charging data set collected by Idaho National Lab.

14 The hope is that the first product will inform
15 the current Integrated Energy Policy Report, IEPR,
16 electricity demand, forecast and studies. The larger
17 effort will provide improvements valuable to future
18 electricity demand forecasts.

19 Implementing this contract will significantly
20 improve the Plug-In Electric Vehicle Peak Impacts Analysis
21 for California Energy Demand Electricity Forecasts by
22 establishing regional load shapes based on recent, actual,
23 real-life plug-in electric vehicle charging behaviors.

24 Without the results of this contract staff would
25 continue to use static statewide representations of plug-in

1 electric vehicle charging demand impacts on peak load and
2 the Electricity Grid. Existing Legacy data and assumptions
3 would be used for the California Energy Demand 2016 through
4 2026 Revised Forecasts. Since current data and assumptions
5 do not accurately reflect plug-in electric vehicle demand
6 growth by region, the peak forecasts may not be as useful
7 to policy makers, stakeholders and the California public
8 without this work.

9 We're gladly available to answer any questions.
10 We also have Malachi Weng-Gutierrez here, the other
11 technical expert on this contract.

12 CHAIRMAN WEISENMILLER: Thank you.

13 And I think LBNL is off the line still. Okay, so
14 any public comment?

15 Commissioners, any questions or comments?

16 COMMISSIONER SCOTT: No, I would just note that
17 here in California we're at about 140, 150,000 electric
18 vehicles on the road, plug-in electrics and growing. So
19 this type of work is going to continue to be more and more
20 important as we make our way towards the 1.5 million by
21 2025.

22 I will move approval of Item 13.

23 COMMISSIONER MCALLISTER: I'll second, yeah.

24 CHAIRMAN WEISENMILLER: All those in favor?

25 (Ayes.)

1 CHAIRMAN WEISENMILLER: This item passed 4-0.

2 Thank you.

3

4 MR. MUENCH: Thank you.

5 CHAIRMAN WEISENMILLER: Let's go on to Item
6 Number 14, California Department of Food and Agriculture.

7 MS. CHEUNG-SUTTON: Good afternoon. My name is
8 Elyse Cheung-Sutton and I'm from the Fuels and
9 Transportation Division, Emerging Fuels and Technologies
10 Office.

11 I am presenting Agreement 615-15-003 for the
12 possible approval of a contract with the California
13 Department of Food and Agriculture's Division of
14 Measurement Standards, DMS, to perform compliance testing
15 at hydrogen refueling stations.

16 This interagency agreement is for \$100,000 and is
17 part of a larger project called the California Hydrogen
18 Station Equipment Performance HyStEP Implementation
19 Project, hereon referred to as the California HIP.

20 This project was developed and organized in
21 collaboration with DMS and the California Air Resources
22 Board, CARB. CARB, South Coast Air Quality Management
23 District and the California Fuel Cell Partnership have
24 proposed to provide additional funding for this project.

25 DMS, along with CARB staff, will carry out the

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1 California HIP in which at least 10 and up to 40 hydrogen
2 refueling stations will be tested for compliance with the
3 Society of Automotive Engineers, SAE, J2601 "Fueling
4 Protocols for Light Duty Gaseous Hydrogen Surface
5 Vehicles." SAE J2601 outlines standards, which are
6 currently voluntary for variables such as temperature,
7 pressure and ramp rates during the refueling process.

8 As stations become ready to be opened across the
9 State DMS and CARB staff will deploy the HyStEP device, a
10 mobile self-contained hydrogen refueling station testing
11 unit, to conduct this compliance testing. This device is
12 the first of its kind and was designed by the United States
13 Department of Energy and will be evaluated at the National
14 Renewable Energy Laboratory in Colorado prior to deployment
15 in California.

16 Currently, hydrogen refueling stations are tested
17 through a process, which involves the station developers,
18 consultants and the automotive original equipment
19 manufacturers, OEMs. These tests can last days or weeks
20 depending on parties' availabilities and can lead to
21 results that are not repeatable. By using the HyStEP
22 device DMS will be able to standardize the testing approach
23 and yield repeatable reliable results. This consistent
24 testing method will help to streamline the process of
25 commissioning hydrogen refueling stations and will provide

1 higher confidence to all stakeholders of the reliability of
2 hydrogen refueling stations.

3 DMS will participate with the Energy Commission
4 and stakeholder and public workshops to discuss the
5 California HIP and the HyStEP device. Data results and
6 learnings will be compiled and published during the
7 execution of this project, which will contribute to the
8 acceptance of hydrogen as a transportation fuel and assist
9 with the future development of the hydrogen station
10 network.

11 Thank you for your consideration of this item and
12 I'm available for questions. Kristen Macey, Director of
13 DMS, is also in the room and would like to provide a
14 comment. Thank you.

15 CHAIRMAN WEISENMILLER: Great, please come on up.

16 MS. MACEY: Thank you. Good afternoon,
17 Commissioners. I'm Kristen Macey, I'm the Division
18 Director for Measurement Standards within the Department of
19 Food and Agriculture.

20 To date, the Department of Food and Agriculture
21 Division of Measurement Standards has successfully and
22 safely evaluated the accuracy, precision and commercial
23 suitability of dispensers at 10 hydrogen fueling stations
24 throughout California utilizing a Hydrogen Field Standard,
25 which was funded through an interagency agreement with the

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1 California Energy Commission. And also developed by the
2 National Renewable Energy Laboratory, so this is a very
3 common theme we're talking about.

4 Our testing has been conducted without any
5 equipment or operator safety issues and has absolutely been
6 essential as a component to the commercialization of the
7 Zero Emission Transportation Fuel. Validation of the
8 HyStEP device and testing the safety limits and fueling
9 protocols for gaseous hydrogen fuel dispensers in
10 accordance with this SAE Standard will ensure the safe
11 filling of light-duty vehicles and also provide for a
12 positive consumer experience at the pump.

13 This testing, which is critical to the OEMs, to
14 the station owners and operators, and the consumers is just
15 a natural extension of our Department's expertise with
16 hydrogen and we look forward to the continued success and
17 partnership with the Energy Commission. Thank you.

18 CHAIRMAN WEISENMILLER: Thanks for being here.

19 Commissioners -- or any other public comment?

20 Okay, Commissioners any questions or comments?

21 COMMISSIONER SCOTT: I'll just make a brief
22 comment. I want to thank Kristen so much for being here
23 and the Division of DMS for working in partnership with us
24 on this. This is a really important component as we start
25 to stand up and build the hydrogen stations. And I won't

1 repeat the great things that both Kristen and Elyse
2 mentioned in their comments, but it'll help us with the
3 reliability. It'll help to standardize the testing and
4 that's important as we get the hydrogen stations going.

5 So if you all don't have questions I will move
6 approval of Item 14.

7 CHAIRMAN WEISENMILLER: Great.

8 COMMISSIONER DOUGLAS: Second.

9 CHAIRMAN WEISENMILLER: All in favor?

10 (Ayes.)

11 CHAIRMAN WEISENMILLER: This passes 4-0.

12 Thank you.

13 Let's go on to 15, CALSTART. Larry?

14 MR. RILLERA: Good afternoon, Chair and
15 Commissioners. My name is Larry Rillera and I am with the
16 Fuels and Transportation Division.

17 I am seeking approval of an agreement for a total
18 of \$2,982,548 resulting from the Medium and Heavy-Duty
19 Advanced Vehicle Technology Demonstration solicitation
20 issued under the Alternative and Renewable Fuel and Vehicle
21 Technology Program.

22 The purpose of the solicitation was to encourage
23 demonstration of advanced vehicle technologies in
24 communities throughout California. CALSTART will
25 demonstrate hydrogen fuel cell technology in four shuttle

1 bus applications in disadvantaged communities of the
2 Coachella Valley and Los Angeles. The project team
3 includes US Hybrid, SunLine Transit Agency and California
4 State University Los Angeles.

5 The advanced fuel cell propulsion technology will
6 be integrated into US Hybrid into two 30-foot and two 32-
7 foot shuttle bus platforms. SunLine Transit will
8 demonstrate the shuttle buses that serve four existing
9 weekday routes and two weekend routes. Calstate University
10 Los Angeles will demonstrate the shuttle buses from the
11 south end of campus to various parking lots, overflow
12 parking, and satellite class locations. And will operate
13 five days per week between 7:00 a.m. and 10:00 p.m.

14 These fuel demonstrations will help develop
15 commercial vehicle technologies that will reduce greenhouse
16 gas emissions, improve air quality, reduce petroleum fuel
17 consumption, stimulate economic development and enhance
18 market acceptance, which will lead to commercial production
19 of these technologies.

20 I want to thank you in advance for consideration
21 of this item.

22 CHAIRMAN WEISENMILLER: Thank you.

23 Any public comment?

24 Commissioners, questions or comments?

25 COMMISSIONER SCOTT: No questions. I will move

1 approval of Item 15.

2 COMMISSIONER DOUGLAS: Second.

3 CHAIRMAN WEISENMILLER: All those in favor?

4 (Ayes.)

5 CHAIRMAN WEISENMILLER: Item 15 passes 4-0.

6 Thanks, Larry.

7 Let's go on to Item 16, Minutes.

8 COMMISSIONER MCALLISTER: I'll move Item 16.

9 COMMISSIONER SCOTT: Second.

10 CHAIRMAN WEISENMILLER: All those in favor?

11 (Ayes.)

12 CHAIRMAN WEISENMILLER: Item 16 passes 4-0.

13 Let's go on to Lead Commissioner Presiding Member

14 Reports. Commissioner Scott?

15 COMMISSIONER SCOTT: Great. I have just one or

16 two things I wanted to highlight for you all. One is last

17 -- no, not last week, two weeks ago I got to go down to the

18 City of Burbank and ribbon cut one of the first eight

19 curbside chargers that they have in the City of Burbank

20 with the Mayor and some of the City Council folks. And it

21 was just terrific. They're really excited.

22 Burbank has its own Department of Water and

23 Power, they were so excited to have worked with the Energy

24 Commission on this. They worked very closely with local

25 businesses, because the curbside parking is -- it's

1 parallel parking, right? And so that's very exciting for
2 big cities that only have parallel parking, but who still
3 would like to have some electric vehicle charging. But
4 they worked closely with the businesses there to make sure
5 that they were comfortable and excited also about having
6 that parking, because as you can imagine in Southern
7 California parking is quite a commodity.

8 Some of them were across from some multifamily
9 buildings, which is also exciting, because that gives the
10 folks in the apartment buildings, if they don't have
11 charging there, an opportunity to charge up potentially
12 some of those curbside. So that was kind of just kind of a
13 fun event that I got to do a couple weeks ago.

14 I wanted to highlight two things for you that are
15 coming up next week. Next week is National Drive Electric
16 Week and so there are all kinds of local events that you
17 may see going on in your communities. The Energy
18 Commission will be participating in some of those and we're
19 just looking forward to yet another opportunity to
20 highlight electric vehicles.

21 And then last, next week I have been working with
22 Tim Olson and some others to put together kind of a mini-
23 merit review. So you know how DOE has their kind of annual
24 merit review where they look at all of the projects that
25 they have invested in and they do an analysis of them to

1 see how the projects are coming along, what's been
2 successful, what are hurdles that we've had to overcome,
3 what are challenges that the projects identify?

4 And we will do a little mini-merit review in
5 conjunction with UC Davis. We're going to focus on some of
6 the biofuels projects first, so we'll do that on the 17th
7 and the 18th next week. And then we're going to go to some
8 medium-duty and heavy-duty, but that will be in November or
9 at the beginning of the year. But we're going to try to
10 look at a handful of the projects and take some notes from
11 our friends at DOE to see what we might be able to learn
12 and then pull into the program.

13 COMMISSIONER MCALLISTER: Very cool. So Best
14 Practices document in the works, I guess. That'd be great,
15 I think helpful across the country, really.

16 So just a couple of things, a big day for me
17 obviously getting a lot of stuff off of my plate, so I'm
18 very happy about that. And just a lot of work coming to
19 fruition, which is always good to see, it's very much of a
20 team effort.

21 I guess really just a couple of things. One is
22 IEPR is ongoing, the IEPR train keeps running down the
23 tracks, and staff is really doing a great job keeping that
24 organized and getting it done.

25 On the 17th of August we had the SoCal

1 Reliability Workshop down in Irvine. That was a
2 multiagency effort, very, very good and I think it's
3 brought in some good public comment.

4 On the 28th we had the Drought Workshop and that
5 was also a multiagency -- great participation from PUC and
6 many multiple agencies, Water Board and others. And I
7 think I learned a lot at that workshop. I mean, we are in
8 just an historic situation here and it's not going to go
9 away. And a massive El Nino is just not really going to
10 change the trajectory. So we're doing a lot of things in
11 the right direction and I think the urgency is there and
12 it's going to remain there.

13 And then so that's IEPR for the moment. The
14 document is taking shape and so at some point you guys will
15 be seeing -- the other Commissioners will be seeing
16 chapters of that if you haven't already.

17 On the 8th yesterday, September 8th, we had the
18 first Citizens Oversight Board meeting of Prop 39. And
19 that was, I think, great to finally get that going.
20 Actually not "finally," it's really where we planned to
21 have it start. And now that we have a string of projects
22 that are out there executed, and being executed, we're
23 starting to get some data trickling in about what's
24 happened, what's being installed, getting a lot of feedback
25 from the schools and getting a lot of funds out the door to

1 that program.

2 So the Oversight Board is going to be paying
3 attention and we're going to be educating them about the
4 program and what impacts it's having. So that's good to
5 them in place and on board.

6 And then I just wanted to give folks the heads up
7 that NASEO is having its annual meeting out here in San
8 Diego next week, so we have some staff participation. You
9 know, many of the meetings that NASEO puts on are in DC and
10 other places, so it's not that often that the annual
11 meeting happens in California. So we're sort of playing
12 host a little bit and doing a session about what's going on
13 in California. Several staff are going down to present
14 that on efficiency, renewables, R&D I believe, and
15 transportation.

16 And there's a multifamily session that we've
17 hooked them up with the PUC and CAPFA (phonetic) on, so
18 there will be some state agency participation in that as
19 well. So I'm going to have a keynote on Monday and just a
20 bunch of meetings happening around with the other state
21 energy offices, which I always find helpful to learn with
22 what's happening there.

23 In this case, we're going to be able to show some
24 leadership and help other states get educated about what's
25 happening here in California. I just am -- we're a big

1 state, so it makes sense that our efforts would be bigger
2 than other states, but I mean it's just mind-boggling how
3 big what we're doing is relative to what most of the other
4 states are doing, even those with some substantial
5 population. So it helps kind of set the tone and show
6 what's possible in some important ways. So that's next
7 week. Thank you.

8 COMMISSIONER DOUGLAS: So very briefly on -- this
9 is back a few weeks ago now -- Monday, August 24th, I had
10 the opportunity to go to Humboldt County and participate in
11 the groundbreaking for the Blue Lake Rancheria Microgrid
12 Project to launch. This was an EPIC project that the
13 Rancheria and its partners were successful in bidding for.
14 And they really have an exciting group of partners together
15 and a really exciting project.

16 Blue Lake Rancheria is a designated center for
17 people to evacuate to in the event of certain kinds of
18 emergencies. It's close to the Coast, but far enough
19 inland that when there are tsunami warnings, for example,
20 it's a place that people can go to.

21 And the Microgrid provides -- with a pretty
22 interesting combination of mostly renewable resources --
23 solar and biomass in particular as well as backup
24 generators. The Rancheria is able to or will be able with
25 the implementation of this to island and sustain a

1 reasonable electricity load on an ongoing basis. Not just
2 for a couple of days or a couple of hours, but really
3 depending on how they manage the load almost indefinitely.

4 They've also built in the capacity of dialing
5 down or shutting off nonessential systems to improve their
6 ability to keep the grid functioning as an independent
7 microgrid. And they had a number of partners: Siemens,
8 the Schatz Energy Research Center at Humboldt State
9 University. I had an opportunity to meet with a number of
10 the -- or meet a number of the local elected officials as
11 well as Jared Huffman was there, the Congressional
12 Representative.

13 So it was a really nice event. It was nice to
14 see the community come together and just the level of
15 excitement about this project in Humboldt County.

16 Commissioner Scott might be interested to know
17 that they will have three electric vehicle charging
18 stations that will be operational even in island mode. And
19 there was a connection back to the technical assistance
20 under ARRA that the Energy Commission helped provide to
21 local governments for Energy Assurance Planning.

22 A representative from Humboldt County was there
23 and in a pre-meeting that we had, when he learned about the
24 three charging stations he got very interested. You know,
25 "Oh, there's a place to charge vehicles in the event of an

1 outage."

2 And so I think that this kind of project can be a
3 really community asset, especially in regions that are more
4 rural and just further away from the population centers and
5 the infrastructure that exist in some other parts of the
6 State. So that was a really exciting event.

7 And then I will also mention that on Friday, the
8 28th, I had the opportunity to take part in the second
9 convening of the San Joaquin Solar Initiative. This is a
10 stakeholder-led initiative to identify least conflict areas
11 for solar energy development in the San Joaquin Valley,
12 which is a very important renewable energy resource area.

13 It's also, like any area, presents some potential
14 land-use conflicts, both in terms of agriculture and in
15 terms of species and related environmental concerns. And
16 so there were -- the agricultural community was very well
17 represented, the environmental community. This was
18 convened and this process has been convened by the
19 Governor's Office. There are some really interesting, both
20 analytical work and stakeholder work, coming out of that
21 process. And so I was very happy to be there and learned a
22 lot on that day.

23 I think that the work being done in that process
24 will be very valuable for the RETI 2 Process. And we will
25 hear some more about that potentially in the workshop on

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1 RETI 2. So that's my report.

2

3 CHAIRMAN WEISENMILLER: No, that's good. I was
4 going to say Humboldt has always been sort of a reliability
5 issue, because you have one relatively low-voltage
6 transmission line, which can get taken out going out to
7 Coast. So that's always been an issue there in terms of
8 reliability.

9 So in terms of, I guess on some of Andrew's
10 report or Commissioner McAllister, I have to say did -- who
11 was at the Irvine Workshop, which had sort of a low point
12 on EV but anyway we won't quite get into that and also the
13 Drought Workshop.

14 And I would note today, I guess we're heading
15 towards a peak thanks to Tom Doughty informing us of that.

16 In addition to those activities, so I went from
17 Irvine down to UC San Diego who had a three-event with
18 Mexican officials basically sharing our research in the
19 areas of renewables, energy efficiency, demand response,
20 microgrids with Mexican officials. And had a good day of
21 seminars the first day and then went on from that day to
22 basically tour the campus, had a tour the SDG&E Innovation
23 Center. And the last day was Borrego Springs.

24 We also had a presentation on the Poseidon Desal
25 Facility. They're in commercial testing, so the tour part

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1 had to be canceled for that.

2 The following Monday, I did a kickoff at the
3 Climate Research Event. And actually that was also really
4 good, I think people -- it's good, as part of the Road To
5 Paris was good, it gets the scientific community together.

6 UNIDENTIFIED MALE: (Indiscernible)

7 CHAIRMAN WEISENMILLER: No, that was up here at
8 the Convention Center on Monday and Tuesday.

9 I also, in terms of went to Mexico, just got
10 back. I went to Mexico City, I went to Monterey, had
11 meetings with Mexican officials with the Trade Missions.
12 It was pretty successful.

13 I would say one of the high points was I had a
14 chance spend some time with Mario Molina, who is a Nobel
15 prize winner in chemistry. Actually graduated from the
16 Chemistry Department just before I -- well certainly before
17 I did, but we overlapped somewhat but didn't know him --
18 who is an adviser to the President of Mexico on climate
19 issues, also on PCAST, so is adviser to the President of
20 the U.S. And finally an adviser to the Pope on climate
21 issues, so that was a really fun conversation.

22 UNIDENTIFIED MALE: That's three branches.

23 CHAIRMAN WEISENMILLER: Three branches, yes. But
24 anyway very good sessions down there and again met with a
25 lot of key government officials and certainly got a lot of

1 positive feedback from the business community. Emilio did
2 a great job on that. As we joined, it was us, Stanford, we
3 were hoping for (indiscernible) although Brian got sick.
4 So anyway but Stanford did a really great job helping us
5 organize that. So that also good.

6 And also I met on the Energy and Balance Market
7 Transitional Committee. So we submitted a report to the
8 CALISO, which will go to the Board of Governors next week
9 on Governors issues. And I would note that at this point
10 Nevada is running parallel with the ISO this month and
11 hopefully will go into full operation on that energy the
12 following month, October 1st. So far it seems to be going
13 very, very well on that part.

14 So anyway it's been a busy, but good time.

15 Let's go on to Chief Counsel's Report.

16 MS. VACCARO: I don't have a report, but I would
17 like to introduce to you -- if you could stand?

18 CHAIRMAN WEISENMILLER: Please?

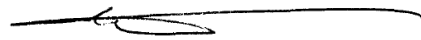
19 MS. VACCARO: Shannon Dilley, she is our graduate
20 fellow, she graduated from Vermont Law School and is a
21 member of both the California and the Vermont Bars. And
22 will be with our office for, I'm not sure how long, but at
23 least for some period of time and we're glad to have her.
24 And so now you have a name and a face to put together at
25 your Lead Commissioner meetings.

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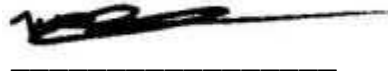
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