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BEFORE THE CALIFORNIA ENERGY COMMISSION

In the Matter of:)
)
Business Meeting) 16-BUSMTG-01
_____)

CALIFORNIA ENERGY COMMISSION
FIRST FLOOR
ART ROSENFELD HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, SEPTEMBER 14, 2016

10:00 A.M.

Reported by:
Peter Petty

APPEARANCESCOMMISSIONER MEMBERS

Robert B. Weisenmiller, Chair
David Hochschild, Commissioner
Andrew McAllister, Commissioner
Janea Scott, Commissioner

STAFF

Rob Oglesby, Executive Director
Kourtney Vaccarro, Chief Counsel
Cody Goldthrite, Secretariat
Randy Brumley, Efficiency Division Mechanical Engineer
Veronica Martinez, Existing Buildings and Compliance Office
Mark Alatorre, Building Standards Office
Ingrid Neumann, Building Standards Office
Kiel Pratt, Energy Research and Development Division
Fernando Pina, Energy Research and Development Division
Pilar Magana, Research and Development Division
David Nichols, Emerging Fuels and Technologies Office
Eric Van Winkle, Emerging Fuels and Technologies Office
Michael Sokol, Special Coordinator, Senate Bill 350
Alana Matthews, Public Advisor
Courtney Smith, Renewable Energy Division Deputy Director

APPEARANCES (Cont.)

INTERESTED PARTIES

Gregory Partch, California State Pipe Trades Council

Scott Wetch, California State Pipe Trades Council

Jack Yapp, National Lighting Contractors Association of
America

Michael Scalzo, National Lighting Contractors Association of
America

Christine Ferry (via telephone), City of San Mateo

Robert Nguyen, California Air Resources Board

Adewale Oshinuga, South Coast Air Quality Management
District

Mark Wiseman (via telephone), Ricardo Strategic Consulting

PUBLIC COMMENT

Rich Benkowski, United Association Training Fund

David Otterstein, NITC

Brett Borrow, Politico Group

Peter Pernejad (via telephone), City of Palo Alto

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1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.) 1
- a. U.S. DEPARTMENT OF THE NAVY. Proposed resolution approving Memorandum of Understanding MOU-16-002 with the U.S. Department of the Navy, Assistant Secretary of the Navy (Energy, Installations, & Environment) ("ASN(EI&E)") to collaborate on energy-related issues of mutual benefit and align goals and build partnerships. The ASN(EI&E) and the Energy Commission have similar energy goals relating to energy assurance and resiliency, the reduction of greenhouse gases, fossil fuel reduction, energy efficiency, water consumption, use of renewable energy, and usage of alternative vehicles (including electric). Contact: Kevin Barker.
- b. U.S. DEPARTMENT OF THE NAVY AND THE HOOVER INSTITUTION. Proposed resolution approving Agreement MOU-16-003 with the U.S. Department of the Navy (DON) and the Hoover Institution to participate in a joint event hosted by the Hoover Institution to showcase the specific energy successes and ongoing initiatives resulting from the partnership between the DON and the State of California. Contact: Kevin Barker.
- c. AMENDMENTS TO CONFLICT OF INTEREST CODE. Proposed resolution approving possible amendments to the Energy Commission's conflict of interest code, at Title 20, California Code of Regulations, Sections 2401 and 2402. The resolution authorizes the initiation of a public comment period on the proposed amendments and submission of the proposed amendments to the FPPC for approval per the Political Reform Act. The conflict of interest code specifies which employees must file an annual Form 700 Statement of Economic Interests, and which interests they must report. The Political Reform Act requires state agencies to update their Conflict of Interest Codes when the agency has added positions, eliminated positions, or modified

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its organizational structure. Contact: Jennifer Martin-Gallardo.

- d. 2016 BUILDING ENERGY EFFICIENCY STANDARDS RESIDENTIAL ALTERNATIVE CALCULATION METHOD (ACM) REFERENCE MANUAL UPDATE. Proposed resolution approving the updated 2016 Residential ACM Reference Manual as required by Public Resources Code Section 25402.1(e). This ACM Reference Manual documents the modeling methods used in residential compliance software for demonstrating performance compliance with the 2016 Building Energy Efficiency Standards. Contact: RJ Wichert.
- e. 2016 PUBLIC DOMAIN RESIDENTIAL COMPLIANCE SOFTWARE, CBECC-RES 2016.2.1 AND NONRESIDENTIAL COMPLIANCE SOFTWARE, CBECC-COM 2016.2.1. Proposed resolutions approving updated 2016 Public Domain Residential and Nonresidential software used to demonstrate performance compliance with the 2016 Building Energy Efficiency Standards and decertifying previous 2016 software, CBECC-Res 2016.2.0 and CBECC-Com 2016.2.0 (Public Resources Code Section 25402.1(a)). Contact: RJ Wichert.
- f. DOE - NATIONAL RENEWABLE ENERGY LABORATORY. Proposed resolution approving MOU-16-001 between the California Energy Commission and the Department of Energy's National Renewable Energy Laboratory (NREL), on behalf of the Alliance for Sustainable Energy, LLC, to provide California Vehicle Survey data to NREL's Transportation Secure Data Center (TSDC). The TSDC will provide survey data, excluding any individual identifying information, to researchers and others for purpose of advancing transportation modeling, research, and policy analysis. Contact: Aniss Bahreinian.
- g. BEVILACQUA-KNIGHT, INC. Proposed resolution approving Agreement 600-16-001 with Bevilacqua-Knight, Inc. (BKI) for a one year membership in the California Fuel Cell Partnership (CaFCP) in the amount of \$87,800. BKI facilitates and coordinates the efforts of the CaFCP, including operational, financial, and project management. As a member of the CaFCP the Energy Commission will have a seat on the CaFCP's Steering Committee and

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will participate in the Working Group, Station Implementation Group, and other various committees. (ARFVTP funding) Contact: Jennifer Masterson.

- h. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-16-001 with FirstElement Fuel, Inc. for a \$130,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment. The station is located at 41700 Grimmer Blvd., Fremont, CA 94538. (ARFVTP funding) Contact: Brad Cole.
 - i. FIRSTELEMENT FUEL, INC. Proposed resolution approving Agreement ARV-16-002 with FirstElement Fuel, Inc. for a \$130,000 grant to cover operation and maintenance costs for the existing hydrogen refueling equipment and gather data about the equipment. The station is located at 3102 Thousand Oaks Blvd., Thousand Oaks, CA 91362. (ARFVTP funding) Contact: Brad Cole.
 - j. STATE OF WASHINGTON DEPARTMENT OF COMMERCE. Proposed resolution approving Amendment 1 to Contract RMB-400-15-004 with the State of Washington Department of Commerce. This amendment will change the reimbursement fee paid to the Energy Commission for participating in the Pacific Coast Collaborative (PCC) Mandatory Benchmarking and Disclosure Group from \$81,200 to \$18,664. This will allow Washington to increase the scope of work that the Institute for Market Transformation will conduct for the PCC, providing benchmarking expertise to PCC members, including supporting the Energy Commission in developing regulations for the new benchmarking program. Contact: Erik Jensen.
2. ENERGY COMMISSION COMMITTEE APPOINTMENTS. Possible -- approval of appointments to the Energy Commission's Standing Committees and Siting Case Committees. Contact: Kevin Barker. (Staff presentation: 5 minutes)

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3. MECHANICAL ACCEPTANCE TEST TECHNICIAN CERTIFICATION PROVIDER APPLICATION FROM THE CALIFORNIA STATE PIPE TRADES COUNCIL. Proposed order approving the California State Pipe Trades Council application to become a Mechanical Acceptance Test Technician Certification Provider as provided under the California Code of Regulations, Title 24, Part 1, Section 10-103-B(c). Contact: Randy Brumley. (Staff presentation: 5 minutes) 2
4. POSSIBLE APPROVAL OF THE NATIONAL LIGHTING CONTRACTORS ASSOCIATION OF AMERICA'S PROPOSED 2016 UPDATES. Proposed resolution approving the National Lighting Contractors Association of America's (NLCAA) proposed Nonresidential Lighting Controls Acceptance Test Technician Certification Provider updates for the 2016 Building Energy Efficiency Standards. This will allow NLCAA to administer its proposed program changes and training curricula adjustments for the 2016 Standards code cycle. Contact: Veronica Martinez. (Staff presentation: 5 minutes) 12
5. ENERGY EFFICIENCY COMPARISON. Proposed resolution approving staff report detailing the energy efficiency comparison between the 2016 Building Energy Efficiency Standards and ASHRAE/IESNA Standard 90.1-2013. Contact: Mark Alatorre. (Staff presentation: 5 minutes) 21
6. LOCALLY ADOPTED ENERGY STANDARDS. Possible approval of two local ordinance applications submitted by the City of Palo Alto and the City of San Mateo for local energy ordinances that exceed the energy efficiency requirements of Title 24, Part 6. Contact: Ingrid Neumann. (Staff presentation: 5 minutes) 24
- a. CITY OF PALO ALTO. Proposed resolution approving the City of Palo Alto's locally adopted building energy standards to require greater energy efficiency than the 2016 Building Energy Efficiency Standards according to occupancy type and the amount of solar photovoltaics included in the design.

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- b. CITY OF SAN MATEO. Proposed resolution approving the City of San Mateo's locally adopted building energy standards to require greater energy efficiency than the 2016 Building Energy Efficiency Standards. The ordinance requires that all new construction be built using cool roof materials and that solar photovoltaics be installed according to occupancy type.
7. SETTLEMENT AGREEMENTS ARISING UNDER CONTRACT 33
500-11-025 WITH LAWRENCE BERKELEY NATIONAL LABORATORY. Consideration and possible approval of settlement agreements related to an accident involving an electric vehicle, purchased with Energy Commission funds and to which the Energy Commission holds title, that was in possession of the contractor when the accident occurred. Contact: Kiel Pratt. (Staff presentation: 5 minutes)
- a. Proposed resolution approving a settlement agreement of potential claims involving Advance Auto Body, which is in current possession of the vehicle involved in the accident.
- b. Proposed resolution approving a settlement agreement with FedEx Home, Inc., FedEx Corporation, and FedEx employees and/or contractors, which operated the other vehicle involved in the accident.
8. EOS ENERGY STORAGE, LLC. Proposed resolution 36
approving Amendment 1 to Grant Agreement EPC-14-023 with Eos Energy Storage, LLC to extend the term by 12 months and to remove two major subcontractors in conjunction with a budget reallocation. The testing to be developed and performed as part of the amendment will determine the best applications and locations for energy storage on PG&E's system. Contact: Quenby Lum. (Staff presentation: 5 minutes)
9. EOS ENERGY STORAGE, LLC. Proposed resolution 39
approving Amendment 1 to Grant Agreement EPC-15-018 with Eos Energy Storage, LLC to extend the term by 12 months and to remove one major subcontractor in conjunction with a budget reallocation. The project

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will test a zinc-hybrid cathode battery, which is safer, less toxic, and uses a less expensive alternative chemistry that is more environmentally benign than lithium ion batteries. The amendment will allow sufficient time for conducting crucial tests on residential and commercial behind-the-meter applications, such as demand charge management and roof-top solar PV shifting and smoothing. Contact: Quenby Lum. (Staff presentation: 5 minutes)

10. SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. 41
 Proposed resolution approving Agreement 500-16-002 with the South Coast Air Quality Management District for a \$1,000,000 contract to develop a commercially viable, advanced 12-liter natural gas engine with near zero NOx tailpipe emissions suitable for use in heavy-duty vehicles. (PIER NG funding) Contact: Pilar Magana. (Staff presentation: 5 minutes)
11. RICARDO, INC. Proposed resolution approving 50
 Agreement 600-16-002 with Ricardo, Inc. for a 2,000,000 contract to provide specialized technical support and engineering consulting services for the Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). The contractor team will provide specialized technical assistance to Energy Commission staff with respect to solicitation development, evaluating the technical merits of proposals submitted for funding, providing technical assistance troubleshooting projects, and providing specialized technical assistance necessary to enable the Energy Commission to determine that the projects have been built according to the technical specifications in the agreements. (ARFVTP funding) Contact: David Nichols. (Staff presentation: 5 minutes)
12. FULLERTON JOINT UNION HIGH SCHOOL DISTRICT. 53
 Proposed resolution adopting California Environmental Quality Act findings for the Fullerton Joint Unified High School District's CNG Fueling Infrastructure Project, and approving Agreement ARV-16-003 with Fullerton Joint Unified High School District for a CNG Fueling Infrastructure Project. (ARFVTP funding) Contact: Eric Van Winkle (Staff presentation: 5 minutes)

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- a. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS. Findings that, based on the lead agency Fullerton Joint Unified High School District's Initial Study and Mitigated Negative Declaration, the work under the proposed project, along with identified mitigation measures, will eliminate or mitigate the environmental impacts to less than significant levels.
 - b. FULLERTON JOINT UNIFIED HIGH SCHOOL DISTRICT CNG FUELING INFRASTRUCTURE PROJECT. Agreement with Fullerton Joint Union High School District for a \$500,000 grant to upgrade its existing compressed natural gas fueling infrastructure. The upgrade will include improvements to the school district's fleet refueling system and the addition of a fast fill dispenser for public usage.
13. DISCUSSION OF ENERGY COMMISSION PROGRESS REGARDING IMPLEMENTATION OF THE CLEAN ENERGY AND POLLUTION REDUCTION ACT OF 2015 (SENATE BILL NO. 350). Staff presentation and Commissioner discussion regarding Energy Commission progress on and planned actions for implementation of Senate Bill No. 350 requirements, including but not limited to administration of the California Renewables Portfolio program, review of local publicly owned electric utility integrated resource plans, revision of Commission data collection regulations to improve demand forecasting, identification of progress in meeting the Bill's goals of 50% renewables procurement and doubling of energy efficiency, implementation of widespread transportation electrification, and preparation and publication of the study required by Public Resources Code section 25327 regarding barriers for low-income customers to energy efficiency and weatherization investments. Contact: Michael Sokol. (Staff presentation: 10 minutes)
- a. BARRIERS STUDY UPDATE. Senate Bill 350 identifies that there is an insufficient understanding of the barriers for low-income and disadvantaged communities to access energy efficiency investments, solar photovoltaic energy generation, weatherization, other forms of renewable generation, and contracting opportunities. Energy

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Commission staff are working to complete a study to be published by January 1, 2017 that identifies barriers and recommends solutions to overcome those barriers. Contact: Alana Mathews. (Staff Presentation: 5 minutes)

- b. RENEWABLES PORTFOLIO STANDARD UPDATE. Senate Bill 350 extended California's Renewables Portfolio Standard (RPS) to require utilities to procure renewable energy for 50% of their annual retail sales by 2030. It also created new rules for the RPS program. Energy Commission staff are updating the RPS Guidebook and Enforcement Procedures for local publicly owned utilities to reflect programmatic changes promulgated by SB 350. Contact: Courtney Smith. (Staff Presentation: 5 minutes)

14. Minutes: Possible approval of the August 10, 2016 Business Meeting minutes. 73
15. Lead Commissioner or Presiding Member Reports. A Lead Commissioner on a policy matter may report to the Commission on the matter and discussion may follow. A Presiding Member on a delegated committee may report to the Commission on the matter and discussion may follow. 74
16. Chief Counsel's Report: Pursuant to Government Code section 11126(e), the Energy Commission may adjourn to closed session with its legal counsel to discuss any of the following matters to which the Energy Commission is a party: 96
- a. *In the Matter of U.S. Department of Energy (High Level Waste Repository)*, (Atomic Safety Licensing Board, CAB-04, 63-001-HLW).
 - b. *Communities for a Better Environment and Center for Biological Diversity v. Energy Commission* (Court of Appeal, First Appellate District, # A141299).
 - c. *Energy Commission v. SoloPower, Inc. and SPower, LLC*. (Sacramento County Superior Court # 34-2013-00154569)
 - d. *Energy Commission v. Mendota Bioenergy, LLC*.

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(Sacramento County Superior Court #34-2016-00192835)

- e. Matter pending with the Department of Industrial Relations.

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

- a. Claims filed at, and rejected by, the Victim Compensation and Government Claims Board against a number of defendants including the Energy Commission relating to the gas leak at Aliso Canyon.
- b. Grant ARV-11-012 with Electricore, Inc.
- c. Settlement of potential claims involving Advance Auto Body related to an accident involving an electric vehicle, to which the Energy Commission holds title, under Energy Commission contract 500-11-025 with Lawrence Berkeley National Laboratory.
- d. Settlement of potential claims involving FedEx Home, Inc., FedEx Corporation, and FedEx employees and/or contractors, related to an accident involving an electric vehicle, to which the Energy Commission holds title, under Energy Commission contract 500-11-025 with Lawrence Berkeley National Laboratory.

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| 17. Executive Director's Report | 98 |
| 18. Public Adviser's Report | 98 |
| 19. Public Comment: People may speak up to three minutes on any matter concerning the Energy Commission, with the exception of items appearing elsewhere on this agenda or items related to | 99 |

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pending adjudicative (certification or enforcement)
proceedings.

Closed Session

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P R O C E E D I N G S

10:03 A.M.

SACRAMENTO, CALIFORNIA, WEDNESDAY, SEPTEMBER 14 2016

CHAIR WEISENMILLER: Pledge of Allegiance?

(Whereupon the Pledge of Allegiance is made.)

CHAIR WEISENMILLER: Good morning. In terms of the overall flow, Item 2 is held, and we're going to split the Consent Calendar into two pieces, with Item G being taken up separately.

So you want to --

COMMISSIONER SCOTT: Sure. Good morning. I just wanted to note, as a member of the California Fuel Cell Partnerships Executive Board, I am going to recuse myself from consideration of Item 1-G regarding the Energy Commission's membership in Partnership.

CHAIR WEISENMILLER: So let's have a motion for the Consent Calendar for all but g.

COMMISSIONER HOCHSCHILD: Moved.

COMMISSIONER MCALLISTER: Second.

CHAIR WEISENMILLER: All those in favor?

ALL COMMISSIONERS: Aye.

CHAIR WEISENMILLER: So the Consent Calendar, all but g, has been approved four to zero. Commissioner Douglas is not here, so will not be voting today on any of these

1 items.

2 And now can I have a motion for Consent Calendar
3 Item g?

4 COMMISSIONER HOCHSCHILD: So moved.

5 COMMISSIONER MCALLISTER: I'll second.

6 CHAIR WEISENMILLER: All those in favor?

7 ALL COMMISSIONERS: Aye.

8 CHAIR WEISENMILLER: So that passed three to zero.

9 Commissioner Scott recused herself on that item. Okay.

10 So when she comes back we'll take up Item 3.

11 So, Staff, okay. Great, so let's start up Item 3.

12 MR. BRUMLEY: Good morning, Chair and

13 Commissioners. My name is Randy Brumley. I'm a Mechanical

14 Engineer in the Efficiency Division. I'm here to present

15 for your consideration the California State Pipe Trades

16 Council Application to become a Nonresidential Mechanical

17 Acceptance Test Technician Certification Provider, or ATTCP.

18 A Mechanical Acceptance Test is a set of functional tests

19 that ensures nonresidential mechanical systems work as

20 designed after they are installed.

21 The Energy Commission's Building Energy Efficiency

22 Standards require the nonresidential mechanical installers

23 perform acceptance testing on newly installed mechanical

24 systems to help ensure these systems perform as intended.

25 The standards also require that technicians receive training

1 and certification to perform acceptance testing. These
2 standards allow organizations to apply to the Energy
3 Commission to become an ATTCP.

4 Applicants seeking approval as an ATTCP must
5 submit a complete application to the Energy Commission for
6 Staff to review and validate and determine compliance with
7 all requirements in the California Code of Regulation, Title
8 24, Part 1, section 10103(b), (c).

9 On January 13th, 2016, California State Pipe
10 Trades Council submitted its application for approval as a
11 Mechanical ATTCP. The California State Pipe Trades Council
12 represents thousands of heating, ventilation, air
13 conditioning and refrigeration, or commonly known as HVAC,
14 technicians, plumbers and pipefitters in local unions across
15 the state. The California State Pipe Trades Council
16 Application specifically identifies 26 of these local unions
17 throughout the state.

18 The CSPTC joined the United Association in 1978.
19 The United Association, or UA, which is a national labor
20 union, represents over 300,000 members cross the U.S. and
21 Canada. The United Association has a long history, dating
22 back to its inception in 1889. The UA has been training
23 qualified pipe tradesmen and women longer than any other
24 organization in the U.S.

25 While California State Pipe Trades Council

1 maintains general oversight of the program, National
2 Inspection Testing Certification, or NITC, will provide
3 these certification services, including quality assurance,
4 administering and managing the instruction and exams, and
5 providing certification renewal services.

6 Consistent with the other approved ATTCPs, the
7 ESCO Group, which is a privately held firm that serves the
8 skilled trades with a focus on the HVAC and building science
9 fields, will provide data management services for California
10 State Pipe Trades Council technicians and their employers to
11 complete the nonresidential certifications of acceptance
12 documentation for submittal to local enforcement
13 authorities.

14 Energy Commission Staff, working with the
15 Applicant, completed a review and validation of the
16 California State Pipe Trades Council application and
17 determined the application meets the requirements. Energy
18 Commission Staff has documented its review and findings in
19 the staff report which was posted on the website and made
20 available for public comment on August 10th, 2016. And no
21 comments had been received.

22 Staff recommends that the Commission confirm the
23 Executive Director's findings, adopt his recommendation, and
24 approve California State Pipe Trades Council as a Mechanical
25 ATTCP to administer the program described in its

1 application.

2 Thank you for your consideration. I'm available
3 to answer any questions.

4 CHAIR WEISENMILLER: Thank you.

5 Applicant?

6 MR. PARTCH: Good morning, California Energy
7 Commissioners. My name is Gregory Partch, Executive
8 Director of the California State Pipe Trades Council.

9 The California State Pipe Trades Council,
10 affiliated with the United Association, provides the most
11 skilled and highly trained workforce in the piping industry,
12 along with local unions and their signatory contractors.
13 United Association has over 30,000 members throughout
14 California, and over 300,000 members across the nation, and
15 has been training its pipe trades' members for longer than
16 anyone else in the industry. These highly skilled workers
17 are expected to meet and exceed the challenges of our
18 growing state and the requirements of Title 24, Part 6.

19 I would like to take this opportunity to thank the
20 California Energy Commission for considering the California
21 State Pipe Trades Council's application to become a
22 Mechanical Acceptance Test Technician provider. I would
23 like to thank your California State Pipe Trades Council's
24 team that all had key roles in helping to assemble this
25 application. I would also like to recognize and thank Joe

1 Loyer and Randy Brumley for all of their hard work,
2 expertise, and professionalism. It was a pleasure to work
3 with such down-to-earth, dedicated and talented people.

4 Again, I would like to thank the California Energy
5 Commission for your consideration.

6 CHAIR WEISENMILLER: Thank you.

7 Anyone in the room have comments? Please identify
8 yourself.

9 MR. BENKOWSKI: Thank you. My name is Rich
10 Benkowski. I'm a training specialist for the United
11 Association International Training Fund in Annapolis,
12 Maryland.

13 The United Association International Training Fund
14 would like to thank the California Energy Commission and the
15 Commissioners for the opportunity to participate in the
16 Acceptance Test Technician Certification, as described in
17 Title 24, Part 6 of the Building Energy Efficiency
18 Standards. We appreciate and are thankful to Joe Loyer and
19 Randy Brumley for their skilled and respectful approach to
20 the review and analysis of our training curriculum in the
21 submission to the CEC.

22 In 2016, as an organization the UA will invest
23 over \$250 million to train and prepare UA members for the
24 challenges of constructing and maintaining high-performance
25 buildings. To promote energy efficiency, we have developed

1 training partnerships with major manufacturers such as
2 Carrier, Johnson Controls, Mitsubishi, Daikin. But that
3 means faculty from these manufacturers will help certify our
4 HVAC techs on newest technology designed in the high-
5 performance equipment that they provide building owners.

6 The point is UA members continuously train and
7 work hard every day to optimize mechanical systems and give
8 the consumer the best opportunity to conserve energy
9 dollars. The UA Locals in California have the full support
10 of the International Training Fund in providing appropriate
11 and timely set of courses to ensure the expected outcome for
12 the building owners in California.

13 The California State Pipe Trades Council, its
14 signatory contractors, and the United Association of
15 Technicians are ready, willing and able to participate in
16 the Acceptance Test Technician Program.

17 Thank you again for the consideration.

18 CHAIR WEISENMILLER: Okay. Thank you. Would you
19 give the Court Reporter your business card? Got it. Okay.

20 Anyone else?

21 MR. WETCH: Chairman Weisenmiller, Scott Wetch on
22 behalf of the California State Pipe Trades Council.

23 It's been a long road on acceptance testing, as
24 Commissioner McAllister would attest to all the meetings
25 that we've had in his office over the last three or four

1 years. But it was back, I believe, in 2010 code cycle when
2 the Commission first put as a recommendation in the code
3 that all installers of systems be certified by a national
4 certification body. And then in 2010 we went down the path
5 of mandating certifications for acceptance testers.

6 And having been involved in the process since its
7 inception, I can tell you that there has not been an
8 application received by the Commission that is more
9 comprehensive and more thorough than the proposal that's
10 been put together by the United Association and the
11 California State Pipe Trades Council.

12 In a number of regards is it just head and
13 shoulders above almost all the other programs that have
14 applied in terms of its training facilities, access and
15 availability throughout the State of California. There
16 training facilities that will be available to perform this
17 training from San Diego to the far reaches of Northern
18 California. We're not talking about leased classroom space.

19 We're talking about complete training facilities with
20 systems that allow trainees to learn from the bottom ground,
21 all the way through the entire system. In terms of the
22 training that's going to be provided through this program,
23 not just to technicians but to instructors and to employers
24 is a standard that's the highest in the industry.

25 And then what I believe sets this application

1 apart from all the others that the Commission has received
2 to date is the involvement of NITC and its unique ability to
3 provide quality assurance and accountability for the
4 Commission so that as certifications are being issued, you
5 can have total and complete confidence that the folks who
6 are certified are ready to go out and perform their work at
7 the highest levels.

8 So with that, I'd like to thank the Commissioners
9 for their consideration and all the time and effort that
10 Staff put in, and urge adoption of the this application.

11 Thank you.

12 CHAIR WEISENMILLER: Thank you.

13 Anyone else? I'll remind folks about submitting
14 blue cards, if you want to speak.

15 Go ahead.

16 MR. OTTERSTEIN: Good morning, Commissioners. My
17 name is David Otterstein, and I represent NITC. We are
18 truly a third-party certify. We're based in Los Angeles,
19 California. We're a California company. We certify people
20 in the industry of piping throughout the United States,
21 Canada, and some points outside of the United States.

22 We operate -- NITC operates to a standard, ISO
23 9001, which is our quality management system. So anything
24 we do in our office in Los Angeles involving certification
25 is held to that standard. That's an international standard,

1 ISO 9001. We've been certified to that standard as a
2 quality management system since 2002.

3 So I just wanted to assure you that we're onboard
4 with this program. We're anxious to get involved with it.
5 And we do certify everyone, not just union people. We
6 certify all people in the piping industry, so we are truly
7 third-party.

8 Thank you.

9 CHAIR WEISENMILLER: Okay. Thank you. Again,
10 we'll remind you, the Court Reporter needs your business
11 card.

12 MR. OTTERSTEIN: I gave it to him earlier.

13 CHAIR WEISENMILLER: And again, any others? But
14 again, I encourage people -- come on up -- but again,
15 encourage people to fill out blue cards. The Public Adviser
16 is in the back, happy to facilitate this.

17 Go ahead.

18 MR. BARROW: Thank you, Chair and Commissioners.
19 My name is Brett Barrow with the California Legislative
20 Conference of the Plumbing and Heating Piping Industry, and
21 the Air Conditioning and Refrigeration Contractors
22 Association.

23 We're here today in support of the application by
24 the California State Pipe Trades Council to become ATTCP.
25 We feel the training and skills that come from this is vital

1 to ensure that these AC systems are properly tested and that
2 they're meeting their potential. And that we would also
3 encourage the Commission to rapidly consider making these
4 certifications mandatory for technicians out there providing
5 the ATTCP.

6 Thank you.

7 CHAIR WEISENMILLER: Thank you.

8 Anyone else? Anyone on the phone who wants to
9 comment on this? No? Okay.

10 So let's transition over to the Commissioners.
11 Commissioner McAllister?

12 COMMISSIONER MCALLISTER: Yes. I'll just be
13 really brief.

14 We've had a number of meetings -- or votes over
15 the last few years on the ATTCP piece in their diversity
16 really, you know, for lighting and for mechanical. And it's
17 great to get the mechanical one moving forward in earnest.
18 And I think the training quality is there. And you're all,
19 I think, familiar with the general goal here which is to
20 really assure quality assurance and make sure the savings
21 that we sort of assume and calculate that are available
22 through code actually take place, and that systems are put
23 in the way they ought to be put in. And this application, I
24 agree, is very strong. And I think Staff has done a great
25 job on it.

1 We do have a separate discussion about when we
2 reach the technician threshold, and I think that's what one
3 of the commenters were alluding to. And so very much what
4 to encourage transparency in that discussion so that we make
5 sure we all know what's coming and what the clear triggers
6 are for when the requirement is going to kick and really be
7 mandatory. But that's a separate discussion for another
8 day.

9 I'm fully in support of this item.

10 CHAIR WEISENMILLER: Anyone else? Okay. Do I
11 have a motion?

12 COMMISSIONER MCALLISTER: All right. I will move
13 Item 3.

14 COMMISSIONER SCOTT: Second.

15 CHAIR WEISENMILLER: All those in favor?

16 ALL COMMISSIONERS: Aye.

17 CHAIR WEISENMILLER: This item passes four to
18 zero. Thank you.

19 Let's go on to Item Number 4.

20 MS. MARTINEZ: Good morning, Chair and
21 Commissioners. My name is Veronica Martinez from the
22 Existing Buildings and Compliance Office in the Efficiency
23 Division. I am here to present for your consideration the
24 possible approval of updates that the National Lighting
25 Contractors Association of America made to its approved

1 Acceptance Test Technician Certification Provider
2 Application. NLCAA made these application updates to
3 prepare for the 2016 Building Energy Efficiency Standards
4 which go into effect January 1st, 2017.

5 A lighting control acceptance test is a set of
6 functional tests that ensures nonresidential lighting
7 controls work as designed after they are installed. The
8 Energy Commission's 2005 Building Energy Efficiency
9 Standards adopted requirements that commercial lighting
10 installers perform an acceptance testing on newly installed
11 lighting controls.

12 The 2013 Building Energy Efficiency Standards
13 established new requirements to allow organizations to apply
14 to become an ATTCP to train, certify, and provide oversight
15 for the acceptance test technicians that perform the
16 lighting controls acceptance test, as well as the acceptance
17 test employers that employ those technicians.

18 Under Title 24, Part 1, section 10-103-A(d),
19 ATTCPs must report to the Energy Commission what adjustments
20 have been made to their training curricula to address
21 changes to acceptance testing requirements in the 2016
22 Building Energy Efficiency Standards; this is referred to as
23 the 2016 update report.

24 The new and modified lighting controls acceptance
25 testing requirements codified in the 2016 Building Energy

1 Efficiency Standards were mostly non substantive, with the
2 exception of a new acceptance test for the institutional
3 tuning power adjustment factor as provided in section
4 130.4(a)(7).

5 An NLCAA was approved by the Energy Commission as
6 a Nonresidential Lighting Controls ATTCP on November 12th,
7 2014. And NLCAA first submitted a complete 2016 update
8 report on May 3rd, 2016, and submitted a revised report on
9 July 6th in response to feedback from Energy Commission
10 Staff.

11 In its 2016 update report, NLCAA proposes the
12 following substantive updates to its approved application.

13 2016 certification training curricula adjustments
14 that include theoretical and hands-on training components
15 for acceptance test technicians on the new institutional
16 tuning power adjustment factor acceptance test, and online
17 2016 recertification training for existing acceptance test
18 technicians and employers, which includes the same
19 theoretical and hands-on training on the new acceptance test
20 as will be used in the 2016 certification course for
21 technicians.

22 Energy Commission Staff, working with NLCAA,
23 completed a review and validation of NLCAA's 2016 update
24 report, according to Title 24, Part 1, section 10-103-
25 A(f)(1) and found the proposed training curricula

1 adjustments and other application amendments meet the
2 requirements for ATTCPs in the 2016 Building Energy
3 Efficiency Standards.

4 In accordance with Title 24, Part 1, section 10-
5 103-A(f)(2), Energy Commission Staff has documented its
6 review and findings in the staff report which was posted on
7 the Energy Commission's ATTCP web page and made available
8 for public comment on August 17th, 2016. The public comment
9 period for the staff report ended August 31st, and there
10 were no public comments during that time.

11 Unrelated to the staff report, Staff received two
12 letters on September 6th from NLCAA contractors in support
13 of NLCAA's ATTCP services.

14 Staff recommends that the Energy Commission
15 confirm the Executive Director's findings, adopt his
16 recommendation, and approve NLCAA's 2016 updates, allowing
17 NLCAA to administer its proposed training curricula
18 adjustments and program changes for the 2016 Building Energy
19 Efficiency Standards.

20 Thank you for your consideration. And I'm
21 available to answer any questions.

22 CHAIR WEISENMILLER: Great. Thank you.

23 Applicant?

24 MR. YAPP: Good morning, Chair and Commissioners.

25 It's a wonderful day today, by the way.

1 First of all, I wanted to take time to thank the
2 staff that did an excellent job in vetting our curriculum
3 for 2016. And also a special thanks for Robert Shearer who
4 developed our curriculum for 2016. It was a tremendous
5 amount of effort on his part to develop, to gain the
6 confidence of the staff here.

7 It has been two years approximately with
8 implementation to the acceptance test for lighting controls.
9 A lot of things have occurred since then. And so what I
10 want to mention is that the NLCAA is training a certain
11 number of technicians and employers. NLCAA employers and
12 technicians have implemented cultural changes on how to
13 install lighting controls. This is a major thing because
14 the majority of the time in the past it did not have proper
15 installation. So it has been a cultural change for them.

16 They have learned not only how to perform
17 acceptance testing, but has helped in designing lighting
18 control systems for different contractors. NLCAA takes
19 pride in their employers' and technicians' success. NLCAA
20 has approximately 85 employers, and over 125 technicians.

21 There are three employers that are under NLCAA.
22 Those three employers are Bergelectric, Royal Electric and
23 Helix Electric. Between all three, they perform over \$1
24 billion of electrical construction per year, so significant.
25 Their training and their aspect of changing the culture has

1 helped them design the jobs correctly on lighting control.
2 So it's been significant in just those three organizations
3 throughout the state.

4 The other thing I wanted to mention is that NLCAA
5 have added to their website, describing mandatory lighting
6 controls in Mandarin, and in Spanish, and also English. So
7 anyone who wants to take a look into our acceptance testing,
8 what it involves in mandatory light controls, it's in those
9 three languages.

10 So again, I want to thank Staff and Commissioners
11 and Chair for this time.

12 CHAIR WEISENMILLER: Why don't you both identify
13 yourself, too, for the Court Report?

14 MR. YAPP: Oh.

15 CHAIR WEISENMILLER: Go ahead. Sure.

16 MR. YAPP: Jack Yapp.

17 MR. SCALZO: Michael Scalzo.

18 COMMISSIONER MCALLISTER: Mr. Scalzo, you wanted
19 to say something?

20 MR. SCALZO: Yes.

21 COMMISSIONER MCALLISTER: Go ahead. Go ahead,
22 please.

23 MR. SCALZO: Thank you. Hello, Chairman
24 Weisenmiller, Commissioner, and CEC Staff. Thank you for
25 allowing me to speak today. My name I Michael Scalzo. I am

1 a Title 24 consultant and president of the NLCAA. I am ATT
2 instructor with the NLCAA and CALCTP and have performed over
3 100 acceptance testing projects in California. I'm here
4 today to provide you with the perspective of myself and
5 other experts on the performance of the acceptance testing
6 program from a boots-on-the-ground kind of view.

7 After reviewing the changes for 2016, I personally
8 do have concern over the Standard's verbiage change of
9 130.4. I feel it will lessen the responsibility of the ATTs
10 in regards to plans and specifications which could vastly
11 reduce the involvement in ensuring that the mandatory
12 requirements are met.

13 In the early stage of acceptance testing the
14 majority of projects were designed and/or installed
15 incorrectly, thus not able to pass the testing procedures.
16 Many of these issues were due to the engineering firms not
17 being prepared for the new 2013 Standards changes.

18 Additionally, we also saw a lack of basic
19 requirements in area controls, multi-level and auto shutoff
20 on a majority of the projects that we tested. And many of
21 these requirements were not new to the 2013 Standards.

22 We found that a portion of our time had to be
23 devoted to design compliance to ensure that the plans and
24 specifications were correct. As the plans were revised on
25 projects it became only natural to support the installer on

1 the solution to their redesigned control systems, and then
2 completing the testing procedures. These issues caused many
3 construction delays and cost escalations at the end of the
4 project.

5 ATTs have had to evolve and are now becoming an
6 integral part of projects. This is due to our proficiency
7 in the standards and our needed support creating compliant
8 designs. Designers and installers have come to rely on the
9 ATTs for their expertise, as well as the AHJ inspectors
10 gaining a level of confidence in the ATT's verification
11 process, not to mention providing the state-approved testing
12 forms.

13 The design issues are still true today, but
14 designers are more aware of the requirements due to the
15 tutelage of the ATTs. But the AHJs are still approving
16 noncompliant plans.

17 I reviewed roughly 30 sets of plans. I and other
18 experts would say 98 percent of the plans that we review are
19 not compliant.

20 In closing, the acceptance testing process has
21 been challenging due to the continued design issues of even
22 the basic requirements. But this is improving due to the
23 support of the ATTs during their review process and their
24 involvement as part of the design team at times.

25 Installation and testing of the lighting system continues to

1 improve as the designs do. However, removing the verbiage
2 from 130.4 may impede the continuing improvements that we're
3 seeing on projects.

4 I'm an advocate of Title 24, Part 6. And I am
5 very enthused to be a part of the upcoming mechanical
6 acceptance testing process. I want to thank you again for
7 your time and consideration.

8 CHAIR WEISENMILLER: Thank you.

9 Anyone else in the room have comments on this
10 item? Anyone on the phone. Okay.

11 Then let's transition to the Commissioners.
12 Commissioner McAllister?

13 COMMISSIONER MCALLISTER: Yeah. So this is a
14 pretty straightforward item. I mean, I think Veronica
15 explained it well. I'm fully in support. I'm really glad
16 to sort of have this train moving forward and, you know,
17 making sure that the marketplace has time to adapt and plan,
18 and that the training is there for people and its updated
19 with the current code.

20 So I want to thank you, Mr. Yapp and your team,
21 for moving this forward and getting it done.

22 So did you want to respond at all to the comment
23 there, Veronica, or no? No? Okay.

24 So with that, I'll move the item.

25 COMMISSIONER SCOTT: Second.

1 CHAIR WEISENMILLER: All those in favor?

2 ALL COMMISSIONERS: Aye.

3 CHAIR WEISENMILLER: This passes four to zero.

4 Thank you.

5 MR. YAPP: Thank you.

6 CHAIR WEISENMILLER: Okay. Before we go to the
7 next item, Commissioner Scott, do you want to remind people
8 about the test drive?

9 COMMISSIONER SCOTT: I do. Thank you.

10 CHAIR WEISENMILLER: At the start of the meeting,
11 but better late than never.

12 COMMISSIONER SCOTT: Yes. I want to let folks
13 know that as part of National Drive Electric Week, we have
14 arranged for a small ride-and-drive this morning between
15 10:00 a.m. and 1:00 p.m. It's in front of the main
16 building, and everyone is invited. The cars that are out
17 front include the KIA Soul, and that's from Folsom Lake Kia.
18 The Audi e-tron from Niello Audi, and the BMW i3 from BMW.
19 So I hope you all will take a minute and enjoy test driving
20 one of the cars or all three of the cars.

21 CHAIR WEISENMILLER: So now let's go to Item 5.

22 MR. ALATORRE: Good morning, Chair and
23 Commissioners. My name is Mark Alatorre, and I'm a
24 Mechanical Engineer in the Building Standards Office. I'll
25 be here to present this item.

1 The Federal Energy Policy Act of 1992 requires
2 each state to certify that it has reviewed and considered
3 adopting the National Energy Model Code. When states do not
4 adopt a National Model Code, they must determine if their
5 energy code meets or exceeds the National Model Code, and
6 certify to the Secretary of the U.S. Department of Energy
7 its determination.

8 The National Model Energy Code for nonresidential
9 buildings is the American Society of Heating, Refrigerating,
10 and Air Conditioning Engineers, known as ASHRAE, Standard
11 90.1. The report that we're asking for approval documents
12 the California Energy Commission's response to this federal
13 law by comparing the energy savings between California's
14 Title 24, Part 6, which is a 2016 Building Energy Efficiency
15 Standards to ASHRAE Standard 90.1, 2013. This report
16 concludes that California's 2016 Building Energy Efficiency
17 Standards exceed the energy savings expected from ASHRAE
18 90.1, 2013, by 3,893 giga BTUs, which we converted to
19 gigawatt hours as roughly half the total amount of
20 electricity generated in 2015 from all in-state solar-
21 thermal plants.

22 Staff recommends approval of this reports as the
23 California Energy Commission's determination that the 2016
24 Building Energy Efficiency Standards exceed the National
25 Model Energy Code, ASHRAE 90.1, 2013.

1 Ingrid Neumann, who coauthored the report, as well
2 as myself, as available for any questions.

3 CHAIR WEISENMILLER: Thank you.

4 First let's see, is there anyone in the room who
5 has comments on this? Is there anyone on the phone? Then
6 let's transition.

7 Ingrid, do you want to add anything?

8 MS. NEUMANN: No. I think Mark had everything --
9 sorry -- had everything covered.

10 CHAIR WEISENMILLER: Okay. Great.

11 Anyway, so I'll now I'll transition to the
12 Commissioner conversation. Commissioner McAllister?

13 COMMISSIONER MCALLISTER: Yeah. So, well, I think
14 everybody knows the quality of our engineering staff here.
15 So they're really in their element when they're looking at
16 an issue like this and, you know, it allows them to really
17 dig into the technical details. And I think our strength at
18 the Commission is that we really set things up and we
19 document things so that they're pretty -- they're just
20 extremely defensible, and that the community of building
21 professionals and engineers and architects take what we say
22 very, very seriously because it's quality.

23 So it's important to document this issue. And I'm
24 glad -- I'm happy to move this item forward. I think,
25 unless there are any particular questions, I don't know if

1 anybody's gotten a briefing on this or has any particular
2 questions, but, no? Okay.

3 COMMISSIONER SCOTT: We got an excellent briefing,
4 so I appreciated learning some more about this.

5 COMMISSIONER MCALLISTER: Great. Okay. So I'll
6 move Item 5.

7 COMMISSIONER SCOTT: Second.

8 CHAIR WEISENMILLER: All those in favor?

9 ALL COMMISSIONERS: Aye.

10 CHAIR WEISENMILLER: This also passes four to
11 zero. Thank you.

12 COMMISSIONER MCALLISTER: Thanks, Mark and Ingrid.

13 CHAIR WEISENMILLER: Let's go on to Item 6. There
14 are two parts, a and b. We're going to vote on each
15 separately. And you can decide whether we need one
16 presentation or two. Okay. Go ahead.

17 MS. NEUMANN: Good morning, Commissioner. My name
18 is Ingrid Neumann from the Building Standards Office.

19 Local government agencies are required to apply to
20 the Energy Commission for approval of local energy standards
21 that are more stringent than the adopted statewide Energy
22 Standards pursuant to Public Resources Code section
23 25402.1(h)(2), and the 2016 Building Energy Efficiency
24 Standards section 10-106.

25 Staff has reviewed both the City of Palo Alto's

1 and the City of San Mateo's applications for approval of
2 their Local Energy Efficiency Standards and has found that
3 the applications are complete, consisting of: One, the
4 proposed Local Energy Standards; two, a study with
5 supporting analysis showing how the local agency determined
6 energy savings and cost effectiveness of the local energy
7 standards; three, a statement that the Local Standards will
8 require buildings to be designed to consume no more energy
9 than permitted by Title 24, Part 6; and, four, a California
10 Environmental Quality Act assessment.

11 So specifically for Item 6a, the City of Palo Alto
12 has submitted a complete application for a local ordinance
13 more stringent than the 2016 Building Energy Efficiency
14 Standards found in Title 24, Part 6. The ordinance was
15 approved by the City of Palo Alto's Council on May 9th of
16 2016, and the completed application received by the Energy
17 Commission on June 7th.

18 As part of this ordinance the City of Palo Alto
19 will require increased energy efficiency beyond that
20 mandated by the 2016 standards and/or solar photovoltaic
21 installation in new buildings, according to occupancy type.

22 Staff recommends the item be approved and the
23 Energy Commission resolution be signed. I am available to
24 answer any questions you may have, as is Peter Pernejad,
25 Director of Development Services with the City of Palo Alto.

1 Thank you.

2 CHAIR WEISENMILLER: Great. I'll ask the
3 gentleman from Palo Alto if he wants to make a few comments.
4 Is he on the phone or --

5 MS. NEUMANN: He should be on the WebEx.

6 CHAIR WEISENMILLER: Okay. Please. No? Okay.
7 Just answer questions. That's fine.

8 Any public comments on this item? Anyone in the
9 room? Anyone on the line?

10 We need to vote on this, so I need a vote. Go
11 ahead.

12 COMMISSIONER MCALLISTER: Okay. So on both of
13 these items, actually, you know, it's funny because local
14 government often is very low key, you know, and they're
15 doing their thing, and they're responding to their
16 constituencies. And, you know, they're really focused on
17 public service, and that's what I love about working with
18 local governments. And they're providing leadership but
19 they aren't naturally drawn to drama, which is exactly kind
20 of the way I like to be, too.

21 And so this was going to go on the consent item,
22 on the consent calendar or the consent item, and I just
23 think these local government initiatives to go beyond code
24 are worth celebrating. And taking -- so I asked it to be
25 taken off the consent agenda and put it on the separate item

1 that we could actually talk about. And local government,
2 you know, they're the incubators of democracy, you know, at
3 some level, but they innovate. And in this realm they are
4 on the hook for climate action plans and delivering those
5 savings. And there are innovative local governments across
6 the state in different ways and in all their diversity.

7 You know, Palo Alto, obviously, is a very, kind of
8 a relatively high-profile leader on this stuff. And they're
9 doing some innovative policies, for sure. They are, you
10 know, not a typical community if we look across the state.
11 But they also provide a leadership for other communities
12 that may be in a similar situation or want to pursue similar
13 initiatives. And we have to admire that and we have to
14 celebrate that.

15 And I wanted to just call out the city for its
16 leadership and highlight the fact that they are going beyond
17 code, and they're looking for ways that they can improve the
18 carbon and environmental footprint of their city. And so I
19 just want to congratulate them.

20 And thank Ingrid and her team, also, for working
21 through these applications. We really want to encourage
22 them to do that. It helps the state. We learn from it and
23 other jurisdictions learn from it. And it helps us get, you
24 know, code further in certain circumstances. And it helps
25 us, you know, sort of prove, you know, both on the

1 prescriptive side on a performance side, it helps us think
2 more broadly and more creatively about how we're going to
3 use code to get to our goals.

4 So with that, I don't know if anybody else has
5 any -- you have a comment, Commissioner Hochschild?

6 COMMISSIONER HOCHSCHILD: Yeah. No, I think of
7 Title 24 as homework that everybody has to do, and then this
8 is kind of like extra credit. Yeah.

9 You know, we have ten cities now that have adopted
10 codes stricter than Title 24. And, actually, I'm going to
11 go speak to a bunch of local governments in the Bay Area,
12 along with Laurie ten Hope on Friday about more that are
13 interested.

14 One suggestion that I had was I think we should
15 have a section on our website. It may be there but not
16 easily accessible today, but we're actually tracking local
17 cities that are going above Title 24 for other cities that
18 are thinking about this, because I think there's many
19 different iterations. I know four of the ten have actually
20 done, you know, a renewable requirement or a solar mandate
21 of some form. They differ in different terms. And some are
22 doing, you know, LEDs and so on, but I think where we make
23 that accessible, both to cities inside California that are
24 considering pushing, and also cities outside. I say this
25 because our success with ZNE code at the state level is

1 going to be much more likely if we have cities getting out
2 ahead of us on this.

3 So that's something I wanted to just offer as a
4 suggestion so we can be tracking this in a way that's more
5 publicly accessible.

6 CHAIR WEISENMILLER: And it might be
7 interesting --

8 COMMISSIONER HOCHSCHILD: Is there a page on --

9 MS. NEUMANN: Yes. It's under the efficiency --

10 COMMISSIONER HOCHSCHILD: Okay.

11 MS. NEUMANN: -- section under Title 24 --

12 COMMISSIONER HOCHSCHILD: Okay.

13 MS. NEUMANN: -- so the Building Standards. And
14 it's just labeled Local Ordinances. We have started some
15 discussions with Ken Rider as far as putting some of those
16 things in a more visible location, as well.

17 COMMISSIONER HOCHSCHILD: Yeah. That would be --
18 even Commissioners have a hell of a time getting around to
19 our own websites, so --

20 COMMISSIONER MCALLISTER: Yeah. Exactly.

21 CHAIR WEISENMILLER: Actually, you may want to
22 think about doing something similar to what you did on the
23 clean technology tour, but for the clean cities. Again, I'm
24 not sure graphically how you'd pull out the nuts and bolts
25 of the ordinance, but it --

1
2 COMMISSIONER MCALLISTER: Well, we have some
3 really good counterparts. I mean, we have the Local
4 Government Commission and, you know, the Association of
5 Counties and all that. I mean, there are some entities we
6 could work through to sort of get the word out. We have our
7 newsletter. I mean, we have, you know, some -- I think this
8 is an issue, I think, that really does show leadership. You
9 know, we focus on the state level, but local is -- you know,
10 we're sort of the intermediary between federal and local at
11 some level. And we really need all up and down the chain to
12 be successful. So I totally agree with your comments.

13 COMMISSIONER SCOTT: I might just add, having
14 recently learned to tweet, this type of thing might lend
15 itself really nicely to some cool tweets, and also some
16 blogs to highlight it. And, you know, I think there are
17 some really nice opportunities we have to highlight this and
18 celebrate with the cities, because this is a great
19 accomplishment.

20 COMMISSIONER MCALLISTER: Totally agree. So on
21 the ZNE front, I mean, I'm participating in an increasing
22 volume of ZNE events. And there's creative thought going on
23 across the nation and the world on ZNE. And it's very
24 climate-dependent. It's technology-dependent at some level.
25 Buildings vary, you know? And we really need to be pushing

1 the envelope wherever we can. And, I guess, pun intended on
2 efficiency, building envelope. Sorry. But this, you know,
3 it's only going to get sort of more urgent as we get up
4 towards working through the 2019 update and figuring out
5 where we're going to fall on ZNE and what makes the most
6 sense from a policy perspective. And it really helps to
7 have these examples.

8 So the more we can encourage that discussion, that
9 dialogue here and elsewhere outside of the world, we should
10 be doing that. And the messaging is just key for
11 encouraging that to happen.

12 So I'll move Item 6a.

13 COMMISSIONER HOCHSCHILD: Second.

14 CHAIR WEISENMILLER: All those in favor?

15 ALL COMMISSIONERS: Aye.

16 CHAIR WEISENMILLER: This item passes four to
17 zero.

18 Let's go on to 6b.

19 MS. NEUMANN: So for 6b, the City of San Mateo has
20 submitted a complete application for a local ordinance more
21 stringent than the 2016 Building Energy Efficiency Standards
22 found in Title 24, Part 6. The ordinance was approved by
23 the City of San Mateo's Council on June 6th of this year,
24 and the completed application received by the Energy
25 Commission on June 20th.

1 As part of this ordinance the City of San Mateo
2 will require cool roofs and mandatory solar installation in
3 new buildings, according to occupancy type.

4 Staff recommends the item be approved and the
5 Energy Commission resolution be signed. I am available to
6 answer any questions you may have, as is Christine Ferry
7 with the City of San Mateo Sustainability Programs. Thank
8 you.

9 CHAIR WEISENMILLER: Great. Well, first of all,
10 Christine, do you want to say anything?

11 MS. FERRY: Hello?

12 CHAIR WEISENMILLER: Hello. Yes?

13 MS. FERRY: Hello? Oh, okay. Just making sure
14 you can hear me. Yeah.

15 So thank you very much, Commissioners, for
16 highlighting both of these programs. I just wanted to thank
17 you for your consideration, and to thank our City Council
18 for their leadership. And also we have a Sustainability
19 Commission. I'd like to also thank them for their guidance
20 and their input. And for us in San Mateo, being able to go
21 further than the base code with these cool roofs and
22 mandatory solar installation was a huge, important step in
23 achieving our goals, and yet it still allows for the
24 building out of our community. I'd like to thank you for
25 highlighting this today.

1 CHAIR WEISENMILLER: Okay. Thank you for your
2 participation and for adopting this.

3 Is there any comments from anyone in the room?
4 Anyone else on the phone?

5 Then again let's transition to the Commission
6 conversation.

7 COMMISSIONER MCALLISTER: Great. So we talked
8 about sort of the general issue with Item a. But since
9 we've got you on the line, just congratulations directly to
10 you. I mean, San Mateo is providing a lot of leadership
11 here, and we want to give it some press. And I know that's
12 not always possible at the local level as much, you know, at
13 least getting beyond your boundaries, and we want to help
14 you do that and really highlight what you're doing so that
15 others can go forward and helps the state achieves its
16 goals, as well. So thank you very much for your leadership,
17 and take that back to the City Council, if you would please.

18 MS. FERRY: Yes, we will. Thank you.

19 COMMISSIONER MCALLISTER: Great. So I'll move
20 Item 6b.

21 COMMISSIONER SCOTT: Second.

22 CHAIR WEISENMILLER: All those in favor?

23 ALL COMMISSIONERS: Aye.

24 CHAIR WEISENMILLER: This passes four to zero.

25 Let's go on to Item 7, settlement agreement.

1 Kiel?

2 MR. PRATT: Good morning, Chair and Commissioners.
3 I'm Kiel Pratt with the Energy Research and Development
4 Division. I'm here today to ask for approval of two
5 settlement agreements related to an accident involving an
6 electric vehicle that was purchased by contractor Lawrence
7 Berkeley National Laboratory using Energy Commission funds
8 under and Alternative and Renewable Fuel and Vehicle
9 Technology Program contract.

10 Under the terms of the contract, LBNL purchases,
11 insures and maintains the vehicles. The Air Force base
12 operates the vehicles. And the Energy Commission holds
13 title to the vehicles.

14 The first proposed settlement is with Advanced
15 Auto Body which has been storing the LEAF and would settle
16 any claims for storage fees, and also resolve disposition of
17 the totaled vehicle.

18 The second proposed settlement agreement is with
19 FedEx Corporation, FedEx Home Incorporated, and the FedEx
20 driver and passenger, and would settle property damage
21 claims by requiring FedEx to pay the Energy Commission
22 \$8,104.70.

23 The Energy Commission's legal office has
24 considered the application of the California Environmental
25 Quality Act to the approval of the settlement agreement and

1 has opined that it is not a project because the settlement
2 agreements relate to administration of the ongoing contract
3 and potential legal claims, and will result in no direct or
4 indirect physical changes in the environment.

5 In the view of the division and the legal office
6 here with me today, the two proposed settlement agreements
7 taken together will resolve outstanding issues related to
8 the vehicle accident in the Energy Commission's favor by
9 ensuring payment to the state for the damaged vehicle and
10 eliminating obligations for both storage fees and disposal
11 of the vehicle, which could be potentially expensive and
12 logistically difficult.

13 We ask for approval of these two agreements, and
14 are available for any questions.

15 CHAIR WEISENMILLER: Thank you.

16 First, any comments from anyone in the room or on
17 the line? Okay.

18 So we'll transition to the Commissioners. Let's
19 see, I know I was briefed on this. I think it's a good
20 settlement. I just had just one question. Was this thing
21 on autopilot?

22 MR. PRATT: It was not.

23 CHAIR WEISENMILLER: Thanks.

24 Anyone else?

25 COMMISSIONER SCOTT: No. I've also been briefed

1 on this. It's pretty straightforward. And Kiel did a great
2 job kind of walking through what's here.

3 COMMISSIONER MCALLISTER: Yeah, I got briefed on
4 this, as well. And I think they worked out a really good
5 agreement, so I'm onboard.

6 COMMISSIONER SCOTT: Well, I will move approval of
7 Item 7.

8 COMMISSIONER MCALLISTER: I'll second.

9 CHAIR WEISENMILLER: All those in favor?

10 ALL COMMISSIONERS: Aye.

11 CHAIR WEISENMILLER: So this item passes four to
12 zero.

13 Thanks. Thanks again.

14 Let's go on to Item 8.

15 MR. PINA: Good morning, Chair and Commissioners.

16 My name is Fernando Pina, and I'm the Manager for the
17 Energy Systems Research Office in the Energy Research and
18 Development Division.

19 Staff requests approval to amend an agreement with
20 Eos Energy Storage for a 12-month no-cost time extension.
21 This project is for about \$2 million with over \$1 million in
22 match share. The project is based at PG&E's test facility
23 in San Ramon, and the focus is on utility-scale grid
24 integrated applications such as peak shaving, load following
25 and frequency regulation, and was selected from a

1 competitive solicitation program opportunity notice 13-302.

2 Two major subcontractors withdrew from the project
3 in November 2015. The supplier of the inverter ran into
4 technical difficulties and could not meet the voltage range
5 specifications. And the system integrator made a business
6 decision because of resource constraints.

7 While Staff maintained weekly communities with
8 Eos, they faced two major challenges: One, keeping pace
9 with the project timelines, considering two major
10 subcontractors withdrew from their project, losing several
11 months of progress; and, two, obtaining an agreement with a
12 new subcontractor based on Sacramento to meet their
13 California funding commitment.

14 In December 2015, Staff worked on a letter of
15 agreement to reflect some of the personnel and associated
16 budget changes that were impacted by the loss of the
17 subcontractors to ensure they could continue progress while
18 searching for another subcontractor. Staff directed Eos to
19 work with PG&E and San Ramon. Specifically, Eos was to
20 acquire the necessary equipment and materials to prototype
21 the batteries for assembly and testing, start the test plan,
22 and determine the interconnection requirements, and set up
23 the prototype assembly line and begin the battery design and
24 prototype assembly for testing.

25 In February 2016, Staff recommended that Eos

1 evaluate their project schedule. And in April 2016, Staff
2 held a critical project review meeting with Eos. As a
3 result of the meeting the following decisions were made:
4 One, Eos would request a no-cost time extension; and, two,
5 Eos would pursue an agreement with one major California-
6 based subcontractor to replace the two subcontractors.

7 In June 2016, Eos found a substitute subcontractor
8 based in California that would replace the two
9 subcontractors that withdrew. They also found a California-
10 based vendor for material supplies and revised their work
11 plans to complete some of the work in-house.

12 Meanwhile, Staff contacted PG&E to determine
13 whether the project results would still be of value, despite
14 the delays. Subsequently, PG&E submitted a letter to the
15 Energy Commission in support of the letter, and they
16 reaffirmed their -- in support of their project, I'm sorry,
17 and they reaffirmed their support and commitment to this
18 project during a phone call on August 30th.

19 Additionally, PG&E selected Eos to be part of
20 their AB 2514 procurement which is the only non-lithium ion
21 technology project awarded by PG&E for locational capacity.
22 If successful, Eos's zinc battery will be safer, less toxic,
23 and more environmental friendly than the lithium ion
24 batteries predominantly used today.

25 As a result of these changes, Staff is requesting

1 the Commission approve a no-cost time extension of 12
2 months. And I'm available for any questions.

3 CHAIR WEISENMILLER: Thank you.

4 First, is there anyone in the room who has
5 comments on this? Anyone on the line?

6 Okay, then we'll transition to the Commissioners.

7 As the lead on R&D, I've reviewed this.
8 Obviously, one of the key things is to develop the storage
9 technology. It's developing fast. It's important. This is
10 an interesting option. Obviously, we're all disappointed
11 it's been delayed, but at the same time, trying to preserve
12 the option and to move forward in a timely fashion. And I
13 think this agreement does that.

14 Anyone else have comments or questions? A motion?

15 COMMISSIONER MCALLISTER: Go for it.

16 COMMISSIONER SCOTT: I move approval of Item 8.

17 COMMISSIONER MCALLISTER: Second.

18 CHAIR WEISENMILLER: All those in favor?

19 ALL COMMISSIONERS: Aye.

20 CHAIR WEISENMILLER: Item 8 passes four to zero.

21 Thank you.

22 Let's go on to Item 9.

23 MR. PINA: Okay. During the same Program
24 Opportunity Notice 13302, Eos was selected for a second
25 competitive award. Staff requests approval to amend this

1 agreement with Eos Energy Storage for a 12-month no-cost
2 time extension. This project is for about \$1.8 million,
3 with over \$1 million in match share. This project had the
4 same subcontractor withdrawals, as noted for the project at
5 PG&E. And Eos obtained the same subcontractor replacement.

6 This project is at UC San Diego and is testing the
7 Eos battery technology using different applications such as
8 demand charge management and solar consumption, specifically
9 for residential and commercial customers. Thus far Eos has
10 met with the UC San Diego Campus Planning Department and
11 sited the location of the system placement. They've
12 installed a switch gear and concrete pad for the energy
13 storage system. And they've begun the site licensing and
14 process to be granted clearance for installation.

15 As a result of these changes, Staff is requesting
16 the Commission approve a no-cost time extension of 12
17 months. I'm available for questions.

18 CHAIR WEISENMILLER: Great. Thank you. Well,
19 again, I think this is an important project, you know, and
20 I've reviewed it as head of R&D.

21 Any other comments or questions?

22 COMMISSIONER MCALLISTER: No.

23 CHAIR WEISENMILLER: I think we've covered it
24 pretty well, I think on eight, so --

25 COMMISSIONER MCALLISTER: Yeah, so I'll move the

1 item. I'll move Item 9.

2 CHAIR WEISENMILLER: Great.

3 COMMISSIONER SCOTT: Second.

4 CHAIR WEISENMILLER: All those in favor?

5 ALL COMMISSIONERS: Aye.

6 CHAIR WEISENMILLER: Item 9 passes four to zero.

7 Let's go on to Item 10.

8 MS. MAGANA: Good morning, Commissioners. I'm
9 Pilar Magana with the Research and Development Division.
10 I'm here to present to you for approval an agreement with
11 the South Coast Air Quality Management District to develop
12 and demonstrate a near-zero advanced 12-liter natural gas
13 engine for heavy-duty vehicles that will exceed current on-
14 road emission standards through a 90 percent reduction in
15 NOx.

16 This agreement builds off of previous research and
17 leverages technologies developed that can be applied to a
18 larger 12-liter engine. While the first commercially
19 available near-zero 8.9-liter engine can be used for
20 applications such as transit buses, this engine can be
21 utilized by a different sector of vehicles, like drayage
22 trucks. This is an opportunity to utilize existing research
23 and make adjustments and do calibration work for the 12-
24 liter engine.

25 This project also includes a demonstration portion

1 which is a key component in the engine development projects
2 since it allows the OEM to work out any issues prior to
3 market introduction. This research will accelerate the
4 commercialization of a product that is already garnering a
5 lot of attention and has established a market with the
6 existing 12-liter engine. So really, this becomes an
7 upgraded drop and replacement for existing customers, as
8 well as fleets looking to transition to natural gas.

9 With the successful completion of this project,
10 the 12-liter near-zero engine will be commercially available
11 as early as 2018 as first fits in an option to replace any
12 existing 12-liter natural gas engines.

13 Furthermore, when combined with the use of
14 renewable natural gas, the emission reduction benefits can
15 be even greater because we'll be utilizing a low-emission
16 engine while simultaneously tackling greenhouse gas
17 reduction efforts through the use of renewable natural gas.
18 For example, the City of Long Beach is transitioning to 100
19 percent renewable natural gas use. So when you utilize in
20 natural gas fleets in the area you'll see the benefits of
21 improving air quality with clean tailpipe emissions, as well
22 as GHG reduction benefits.

23 Co-funding for this agreement is \$3.3 million and
24 includes funding partners, including the South Coast AQMD,
25 Southern California Gas Company, and Clean Energy, as well

1 as funding from the Alternative and Renewable Fuels and
2 Vehicle Technology Program which their funding will focus on
3 the demonstration portion of the project. ARB is also in
4 support of this research effort. And technology is also
5 described as a key -- this technology is also described as a
6 key component in the sustainable freight strategy and
7 through broad deployment for meeting ambient air quality
8 standards, particularly in the South Coast Air Basin and the
9 San Joaquin Valley Air Basin.

10 Thank you for your consideration. And I'd be
11 happy to answer any questions. And we also have two
12 representatives from the South Coast AQMD and the Air
13 Resources Board here to speak with you.

14 CHAIR WEISENMILLER: Great. Thank you. I was
15 going to ask, first, I guess the Air Board to say a few
16 words, and then I'll transition over to the South Coast.

17 Please come forward and introduce yourself.

18 MR. NGUYEN: Good morning, Chair and
19 Commissioners. Thank you for the opportunity to come here
20 and testify on this item. My name is Robert Nguyen, and I'm
21 an Engineer at the California Air Resources Board in the
22 Mobile Source Control Division.

23 I'm here to support the proposed resolution to
24 develop low-NOx 12-liter natural gas engines. As you know,
25 heavy-duty vehicles contribute about a third of the NOx

1 emissions in California. And additional NOx reductions, of
2 course, is needed to obtain the health-based National
3 Ambient Air Quality Standards, particularly for the South
4 Coast and the San Joaquin Valley Air Basins.

5 And as you know from the staff presentation,
6 Cummins Westport has developed the 8.9-liter and the 6.7-
7 liter natural gas engines. And those engines have been
8 certified to very low NOx levels, 0.02 grams and 0.1 grams
9 of NOx. And those engines represent a near-term -- very
10 critical step in the near-term reductions of NOx.

11 But also, as pointed out by your staff, those
12 engines are well suited for school bus and transit buses, as
13 well as smaller refuse haulers. What we need for this
14 project is development of a 12-liter engine that would be
15 more suitable for a larger heavier duty applications, such
16 as drayage and other long haul and regional trucks.

17 So once again, on behalf of the ARB, I encourage
18 the Commissioners to approve the proposed resolution for the
19 development of the 12-liter natural gas engine.

20 Thank you.

21 CHAIR WEISENMILLER: Thank you. Thank you for
22 being here.

23 Let's go to the South Coast, and then we'll turn
24 it over for questions.

25 Please, come.

1 MR. OSHINUGA: Good morning, Chairman
2 Weisenmiller. I hope I'm pronouncing that name correctly.

3 CHAIR WEISENMILLER: Yes.

4 MR. OSHINUGA: I just practiced it repeatedly this
5 morning.

6 CHAIR WEISENMILLER: Oh, wow. Thank you.

7 MR. OSHINUGA: And also --

8 CHAIR WEISENMILLER: Thank you very much.

9 MR. OSHINUGA: -- Members of the Committee, or
10 also the Commissioners. My name is Adewale Oshinuga. I'm
11 representing the South Coast Air Quality Management
12 District.

13 As you all know, the task of reducing air
14 pollution in California, particularly in South Coast Air
15 Basin, as well as reducing our oil dependency, is very
16 daunting. So that is why I'm honored, quite honored to come
17 before you to express our thanks for your agency's continued
18 support to advance the state of alternative fuel engine
19 technologies for mobile sources, and also South Coast AQMD's
20 goals towards achieving federal and state Ambient Air
21 Quality Standards.

22 For the past two decades both agencies have joined
23 efforts with other public agencies and private industries,
24 such as Southern California Gas Company, engine
25 manufacturers, as well as after-treatment providers to

1 develop and advance alternative fuel engine technologies, as
2 well as install new and improved infrastructures for those
3 planned alternative technologies. Many of the engine
4 technologies have resulted in cleaner commercialized engines
5 that are now used to power vehicles in transit, school bus,
6 refuse, delivery, goods movement, and many other vocations.

7 So thanks to your recent support, by the way.

8 There is now a new generation of an ultra-low NOx emission
9 8.9-liter Cummins Westport natural gas engines that are more
10 than 90 percent cleaner than the EPA and California Air
11 Sources Board NOx emission standards. As a matter of fact,
12 vehicle manufacturers have announced that they will begin to
13 produce vehicles with this engine by the end of this year.

14 In addition to that, we do have incentive fundings
15 from Proposition 1B, thanks to the California Air Resources
16 Board, which is used to incentify the fleets to begin to
17 replace their old vehicles with these cleaner vehicles.

18 So therefore, the item before you this morning
19 would provide critical assistance, along with assistance
20 from South Coast AQMD, as your staff has eloquently
21 identified, Southern California Gas Company, Clean Energy,
22 and, of course, Cummins Westport to develop and demonstrate
23 an ultra-low NOx emission 12-liter Cummins Westport natural
24 gas engine. The success of this project is obviously not in
25 doubt. And the reason for that is because the technology

1 that we're talking about has selected those that have
2 already been demonstrated in the 8.9-liter natural gas
3 engine. So just as the 8.9 liter engine, this engine would
4 be at least 90 percent cleaner than the current EPA and
5 California Air Resources Board NOx emission standards.

6 Again, I would like to close by echoing our
7 funding partners appreciation and say thank you for your
8 support. And finally, I would be remiss if I did not
9 express also our thanks to Ms. Magana, as well as Rey
10 Gonzalez for the absolute dedication to all of the projects
11 and the success of the projects that I just talked about.

12 Thank you very much.

13 CHAIR WEISENMILLER: Thank you. Thank you very
14 much for being here. And obviously, thanks for your public
15 service, dealing with the air quality issues and one of the
16 more challenging ones in the U.S.

17 MR. OSHINUGA: Thank you.

18 CHAIR WEISENMILLER: Yeah.

19 Again, go ahead. Any other public comment in the
20 room? Anyone on the line? No. Okay.

21 So transitioning to the Commissioners, I was going
22 to say, as the lead on the R&D, I'm sure Commissioner Scott
23 will have a few words, too.

24 One of our more challenging air issues,
25 particularly in the South Coast, and to some extent San

1 Joaquin, is a key part of their economy is goods movement.
2 You know, at the same time, when you look at where NOx come
3 from in the South Coast, it's primarily goods movement. You
4 know, I remember Barry Wallenstein had a chart that, you
5 know, goods movement was up here and refineries and power
6 plants were down there, you know, a relatively small part of
7 it. And at the same time, you know, the South Coast has
8 done research that indicates that if you live adjacent to a
9 freeway in Southern California, your children will have a 10
10 to 20 percent probability of asthma.

11 So it's a question of how do we really clean up
12 the goods movement there? And this technology is really a
13 game changer, you know? I know all of us would like to look
14 at the zero-emission vehicles. But at this stage, you know,
15 there's some progress, but there pretty much more distant
16 that we'd like. So this is a very good bridge technology
17 going forward.

18 And at the same time as the Air Board is dealing
19 with the short-term climate pollutant issue, you know, we're
20 sort of ratcheting down on particularly dairies. And that
21 will lead to potentially renewable natural gas, which can
22 obviously go towards either power or towards transportation.
23 I guess we get to worry about that some next year. But in
24 terms of, you know, as Staff pointed out, if you can come it
25 into the transportation sector, it could be, you know, just

1 amazing benefits there.

2 So again, I think, you know, this is a good -- you
3 know, we've got the first engine. Now we're working on the
4 next. And as I said, it's really a game changer, so very
5 important research.

6 COMMISSIONER SCOTT: Yeah, I agree 100 percent
7 with all of that. It's very exciting. I mean, we did, we
8 worked together with South Coast and Southern California Gas
9 and others on the 8.9-liter engine, which as Pilar and
10 others mentioned goes into the school buses and waste
11 haulers and things like that. Not so long ago we worked on
12 the 6-liter -- there's a point something but I can't
13 remember the exact number -- engine. And now we're talking
14 about the 12-liter engine. So it's a really broad set of
15 duty cycles that the engines that we are working on together
16 will be able to cover in a space where we might not, as the
17 Chair mentioned, have kind of a zero-emission, the battery-
18 electric or the fuel-cell electric here yet. But this is
19 really exciting, as well.

20 I think one of the things that Pilar mentioned to
21 underscore is this is a 90 percent reduction from the
22 current standards. And the current standard, they measure
23 it in work, not in grams per mile. But, you know, it's .2
24 grams per brake horse-power hour. The engine that has been
25 certified, which is the 8.9-liter engine, is at -- so it's a

1 90 percent reduction which is 0.02, but it actually got
2 certified at 0.01 grams per brake horse-power hour of NOx,
3 so it's really small.

4 And as the Chair and Pilar and others mentioned,
5 when you combine that with renewable natural gas, you are
6 very close to a zero-emission engine, especially in the
7 areas where they need to ratchet down NOx, and they need to
8 ratchet it down quick in order to meet the Clean Air
9 Standards that are coming up, and the Clean Air Standards,
10 the next cycle that's going to follow those. So this is a
11 very exciting project.

12 The other thing Pilar mentioned in her remarks
13 that I didn't know was that the City of Long Beach is
14 transitioning to 100 percent renewable natural gas. And so
15 it's just exciting to see those two worlds starting to come
16 together.

17 So it's a fantastic project. I would heartily
18 recommend approval of Item 10. I'll move Item 10.

19 COMMISSIONER MCALLISTER: I'll second.

20 CHAIR WEISENMILLER: Okay. All those in favor?

21 ALL COMMISSIONERS: Aye.

22 CHAIR WEISENMILLER: So this item passes four to
23 zero.

24 Let's go on to Item 11.

25 MR. NICHOLS: Good morning, Commissioners. Good

1 morning, Chair. My name is David Nichols and I work in the
2 Fuels and Transportation Division. Today I'm seeking your
3 approval of Contract 60016-002 with Ricardo, Inc. for \$2
4 million to provide technical support services to the
5 Alternative and Renewable Fuel and Vehicle Technology
6 Program, or the ARFVTP.

7 Ricardo, Inc. was selected under a competitive
8 request for proposals conducted earlier this year. Under
9 this three-year work authorization contract, Ricardo will
10 support ARFVTP on an as-needed basis to provide technical
11 evaluation of project proposals, confirm that ARFVTP-funded
12 projects are built and adhere to technical specifications,
13 and assist Staff in troubleshooting issues and problems that
14 arise during project implementation. The technical
15 assistance provided under this contract will compliment
16 Staff expertise and provide a more robust analysis to
17 support the ARFVTP.

18 We thank you for your consideration of this item.
19 And I am available to answer any questions you might have.

20 In addition, we have the President for Ricardo,
21 Mark Wiseman on the line, and he may wish to make a comment.
22 If you have them, please let us know. Thank you.

23 CHAIR WEISENMILLER: Great. Thank you.

24 Mr. Wiseman, do you want to say a few words?

25 MR. WISEMAN: Yes. Good morning, everyone. My

1 name is Mark Wiseman. I'm President of Ricardo Strategic
2 Consulting, actually based out of the Santa Clara Office for
3 Ricardo.

4 I just really wanted to say that Ricardo
5 appreciates the opportunity to support the California Energy
6 Commission. We've been providing deep transportation
7 technology insights to major manufacturers for over 100
8 years. And then more recently we started providing
9 technical assistance to the U.S. Government agencies, the
10 EPA, NHTSA, and DOE. And we're pleased to be able to offer
11 these services to help California meet its goals, as well.

12 You know, we put together a big team with some
13 very strong partners. We believe we have a very good
14 capability to be able to support the Alternative Renewable
15 Fuels Vehicle Technology Program. And we can bring
16 significant experience from a variety of similar projects of
17 both commercial companies and government groups. And we
18 just want to say we're ready to support the Energy
19 Commission's needs as best as possible.

20 CHAIR WEISENMILLER: Great. Thank you.

21 Any comments from anyone in the room or on the
22 line?

23 Then let's transition to Commissioners.
24 Commissioner Scott?

25 COMMISSIONER SCOTT: Sure. Not too much to say

1 here. Dave did an excellent job describing what the project
2 is. I just want to say thank you to Mr. Wiseman for
3 joining us and providing the additional technical expertise
4 and assessment that helps us keep our program strong.

5 So I will move approval of Item 11.

6 COMMISSIONER MCALLISTER: Second.

7 CHAIR WEISENMILLER: All those in favor?

8 ALL COMMISSIONERS: Aye.

9 CHAIR WEISENMILLER: Item 11 passes four to zero.

10 Thank you.

11 MR. NICHOLS: Thank you, Chair and Commissioners.

12 CHAIR WEISENMILLER: Great. Let's go on to Item

13 12.

14 MR. VAN WINKLE: Good morning, Commissioners. My
15 name is Eric Van Winkle. And I'm from the Emerging Fuels
16 and Technologies Office in then Fuels and Transportation
17 Division. Excuse me.

18 Before I begin my grant presentation, I would like
19 to clarify an error which appears on the agenda for this
20 item. The proposed project is with the Fullerton Joint
21 Union High School District. In parts of the item
22 description the District is erroneously referred to as the
23 Fullerton Joint Unified High School District. Union is
24 correct.

25 Okay, so having said that, today I would like to

1 present for your consideration a grant with the Fullerton
2 Joint Union High School District for their Compressed
3 Natural gas Refueling Station Upgrade Project. I have
4 reviewed Fullerton Joint Union High School District's
5 initial study and Mitigated Negative Declaration in order to
6 consider the potential environmental impacts of this grant
7 project. I have determined that implementation of the
8 mitigation measures imposed by the Mitigated Negative
9 Declaration will mitigate any potential environmental
10 impacts of this grant project to less than significant
11 levels.

12 This project would be funded through the Energy
13 Commission's Alternative and Renewable Fuel and Vehicle
14 Technology Program. Energy Commission funding will be used
15 to partially offset the cost of new equipment that is needed
16 to both upgrade and expand the fueling facility. The
17 remaining \$1.2 million needed to complete the project will
18 be funded by the School District.

19 The purpose of the project is to upgrade the
20 existing time-fill fueling facility to accommodate the
21 planned expansion of the District's current 19 natural gas
22 vehicle bus fleet to a minimum of 30 CNG buses.
23 Additionally, the upgraded equipment will provide adequate
24 compression and storage to install a fast-fill public access
25 CNG refueling station. The addition of the fast-fill

1 component of this project will also allow the District to
2 start replacing their service vehicle fleet with natural
3 gas-powered vehicles.

4 It will also provide a 24/7 refueling facility for
5 the general public and the City of La Habra's expanding
6 fleet. The public facility will be separated from the
7 access controlled bus yard by fencing and electric gates,
8 and has been designed to accommodate heavy-duty Class 8
9 trucks with up to a 40-foot overall wheelbase.

10 By having a new, reliable facility and taking
11 advantage of long-term stability of natural gas prices, the
12 School District benefits includes savings on fuel costs,
13 vehicle maintenance and replacement through further
14 retirement of dirtier diesel and older gasoline-powered
15 buses and service fleet vehicles. Additionally, income
16 generated by fuel sales to the public will help defray the
17 costs of providing transportation to families served by the
18 School District, and ultimately free up critical education
19 dollars for the classrooms.

20 And further, as the general public becomes more
21 aware of the visibility of CNG-powered vehicles and
22 refueling stations, there is the likelihood of more
23 businesses and individuals investing in CNG vehicles.

24 And with that, I would like to thank you for your
25 consideration and request approval of this item. And I

1 welcome any questions you may have.

2 CHAIR WEISENMILLER: Thank you.

3 First, is there any comments from anyone in the
4 room or on the line?

5 Then let's transition to Commissioners.

6 COMMISSIONER SCOTT: I don't have any
7 additional -- any questions? Okay.

8 I will move approval of Item 12.

9 COMMISSIONER MCALLISTER: Second.

10 CHAIR WEISENMILLER: All those in favor?

11 Actually, do we need to do A and B separately or
12 not? One resolution? Okay.

13 COMMISSIONER SCOTT: Okay.

14 CHAIR WEISENMILLER: Great.

15 COMMISSIONER SCOTT: So I'll move again approval
16 of Item 12.

17 COMMISSIONER MCALLISTER: Second.

18 CHAIR WEISENMILLER: All those in favor?

19 ALL COMMISSIONERS: Aye.

20 CHAIR WEISENMILLER: Then this item passes four to
21 zero.

22 Thank you.

23 Let's go on to 13. This is discussion of 350
24 issues. And first, we'll start with A, the Barriers Study
25 update.

1 MR. SOKOL: So before we jump into A, I'll do a
2 quick overview. So good morning --

3 CHAIR WEISENMILLER: Sure.

4 MR. SOKOL: -- Commissioners and Chair. My name
5 is Michael Sokol. I'm the Special Coordinator for the
6 implementation of Senate Bill 350, the Clean Energy and
7 Pollution Reduction Action of 2015. As I said, I'll provide
8 a quick update on the overview of the Energy Commission's
9 effort to implement this law. And then we'll hear a more
10 detailed update on a couple of the specific activities
11 mandated by the bill. This update will be a standing item
12 on our agendas at our monthly business meetings, as our
13 Executive Director Rob Oglesby introduced at the last
14 meeting.

15 At the last meeting we heard an update about the
16 Barriers Study for Low-Income Customers and Disadvantaged
17 Communities Access to Energy Efficiency and Renewable
18 Energy. We'll hear another update on that activity later
19 today. We also heard about plans for the development of
20 guidelines for integrated resource plans for the state's
21 biggest publicly-owned utilities in a presentation from
22 Sylvia Bender. So today we'll hear another update on the
23 Barriers Study. And then Courtney Smith will provide an
24 update on the Energy Commission's efforts to increase the
25 Renewable Portfolio Standard to 50 percent by 2030.

1 Since the last update there have been a number of
2 continued activities to coordinate across divisions and with
3 other agencies on a variety of topics covered in SB 350.
4 This includes weekly internal management meetings to discuss
5 major milestones and deliverables, periodic internal topical
6 meetings to help align program specifics and schedules,
7 weekly joint agency calls to ensure consistency between
8 related agency efforts and to minimize any potential for
9 duplication, as well as periodic briefings and meetings, as
10 needed, with external stakeholder groups and agencies.

11 The Energy Commission continues its efforts to
12 finalize and revise Renewable Portfolio Standard Eligibility
13 Guidebook and update regulations to enforce the 50 percent
14 RPS target for publicly-owned utilities. So you're going to
15 hear just more about that in just a minute. And
16 concurrently, the Public Utilities Commission oversees and
17 enforces the 50 percent RPS goal for investor-owned
18 utilities. So Staff continues to collaborate across
19 agencies to ensure consistency on that effort.

20 In addition to the increased RPS target, SB 350
21 also calls for a doubling of energy efficiency savings in
22 electricity and natural gas end uses by 2030. Staff
23 continues to make progress on identifying all the achievable
24 energy efficiency savings and demand reductions in order to
25 achieve this goal. Much work is being done to develop

1 accurate baselines, as well as setting appropriate targets
2 for achieving this reduction.

3 Work is also proceeding on an update to the
4 existing Building Energy Efficiency Action Plan. And that
5 is targeted for completion by January 1st of next year.

6 At the same time, Staff is working on
7 implementation of Assembly Bill 802 to create a Building
8 Energy Use Benchmarking and Disclosure Program with the
9 hopes that increased use of building-level data will drive
10 energy efficiency investment and savings.

11 A more detailed update on these efficiency-related
12 activities will be provided at a future business meeting.

13 On another front, plans to develop integrated
14 resource plan guidelines for large, publicly-owned utilities
15 continue to proceed. These IRPs will detail how each entity
16 will meet their customers resource needs, reduce greenhouse
17 gas emissions, and ramp up the deployment of diverse
18 portfolios of clean energy resources, including energy
19 efficiency, demand response, energy storage, and
20 transportation electrification. Staff is working on an
21 accelerated timeline to complete guidelines sometime in mid
22 to late 2017, with adoption of the IRPs from the publicly-
23 owned utilities slated by January 1st of 2019.

24 So on a parallel process at the Public Utilities
25 Commission, initial IRPs for the investor-owned utilities

1 are due to the Commission in 2017. Staff are coordinating
2 to ensure there's consistent assumptions and metrics that
3 are being used for these efforts.

4 So last but certainly not least, the project team
5 has been working very diligently to complete the initial
6 draft of the SB 350 Low-Income Barrier Study, which was just
7 posted last Friday, September 9th. We also held a workshop
8 just yesterday afternoon to present the details of this
9 draft report to the public and solicit input from
10 stakeholders on specific recommendations to address the
11 identified barriers.

12 So on that note, I'll turn it over to Alana
13 Matthews to provide a more detailed update on the Barriers
14 Study.

15 CHAIR WEISENMILLER: Let me just ask you one
16 question.

17 After we did -- after Sylvia's presentation on the
18 IRP plans, we had a letter from the POUs raising several
19 issues, one of which was the timing of the guidelines. I
20 just wanted to make sure people had followed up with the
21 POUs and tried to reach some resolution. I think they were
22 afraid that our proposed schedule basically was too --
23 anyway, that it would not match what their plans were. So
24 that, you know, we need to sync up what we're doing, what
25 they're doing, and actually what WAPA is doing in this area.

1 MR. SOKOL: So I'll circle back with Sylvia on
2 that matter, too. But it's my understanding they're aware.
3 And, hence, they're working on an accelerated schedule.
4 They're trying to alleviate those concerns.

5 CHAIR WEISENMILLER: Oh, great.

6 MS. MATTHEWS: Okay. Good morning. So I'm
7 pleased to report that we have completed all of our
8 community stakeholder meetings. And yesterday at our
9 workshop I had an opportunity to share some of the
10 highlights.

11 But what I'd just like to share today, so that I'm
12 not redundant, is that we did receive some meaningful
13 feedback from each of the community members where it was
14 reiterated that other than the cost savings, one of the
15 benefits to having investments, energy efficiency and
16 renewable investments in low-income communities, including
17 disadvantaged communities, is not only cost savings, but
18 it's health, safety, comfort, and environmental impacts that
19 they are concerned about.

20 So we've completed all seven of our meetings
21 throughout the State of California. We got feedback from
22 tribal communities, as well as those in the Sierra regions.

23 We also completed three public workshops. We
24 started out with our June 3rd Scoping Workshop. And one of
25 the highlights from that is that the organizations that

1 attended, whether they were advocacy organizations or
2 community-based organizations, I've continued to see them
3 throughout this process. And even last week, Brightline
4 Defense was one of our commenters yesterday, they had an
5 event and invited Energy Commission Staff to talk about the
6 funding programs, and even had an opportunity to give a
7 quick 350 presentation at that event.

8 So it's great to see that everyone has stayed
9 pretty much involved who was there with us in the beginning.
10 And we've picked up additional stakeholders who
11 participated.

12 August 12th, we had a more technical workshop to
13 get some substantive feedback from industry representatives,
14 other governmental agencies, local governments, as well as
15 environmental justice and equity groups. So that was
16 important. And then yesterday we had the proposed draft,
17 and we had a very good, I think, attendance. We had about
18 30 people in the room. And I'm not sure, I don't have the
19 numbers, who attended online, but definitely we got
20 substantial, substantive feedback, as well, is how I want to
21 characterize that, and how to move forward. So yesterday we
22 were able to present the draft which outlined what the
23 barriers were, as well as some solutions. And we invited
24 more comment.

25 Next steps. The public comment period is open

1 until September 29th. And then by then we want to work on
2 having more concrete recommendations that we can present to
3 the legislature of some low-hanging fruit, as Commissioner
4 Scott requested, things that we can do now, but also make
5 sure that we are mindful of other decisions that agencies
6 are grappling with. Certainly for 40 years, you know, we've
7 been trying to figure out how to serve all populations in
8 California. So we are very respectful. I'm happy to share
9 that I will be meeting with other members, Robert Castaneda
10 is on the Low-Income Oversight Board. I believe he's a
11 chair. So I'll be meeting with members of that board
12 tomorrow. And we'll continue to have that conversation with
13 other stakeholders who attended, such as Jeanne Clinton,
14 representatives from CSD. We'll continue to have that
15 conversation to make sure we're not only aligned within the
16 divisions of the Commission, but all energy policy moving
17 forward.

18 Lastly, I'd like to give some acknowledgments,
19 because there are a lot of people who put in a lot of time
20 to work on this.

21 And first, I'd start with Jordan Scavo who was our
22 lead author, Bill Pennington who helped him, and then
23 Esteban Geurrero who is actually here with us today.

24 Eunice Murimi was very instrumental with all of
25 the community workshops, she went with me to every one, and

1 so did Esteban. And so we had a lot of material to carry
2 around. She was there.

3 Of course, my staff has been supportive, Ashley
4 Gaffney. And Michael Sokol has also been very helpful in a
5 lot of the logistical, you know, needs of this report.

6 And then all of the Advisers for all of the
7 Commissioners have significantly been helpful in making sure
8 we can provide the information to you timely, and get it
9 back.

10 And with that, I will lastly give an
11 acknowledgment to all of our community-based organizations
12 and their members, because they allowed us to come into
13 their community meetings and ask questions about how they
14 use energy. They were very helpful, very receptive.

15 So first to the California Environmental Justice
16 Alliance who was our main partner in helping us connect with
17 other organizations throughout the state, which includes the
18 Asian Pacific Environmental Network the Greenlining
19 Institute, the Center for Sustainability, California -- I'm
20 sorry -- Communities for a Better Environment, Leadership
21 Council for Justice and Accountability in Fresno, Strategic
22 Concepts in Organizing Policy and Education in Los Angeles,
23 Sierra Camp and Sierra Business Council in Truckee, the
24 Northern Circle Indian Housing Authority in Ukiah, and the
25 Center for Community Action and Environmental Justice in San

1 Bernardino.

2 CHAIR WEISENMILLER: Certainly I, and I'm sure all
3 of the Commissioners, want to echo your thanks to the hard-
4 working Staff on this report, and also to the community
5 groups that have hosted us and been a participant in this
6 process.

7 I would just note, one, I had one clarifying
8 question to Jeanne afterwards, and again, just to share
9 publicly, so as you know, the PUC has the guidelines on
10 contracting. Those are voluntary guidelines. At this stage
11 the IOUs have all volunteered to participate. And
12 apparently none of the CCAs or ESPs have volunteered to
13 participate.

14 COMMISSIONER MCALLISTER: I want to make one
15 comment.

16 CHAIR WEISENMILLER: Sure.

17 COMMISSIONER MCALLISTER: Yeah. So thanks so
18 much, Alana. I mean, I totally agree, it's been -- you
19 know, you get a whole village involved in this, really
20 villages across the state, really. And from my perspective,
21 I mean, this is a great foundation. I know you were talking
22 a little bit in the past tense, you know, a lot of water
23 under the bridge.

24 But, you know, from my perspective, really in some
25 ways we're entering the most important phase of this. You

1 know, we've done a lot of the spade work and sort of the
2 heavy lifting on sort of getting the foundation built, but I
3 think, you know, really showing how responsive we're going
4 to be in substance to the participants. You know, there's
5 expectation on this report that it's going to really
6 identify the strategic key kind of recommendations that are
7 going to impact, that are going to allow us to have a
8 greater impact, and we won't have infinite resources to have
9 that impact. And I think, you know, really optimize and
10 figure out what truly needs to be done to scale and provide
11 access to our low-income disadvantaged communities all over
12 the state.

13 And certainly, you know, we've been grappling with
14 this, as you say, in the energy efficiency realm for 40
15 years. And, you know, in that item our population has more
16 than doubled. And so I think, you know, our economy has
17 grown a lot. But, you know, our equity issues are
18 definitely there and we just have to figure out kind of how
19 to take it to the next level.

20 So I think this report is a perfect opportunity to
21 really lay the groundwork for next year, and if we need
22 legislation, if we need particular initiatives that are
23 going to make the most of our resources that we do have, and
24 possibly get some more resources. So, you know, certainly,
25 I think, you know, my office and myself are very committed

1 to that, and I know all the other Commissioners are, as
2 well.

3 So thank you for all your leadership. Really
4 looking forward to kind of getting this thing to the finish
5 line and having an impact next year.

6 CHAIR WEISENMILLER: Great. Thank you.

7 All right, Courtney.

8 MS. SMITH: All right. Great. Good morning,
9 Commissioners. I'm Courtney Smith, the Deputy Director of
10 the Renewable Energy Division here at the Commission. I am
11 overcoming my fall allergies to provide you guys with an
12 update on how Energy Commission Staff efforts to update the
13 Renewable Portfolio Standard to reflect SB 350 are coming
14 along.

15 So as background, SB 350, which was enacted last
16 year, extended California's Renewable Portfolio Standard, or
17 RPS, to require utilities to procure renewable energy for 50
18 percent of their retail sales by 2030. This is an extension
19 over the current target for utilities to procure renewable
20 energy for 33 percent of their retail sales by 2020.

21 SB 350 also creates some new rules for the RPS
22 Program. So in order to implement these changes, both the
23 Energy Commission, as well as the California Public
24 Utilities Commission, the main agencies responsible for
25 implementing the RPS, are updating their program rules to

1 reflect the changes that SB 350 is bringing about.

2 So the Energy Commission's responsibilities to
3 implement the RPS include certifying eligible renewable
4 energy resources, as well as developing an accounting
5 system, in order to verify the RPS compliance of both retail
6 sellers, as well as local publicly-owned utilities. The
7 program rules that govern resource eligibility are codified
8 in the Energy Commission's RPS Eligibility Guidebook.

9 When it comes to compliance, RPS compliance is
10 determined both by the CPUC and the Energy Commission, with
11 the CPUC responsible for determining compliance for retail
12 sellers, and the Energy Commission responsible for
13 determining the compliance for the local POUS. The Energy
14 Commission's enforcement procedures that govern the POU
15 compliance and enforcement are codified in regulations. The
16 regulations is called the RPS Enforcement Procedures for
17 Local Publicly-Owned Utilities.

18 So in summary, the Energy Commission's program
19 rules are found in two places, the RPS Eligibility
20 Guidebook, and the RPS Enforcement Regulations for POUs.
21 Both of these are being updated in order to reflect some of
22 the changes that SB 350 has introduced.

23 So in terms of the RPS Eligibility Guidebook, we
24 are updating this to reflect two changes that SB 350 has
25 brought about, and that includes increasing the renewable

1 energy procurement target for the RPS to 50 percent by 2030,
2 and the other change is amending the RPS eligibility
3 requirements of a facility engaged in the combustion of
4 municipal solid waste.

5 This Guidebook update is also going to include
6 additional programmatic changes, as well. Most notably, we
7 are transitioning to an online database that will bring
8 about a much more streamlined process for both the program
9 participants, as well as Energy Commission Staff.

10 So to date, Staff has held one scoping workshop in
11 March 2016 on updates to the Eligibility Guidebook. And we
12 released a draft Guidebook in July for stakeholder feedback.
13 Staff are currently in the process of finalizing the draft
14 Guidebook. And we plan to release it this fall for
15 consideration at a business meeting later this year.

16 So in addition to updating the Eligibility
17 Guidebook, SB 350 also is introducing changes that Staff are
18 working to address in our enforcement regulation.

19 The first change that SB 350 creates is new
20 procurement targets for POUs. So these targets include 40
21 percent renewables by December 31st, 2024, 45 percent by
22 December 31st, 2027, and 50 percent by December 31st, 2030.

23 Another change required by SB 350 is that
24 beginning January 1st, 2021, at least 65 percent of
25 procurement must be from contracts of ten years or more in

1 duration, or from ownership agreements.

2 Third, SB 350 revises a calculation of excess
3 procurement used to satisfy POU's procurement requirements
4 for subsequent compliance periods.

5 Another change SB 350 introduces is requirements
6 for offsetting retail sales served by a POU's voluntary
7 Green Pricing Program, or Shared Renewable Generation
8 Program.

9 And finally, SB 350 introduces new exemptions for
10 POU's procuring electricity from qualifying large
11 hydroelectric generation, and for POU's that have qualifying
12 unavoidable long-term contracts for electricity from coal-
13 fired power plants.

14 So in terms of timing, the California Public
15 Utilities Commission has to establish post-2020 procurement
16 requirements for retail sellers by January 1st, 2017. But
17 SB 350 does not explicitly set a deadline for the Energy
18 Commission's adoption of new requirements for POU's.

19 In terms of where we are in our progress, last month
20 Staff held a pre rule-making workshop with stakeholders to
21 discuss the proposed amendment to the RPS regulations. And
22 public comments were due last week, September 9th. They are
23 currently being considered as we are drafting the rule-
24 making package.

25 Energy Commission Staff continued to meet with

1 stakeholders on SB 350's implementation. And we're also
2 working with the CPUC in order to really maximize
3 consistency to the extent possible among all load-serving
4 entities.

5 A complete rule-making package is scheduled to be
6 submitted to the Office of Administrative Law this fall.

7 So as this process advances, Renewable Energy
8 Division Staff will continue to engage stakeholders, and
9 also to collaborate with our sister agencies as we move
10 towards implementing this landmark Climate and Energy Bill.

11 Thank you.

12 CHAIR WEISENMILLER: Thank you.

13 Commissioners, any comments or questions for
14 Staff?

15 Actually, I should ask, is there any public
16 comment to -- I was supposed to go to the public comment and
17 then first see, is there anyone in the room or anyone on the
18 phone who has public comment on this? Apparently not, so --

19 COMMISSIONER HOCHSCHILD: No. Just to -- not so
20 much on this, but just I really want to commend Courtney
21 personally who has been on the job now for three-and-a-half,
22 four months, how long?

23 MS. SMITH: Five months.

24 COMMISSIONER HOCHSCHILD: Five months, yeah,
25 that's what I thought.

1 CHAIR WEISENMILLER: Who's counting; right?

2 COMMISSIONER HOCHSCHILD: But has already, you
3 know, brought just incredible diligence and vigor to the
4 position, and has helped recruit a terrific team, a new
5 Office Manager, Natalie, and others who are joining, and I'm
6 really pleased with the direction we're going.

7 So do we need to approve this idea? Do you need a
8 motion for this item? This is just informational, yeah?

9 CHAIR WEISENMILLER: Informational. And as you
10 know, we're Bagley-Keene siloed. So this is at least our
11 one chance to talk across these items.

12 COMMISSIONER MCALLISTER: Yeah. I mean, is there
13 anything?

14 I mean, I guess it's nice to have -- so when I
15 first came into the Commission, you know, one of the things
16 at my confirmation process that I was forced to learn about
17 was the sort of, you know, IOU-POU kind of sort of lack of
18 or -- you know, the consistency or lack thereof in the way
19 the RPS is developed, and our guidelines, the way the PUC
20 does things, and all that. And I think it's nice to have
21 another iteration and another opportunity to kind of chew
22 those things up and deal with some of the specific issues
23 that came up. And it sounds like you're on top of all those
24 issues that, you know, the flags came up and POUs had an
25 opinion about, and the PUC kind of works with us on. So

1 it's really good to have sort of, you know, a platform to do
2 that.

3 CHAIR WEISENMILLER: You know, actually I got to
4 deal with those back in college lab. So I understand all --
5 at least at one point I understand all those issues pretty
6 well. I remember at one point the PUC was arguing they had
7 made a math error and wanted us to adopt the same math
8 error. And I said, no, you know?

9 But anyway --

10 COMMISSIONER SCOTT: Just really very much
11 appreciate the update from all three of you, and the
12 fantastic leadership that you have shown in this space. And
13 it's great to have a chance for us to be able to talk and
14 get the information altogether at the same time, and to get
15 a little bit more into the weeds of what's going on. And
16 I'm really happy to hear about all the coordination that's
17 going on.

18 Courtney, you mentioned coordinating with the PUC.
19 Alana mentioned continuing to coordinate with the community-
20 based organizations. And so I think that as much as we can
21 continue to do that, that's also a really important
22 component. So thank you very much for the great update and
23 for your leadership.

24 CHAIR WEISENMILLER: Okay. Thank you.

25 Let's go on to Item 14, Minutes.

1 COMMISSIONER SCOTT: I'll move approval of the
2 minutes.

3 COMMISSIONER MCALLISTER: I'll second.

4 CHAIR WEISENMILLER: All those in favor?

5 ALL COMMISSIONERS: Aye.

6 CHAIR WEISENMILLER: Minutes pass four to zero.

7 Lead Commissioner or Presiding Member Reports.

8 Commissioner Scott?

9 COMMISSIONER SCOTT: Great. I just have a couple
10 of things to highlight for you all. As I mentioned at the
11 beginning of the meeting, and I'll put another shameless
12 plug in here, it is National Drive Electric Week. So we do
13 have some electric cars out front for folks to drive. I
14 want to just say thanks again to Folsom Lake Kia for
15 bringing us a Kia Soul, and to Niello Auto for bringing us
16 an Audi e-tron, and to BMW for bringing us a BWM i3. You
17 can drive all three of them, if you want to. And so I hope
18 that folks will go out and do that. They'll there until
19 about one o'clock. I also want to thank the staff for
20 arranging that for us here today.

21 A couple of things just to highlight for you. I
22 had a chance to go and talk with the California Black
23 Chamber Women's Conference a few weeks ago. The discussion
24 was Women in the C Suite, so that was kind of fun. We were
25 really just talking about the different skill sets that we

1 had and how to really have women be a part of the dialogue
2 at high levels in California. And so we had folks who
3 were -- I was the government person. There was someone from
4 an advertising firm there, from AT&T. And so it was just a
5 really nice swath of women kind of talking about how they
6 got to be in higher-level positions and, you know, our
7 information and guidance for the younger women that were
8 there in the room.

9 It was also a terrific opportunity to highlight
10 both what we're doing on the SB 350's Barriers Study. There
11 were a lot of small business owners in the room. And I
12 encouraged them to get involved in what we've doing on SB
13 350. And the Energy Commission has a bunch of fantastic
14 programs. So I always like to take opportunities to kind of
15 show off a little bit of what we're doing and encourage
16 people to get involved with us, so I did that there a few
17 weeks ago.

18 As part of the Alternative and Renewable Fuel and
19 Vehicle Technology Program, our Advisory Committee often
20 asks us about the metrics that we use to measure our
21 progress, to measure our success of that program. So we
22 hosted a half-day workshop which was a follow on to an all-
23 day workshop that we had done as part of the Integrated
24 Energy Policy Report Update in 2014.

25 And it was just a chance to highlight for folks

1 the metrics that we use in the program, how we apply them.
2 Do they have ideas for us about how we can continue to
3 improve that? Is there something key there that they think
4 were missing or would like to see added or communicated in a
5 different way? So just a nice chance to really check in on,
6 you know, kind of maybe a nitty-gritty detail but an
7 important one about the Alternative and Renewable Fuel and
8 Vehicle Technology Program and the metrics that we're using
9 there.

10 I had a chance to go visit one our projects, it's
11 called CR&R. It's an anaerobic digester in the City of
12 Perris, California, which is almost as glamorous as it
13 sounds. It's very exciting. It's grown up from a
14 greenfield site, actually. And CR&R is one of the largest
15 waste haulers in the state, so they're able to get a lot of
16 the organics. And they will bring them there and then make
17 that into, you know, with anaerobic digestion, into the
18 renewable natural gas.

19 The have a fleet of about 400 natural gas
20 vehicles. About 200 of them, they are thinking about
21 changing to the low-NOx engine, and then they'll be able to
22 fuel them up right there onsite with the renewable and
23 natural gas. So this is a project that the Energy
24 Commission helped to fund. It was really exciting to get a
25 chance to go see it.

1 It's also one of the first projects where they
2 will put the renewable natural gas directly into the
3 pipeline. So once that's kind of set and up and running it
4 will be fun to go back down there and celebrate that with
5 them. But it was really awesome to have a chance to see the
6 project as it's growing.

7 And then last, I have been advised that some of
8 our friends from First Element Fuel, who are building the
9 True Zero network of hydrogen refueling stations, are
10 driving a -- you know what, I'm not actually sure which fuel
11 cell electric vehicle, but they are driving a fuel cell
12 electric vehicle today, trying to beat the record of EV
13 miles driven in 24 hours, which is 1331. So we'll see.
14 They're about halfway through. If they make the 1331, or I
15 guess they need to make 1332. Yeah, they're driving today.
16 So that's just kind of a fun fact I thought I'd share with
17 you all.

18 So that's my update.

19 COMMISSIONER MCALLISTER: So I had one question,
20 actually. So on injecting the renewable natural gas into
21 the pipeline, where is the kind of status of like cleaning
22 that up? Maybe the Chair could ask this, as well. But sort
23 of what front-end requirements are kind of shaking out to
24 make sure that the pipeline -- that sort of the quality is
25 there for the pipeline from any given source?

1 CHAIR WEISENMILLER: Actually, the good news is
2 CCST is going to be digging into that some. The issue in
3 part is, you know, if you had RNG going into the backbone
4 system it will mix and, you know, everything will be happy.

5 COMMISSIONER MCALLISTER: Yeah.

6 CHAIR WEISENMILLER: If you have it going into a
7 distribution line and you happen to be the next point on the
8 distribution line, you could be pretty unhappy as your
9 appliances or whatever decide the quality is not there.

10 So obviously, the RNG proponents, you know, would
11 like just the mixing. The utilities, you know, particularly
12 we could talk about some of the pipelines in California
13 having issues --

14 COMMISSIONER MCALLISTER: Yeah. That's kind of
15 why I'm asking, because I've heard about this.

16 CHAIR WEISENMILLER: -- trying to get -- you know,
17 but again, it's -- I'm glad CCST is trying to deal with it
18 because it is very fact specific, you know? And I just know
19 from the RNG discussions that were occurring before the
20 legislation, you know, there are some very large dairy farms
21 next to, I'll say backbone, and there were some very small
22 dairy farms far away. So the economics and where the
23 cleanup -- you know, anyway, it's a very complicated issue
24 that's going to require a lot of studies. So, you know,
25 definitely hats off to CCST for digging into that.

1 COMMISSIONER SCOTT: And for this project did --
2 they did mention, and I can't remember the numbers off the
3 top of my head, but it was extra expense to be able to
4 upgrade the gas to be pipeline quality, and also to put all
5 the interconnection -- that might not be quite the right
6 word -- into place. But it was something that they thought
7 was really important and wanted to do.

8 One of the things, also, that was interesting
9 about the CR&R Project being in the City of Perris, which is
10 in Riverside County, their tipping fees are relatively high.
11 So the delta that they needed to kind of increase the fees
12 by in order to help finance this project with, you know,
13 money that was not the Energy Commission's, wasn't as
14 daunting as it might be in some of the other areas of the
15 state like San Joaquin Valley where the tipping fees are
16 much lower. So you'd have a much bigger delta to kind of
17 get to the number that you need. And I thought that was
18 pretty interesting.

19 They were trying to think about some, you know,
20 solutions or things that might be model-able that others
21 around the state would be able to use. But they had a
22 relatively high tipping fee which helped to make this
23 project more economic.

24 COMMISSIONER MCALLISTER: Cool. Thanks. Okay.
25 So just a couple of things to talk about.

1 So let's see, the AAEs, what is it? I forget what
2 it stands for, the Advanced Energy Economy, yeah, sorry,
3 that was just after our last business meeting, just a couple
4 of days. And it was actually -- you know, they really
5 succeeded in putting together a nice meeting that's got some
6 traction and it has a lot of good people show up. They've
7 been very California-relevant, policy-relevant. A good mix
8 of sort of, you know, hard-nose technology people, and
9 advocates, and policy people. And it's kind of a good
10 event.

11 And so I facilitated a conversation about really
12 clean energy finance, energy efficiency, and small-scale
13 renewables. And it was quite good, just sort of a little
14 bit rubber hits the road, kind of how pace is going, how it
15 might, you know, need to evolve, and how we might sort of,
16 you know, need it to grow up in some ways, but how we don't
17 want to kind of -- you know, what might be the pathways that
18 don't get in the way of innovation that they've got going in
19 a big way. So that was pretty interesting.

20

21 And then also on kind of the capital market side
22 of things, some insight on what the actual products that the
23 capital markets want, might need to evolve to be, so that
24 was interesting.

25 And then second, I spoke at a Young Professionals

1 in Energy meeting in the East Bay Chapter -- or, no, I'm
2 sorry, the San Francisco Chapter a few weeks ago. And it
3 was just a panel on data, and I think with an emphasis on
4 access, obviously. And it was the PUC, PG&E, and a couple
5 of others were on this panel. But I felt it really gave me
6 -- it was a huge breath of fresh air. It really gave me
7 kind of an appreciation for how thirsty so many people are
8 for information that lets them innovate, I mean, it's crazy.
9 Young people with skills, with just incredible energy, with
10 startups, many of them, that are really wanting to do
11 interesting things and looking to do it based on data, and
12 they just need more, you know, in various ways.

13 And so actually, I was talking about this, I think
14 this might be the first time this has happened, but I sort
15 of said, "For example, you know, it would be nice if the
16 utilities kind of had to upload their rate information,
17 their tariff information into a format that was machine-
18 readable online, you know, instead of these .pdfs that
19 everybody has to go scrape." So it's a highly technical
20 kind of, you know, kind of a wonky thing. And it actually
21 was an applause line in that audience. So I was like -- it
22 gave me just a huge lift, I have to say.

23 Also, it just shows how much traction that simple
24 thing has to be able to let people automate and lower their
25 transaction costs. Otherwise, you have people, you know,

1 having to be checking the websites of every utility every
2 time they update their rates, which is kind of silly.

3 So a good, you know, group of people to kind of
4 keep in touch with.

5 And then finally, I just got back last night from
6 the NASEO annual meeting. And they are actually -- you
7 know, we just celebrated our 40th. Well, they're
8 celebrating their 30th, so they were -- it took them a while
9 to kind of harness all the State Energy offices. So there
10 was a lot of speechifying the first day, the first morning
11 about NASEO and its impact. And I really, as you guys know,
12 I love the organization. I think it does great work.

13 But a really founding force behind it was Chuck
14 Imbrecht. And there were pictures of him, you know, coming
15 up in the slide show that they had, and people reminiscing
16 about, you know, the sort of Birkenstock crowd that got
17 together and made this thing happen. And it was heartening
18 and just really fun to learn a little bit more about that.

19 So there were obviously some really good sessions.
20 I had to miss today, actually. Probably, as we speak
21 they're touring a nice off-shore wind facility in
22 Connecticut -- or that Rhode Island just inaugurated.

23 But I chaired a panel on low income, and that's
24 what I wanted to highlight from the couple days.

25 The Barriers Report is going to be -- we're going

1 to have a ton of traction beyond California. It's very,
2 very clear, we're not the only ones trying to highlight.
3 You know, it sort of provides some urgency to the need to
4 reach our, you know, least advantaged citizens and
5 residents. And there's some innovation going on in other
6 states. I mean, the Midwest has some very interesting
7 things going on. And the Connecticut Green Bank is doing
8 some interesting things to low-income multi-family,
9 providing some innovative financing, kind of combining
10 grants and financing, low-interest loans, really working
11 well with building owners. And there's just a lot of energy
12 behind this kind of, I guess, it's reinvigorated effort to
13 reach the low income.

14 So there's a great community in the other states
15 that we can, you know, people can learn from, and they were
16 very appreciative. I think, you know, California was sort
17 of a founding force in having this national organization of
18 state energy offices, and then we went off the radar for a
19 decade or so. And now they're just really happy to have us
20 back. And I think everybody is very heartened to kind of
21 feel the team effort that really involves California and New
22 York and some of the other prime states.

23 You know, most state energy offices are small and
24 they have a few people, you know, just like two or three
25 people, maybe half. You know, in a couple states they have

1 like half of a FDE in their energy office. And there are
2 many, many that have a dozen or so or a couple dozen. So,
3 you know, by some measure, we're the biggest one. And I
4 think people look to use for our experience, and it's really
5 nice to be able to provide that.

6 So, you know, everybody on Staff, I think
7 contributes a piece to that. And so it's just a pleasure
8 for me to be able to say, oh, yeah, we have this, or hook
9 people up and do some networking, whether it's with NASEO
10 itself or just directly across states.

11 The last thing I'll say about that is, you know,
12 the, VW settlement is of huge interest to the other states.
13 And ARB has been really, I guess last week, kind of duking
14 it out on the final discussions about what the consent
15 agreement is going to look like. And part of it is that VW
16 is going to have come up with a plan for how they're going
17 to invest the infrastructure money. And VW itself, I
18 gather, is going to have a leading role in the actual
19 implementation. But obviously, they have to make sure the
20 states are onboard. And they want to make sure that every
21 state doesn't have a complete, you know, morass of different
22 rules that they have to navigate.

23 So one, I think, interesting effort will be to, at
24 least on a regional basis, coordinate between states about
25 how we might have that be relatively consistent.

1 CHAIR WEISENMILLER: I think, although Janea might
2 correct me, is that California is a special carve-out?

3 COMMISSIONER MCALLISTER: Oh, yeah.

4 CHAIR WEISENMILLER: Okay.

5 COMMISSIONER MCALLISTER: We're a very special
6 case.

7 CHAIR WEISENMILLER: Yeah. Yeah. Yeah, I thought
8 so --

9 COMMISSIONER MCALLISTER: -- if I say so.

10 CHAIR WEISENMILLER: Yeah.

11 COMMISSIONER MCALLISTER: Yeah.

12 CHAIR WEISENMILLER: \$80 million for ten years.

13 COMMISSIONER MCALLISTER: \$800 million, yeah, \$80
14 million per year.

15 CHAIR WEISENMILLER: Yeah.

16 COMMISSIONER MCALLISTER: So thanks to Barry and
17 the crew over at ARB. And certainly, there's a little bit
18 of jealousy there. I'll just call it what it is. But
19 also, you know, we made the thing happen, and the ARB, we
20 kind of -- we do have a special place.

21 But the numbers are big. You know, for a small
22 energy office the numbers are large. And many of the energy
23 offices are being tagged with administering those funds when
24 they come through. And so I think having, you know, say
25 Utah, you know, they have a plan to -- a desire, really, to

1 make it so that you can fly into Salt Lake City and use and
2 EV to get around to their park circuit, right, Zion and
3 Bryce and all of these beautiful places. Well, they want
4 that to be doable with an EV. And so they want to use the
5 infrastructure, maybe they can make that happen.

6 Well, why couldn't -- why wouldn't you be able to
7 do that from, you know, the Bay Area; right? Just drive
8 over to Salt Lake and do that; right? So having these
9 corridors, not just up and down the coast but throughout the
10 west, is of interest to the western states, just for
11 example, you know?

12 So I think there's a good, productive conversation
13 kind of working group that might be a good idea, right,
14 between states for how to coordinate the use of the
15 settlement money. So, for example, there's just a lot of
16 discussion about that at the NASEO meeting.

17 So anyway, I think that's it for my -- oh, and
18 they're also doing -- last thing. They're working on the
19 transition to the next administration, so it was kind of a
20 good forum. They have a lot of respect on Capitol Hill and
21 a lot of good contacts, and can kind of, you know, know who
22 talk to when the time is ripe. So having -- you know, if we
23 have opinions we want to sort of inject into that, it's a
24 good sort of vehicle to make sure they get heard without a
25 lot of effort on our part. So --

1 CHAIR WEISENMILLER: I'm actually going to channel
2 Commissioner Douglas today. I have a statement from her to
3 read into the record, so I'm going to do that. She's not
4 here today. She's at the DRECP event, you know, which has
5 been, you know, eight years. Anyway, so it's a great moment
6 for her, and certainly for our staff and others who have
7 worked on that. But let me read her words.

8 "The U.S. Secretary of Interior, Sally Jewell, is in
9 the California Desert today for the signing of the
10 Record of Decision for the Desert Renewable Energy
11 Conservation Plan (DRECP) Land Use Plan Amendment. The
12 DRECP designates over 600 square miles of land for
13 renewable energy development on BLM lands, while also
14 protecting sensitive species and special places in the
15 desert. By providing certainty with respect to
16 development and conservation on federal public lands,
17 the DRECP will help inform project siting, transmission
18 planning, local government planning, and conservation
19 mitigation and climate adaptation actions in the
20 California Desert.

21 "The action today is a culmination of eight years of
22 hard work and collaboration among the BLM, U.S. Fish
23 and Wildlife Service, California Department of Fish and
24 Wildlife, and the California Energy Commission, and
25 reflects a tremendous amount of input from local

1 governments, Native American tribes, environmental,
2 industry, and recreation stakeholders in the public.

3 "We would like to thank the hardworking and dedicated
4 staff at BLM and all the partners that have worked on
5 DRECP over the years. A special thank you to Energy
6 Commission Staff that have dedicated many years of work
7 on this project, Scott Flint, Kristy Chew, and Dave
8 Vidaver."

9 I'll ad lib and also add that Karen's Advisers,
10 Jennifer Nelson and LeQuyen -- I think Jennifer wrote this
11 and didn't put herself in, but anyway -- and, obviously,
12 Karen.

13 "We look forward to continuing the close collaboration
14 and partnerships that developed over the past eight
15 years and the implementation of the DRECP, including
16 continuing work with the counties in the DRECP area."

17 And again, this is huge. It's not only a key part
18 of the Obama and Brown legacies on environmental issues, but
19 certainly represents a phenomenal achievement by Karen
20 Douglas, you know, and as I said, and to many of -- and in
21 pointing out the staff, I would also add Roger Johnson on
22 this list. But obviously, we're not inclusive since, as
23 anything, this has been a village activity, but trying to at
24 least highlight some of the key staff. But certainly want
25 to thank everyone who's been involved in this.

1 David?

2 COMMISSIONER HOCHSCHILD: Well, let me begin with
3 a completely non-energy story, but I think one that people
4 will find inspiring.

5 So I have a friend who won a Gold Medal in the Rio
6 Olympics. I had dinner with him last night. And he did the
7 50 Freestyle, which is a 21-second race. It's so fast you
8 don't breathe. If you turn your head to breathe you slow
9 yourself down. So he had won a Gold Medal in 2000, I think,
10 in the Sydney Olympics, took 16 years off, came back as the
11 oldest member, not just of the U.S. Swim Team but of any
12 swim team, and he was not favored to win, and he won by
13 1/100th of a second. And he told us last night he actually
14 broke his finger, he was extending so hard.

15 So it was really exciting and, you know, just a
16 lesson to that even when we think we're too old to make an
17 impact, we can come back. So I've been savoring that.

18 A lot going on, on my end. Just some of the few
19 highlights.

20 So it's been on my list for quite some time to get
21 out to tour a couple sites in Nevada, the Crescent Dunes
22 facility first, which is one of only two solar-thermal
23 projects in the United States with molten salt storage. The
24 other one is Solana down in Arizona. The facility is really
25 working well. Operationally, they've been basically

1 producing more than they thought. It holds, you know, this
2 vat, about \$30 million worth of salt, essentially, that they
3 keep at a minimum of 500 degrees. And you know, you're
4 dispatching solar energy at 3:00 and 4:00 in the morning.
5 So it's basically a 10-hour storage. And it can hold, even
6 on an overcast day, it can hold that heat for weeks.

7 So it was really encouraging to see that. You
8 know, that's about a \$0.13 PPA. They're now in the \$0.08
9 range and falling. So that was actually really useful to
10 understand that technology and the opportunities there
11 better.

12 Also saw the Tesla Gigafactory, which I hadn't
13 realized is actually connected by rail directly to the
14 Fremont Car Factory. They have about 1,000 people onsite
15 now, building out what will be the second largest building
16 in the world. The Boeing Factory is first. It's about 14
17 percent complete now. And in the section of the building
18 that's complete, they are now already manufacturing
19 batteries. It's three stories high. It's a colossal
20 facility, as I think we've discussed.

21 They will be producing more lithium ion battery
22 capacity at this one factory than the entire global lithium
23 ion battery market today, that's how big they're going. And
24 they've already brought battery costs down 30 percent since
25 they started manufacturing onsite. So that was really

1 encouraging to see as well. There will be basically a
2 million-and-a-half, the equivalent of a million-and-a-half
3 car batteries produced annually when it's built out.

4 And then finally, I want to thank Mike Gravely,
5 who also had been on my list for a while to get down to L.A.
6 Air Force Base to see what I understand to be the largest
7 vehicle-to-grid project in the country. And I know the
8 Chair, you've worked very hard on that interconnection
9 project. But that was also great to see. L.A. Air Force
10 Base has no planes and no runways. It's a very, very small
11 facility. They do satellites, GPS and so forth, all
12 launched out of there. But that was really good to see.

13 And, Mike, I know you've just put your heart and
14 soul into this relationship with the military and just hit
15 another home run. I really, really want to commend you and
16 the Chair for getting this going, and also for this
17 initiative you're doing with the Hoover Institution, which
18 is a great chance to showcase the success which is, you
19 know, a really landmark success across all of our
20 facilities.

21 And then just finally, you know, on your point
22 about data, Commissioner McAllister, you know, I just
23 learned that Edison just sent a Cease and Desist Order or
24 letter to Utility API, you know, which is one of the
25 innovators that's getting customer consent to get this data,

1 you know? And I actually wrote to Ron Nichols and asked him
2 to engage in that directly.

3 But this challenge, I mean, I feel like I'm
4 gradually becoming Commissioner McAllister the more I hear
5 you talk about that, because it really does present a
6 barrier to innovation when access to data is not available
7 to innovators. And we've got to make sure that everybody --
8 we have a fair playing field. And so I just want to commend
9 you for staying on that issue as diligently as you have. I
10 think there's a lot of -- you know, we spent \$5 billion as a
11 state on smart meters. You know, we're actually ahead of
12 the country on our deployment of that, but we're far behind
13 where we should be in terms of the potential benefits that
14 could be realized if we have full access to all that's
15 available. So thanks again for your work on that.

16 CHAIR WEISENMILLER: Well, actually, I mean, the
17 depressing thing is by doing the first-generation meters,
18 you know -- well, at least the good news is everyone else
19 can now profit and, you know, do more advanced meters, you
20 know, going forward. But, yeah, I mean, we've installed
21 them early. And as you said, we're certainly trying to get
22 the applications in place that's sort of laggard.

23 We will have, coming up soon, you know, sort of a
24 revision on our data reqs, which again, I think Commissioner
25 McAllister has been spearheading. We had a briefing on

1 that. And obviously we'll connect to 802 and connect to
2 what we need to be doing on the IRPs, particularly on the
3 energy efficiency side. So that's marching forward.

4 I'm going to be very brief. I was just going to
5 say, I did a stint down at Jalisco. You know, there was
6 sort of an international meeting on climate issues, GDRF.
7 And the Governor decided to meet with Obama, as opposed to
8 going to Jalisco, so I went there with Ken Alex. And Emilio
9 did his normal, fantastic job of setting it up, a number of
10 events that were probably somewhat even more than usual in
11 that, actually, he was born and raised in Jalisco and hadn't
12 really been back in, I think 18 years. So it was a
13 homecoming for him.

14 We started out and signed an MOU with the governor
15 of Jalisco. Jalisco is really well known in Mexico for
16 innovation. And they have, actually, a Ministry of
17 Innovation. But sort of this golden triangle between
18 government, you know, in terms of the minister there, at the
19 same time in terms of industry, and education, you know,
20 they have, obviously, very good schools. But, you know,
21 they have their own equivalent to Silicon Valley. Emilio
22 had a meeting with, you know, Cisco, HP, you know, Intel, a
23 number of pretty familiar names, and trying to connect them
24 to some of the renewable folks.

25 They're setting up an Energy Agency, at least we

1 signed the MOU to do that. They need to get legislation
2 through. They do that. And as it turns out,
3 coincidentally, that at least Jalisco's governor has two
4 years and four months, so familiar numbers. So the
5 gentleman in charge of the Energy Agency, you know, really
6 has to deliver some results in that sort of window of time.
7 And again, it looks like a great opportunity in the area of
8 renewables.

9 They also -- we're trying to really push things.
10 I suspect David and Emilio will go back to Jalisco sometime
11 in the near future, if we can get some traction, really,
12 with them on stuff. And perhaps Andrew and Emilio on more
13 the energy efficiency side. Again, at this point, at least
14 our theory is that's probably the leading province in Mexico
15 to be working with on innovation. So --

16 COMMISSIONER MCALLISTER: Can I ask, was there
17 talk about -- so Conway (phonetic) there, you know, or Don's
18 shop on the energy efficiency, one of the strategies they've
19 identified, and they don't have much resources, you know,
20 given the oil prices, et cetera, so they're a little
21 resource light, but having really kind of the State Energy
22 Office equivalent down there, you know, having state-based
23 efforts on the efficiency to kind of, you know,
24 contextualize and implement, not federally but more at the
25 state level; was Jalisco talking about that at all?

1 CHAIR WEISENMILLER: Yeah. I mean, one of the
2 things we talked about, as you know, what LBL has done in
3 China or with the Chinese is the Chinese have really focused
4 on, I think initially it was the top ten firms.

5 COMMISSIONER MCALLISTER: Yeah.

6 CHAIR WEISENMILLER: And then, you know, now I
7 think they're down to like the top largest energy users in
8 China, and now they're down to the top 1,000. So among
9 other meetings, Emilio and I had a meeting the very first
10 night. Well, we did the MOU signing, and then we had a
11 dinner meeting with effectively the top ten largest users in
12 Jalisco. And then we had a separate meeting with the sort
13 of Silicon Valley part. So the notion is if they can really
14 target the largest users on energy efficiency, they can
15 perhaps get something done.

16 But, you know, there's certainly interest there.
17 You know, at least they were polite as we went through the
18 opportunities. But the next step, as you know, is sort of
19 actually the commitment, getting the legislation through,
20 getting some resources. And you know, it's pretty clear
21 that they're doing it by shifting. They're not adding
22 additional staff, just giving a budget. So it's like, okay,
23 we're not going to have a 12-person Energy Office, so 11 of
24 you are either going to become energy people or your jobs
25 are going to go away and we're going to add new jobs over

1 here.

2 But again, I think, you know, I met with the
3 engineering -- actually, you know, it was sort of a meeting
4 in passing. I mean, I would have liked to have spent time
5 at the university. And again, hopefully, when you go you
6 can sort of spend some time there. But the Engineering
7 Department was very interested in working with us on energy
8 efficiency and renewable issues. And again, given that
9 connection between them, you know -- and the MOU really is
10 the Energy Office, the Innovation Office, the Buildings
11 Development Office, and the Environmental Office. So it
12 really spans, you know, a lot of the state government and,
13 again, has a very young, energetic governor who's really,
14 you know, pumped up after our meeting, and just really a
15 good press conference, strong statements to the public.

16 COMMISSIONER MCALLISTER: That's great.

17 CHAIR WEISENMILLER: So anyway, again, a lot of
18 opportunities. We'll see.

19 COMMISSIONER MCALLISTER: Great.

20 CHAIR WEISENMILLER: Great.

21 Chief Counsel's report.

22 MS. VACARRO: So I have two items today. I'll
23 cover the first. And then I think the second is a question
24 for how you'd like to proceed with the second item.

25 First is that sort of continuing with these

1 efforts of the Chief Counsel's Office to bring in just great
2 talent, intellect, experience, I have two attorneys I'd like
3 to introduce to you today.

4 CHAIR WEISENMILLER: Yeah.

5 MS. VACARRO: The first is Matt Chalmers who has
6 spent some years now in the Energy Commission, working on
7 Commissioner Row, and as an intern in our office. He's a UC
8 Davis graduate. And we're so very pleased that we were able
9 to bring him onboard.

10 We also have Kirk Oliver who comes to us from the
11 Air Resources Board as our Enforcement Lead. He was one of
12 the longstanding leads at ARB in setting up and implementing
13 their very successful enforcement program. And we are just
14 thrilled to have him to help us in our efforts with
15 enforcement, as well.

16 And so this is Kirk and Matt.

17 COMMISSIONER MCALLISTER: Thanks. Great.
18 Welcome.

19 MS. VACARRO: The second item is that we will be
20 going into Closed Session today to discuss some matters with
21 Legal Counsel. I don't know if you want to do that at this
22 time or how you wanted to handle it on the agenda.

23 CHAIR WEISENMILLER: No. Actually, I wanted -- we
24 have one public comment.

25 MS. VACARRO: Okay.

1 CHAIR WEISENMILLER: And so what I'd like to do is
2 go through the rest, allow the public commenter to comment,
3 or anyone else who wants to give public comment. And then
4 we'll recess for the Closed Session, and then come back
5 afterwards. But I don't want to make them hang out until we
6 come back.

7 MS. VACARRO: Okay. Certainly. And before we go
8 into the Closed Session I believe you'll probably read into
9 the record some of the matters to ensure that we're
10 compliant with Bagley-Keene.

11 CHAIR WEISENMILLER: Yes. Thank you for giving me
12 that. Okay.

13 So Executive Director's report?

14 MR. OGLESBY: Nothing to add today.

15 CHAIR WEISENMILLER: In terms of Public Adviser's
16 report?

17 MS. MATTHEWS: Yeah. Just very briefly, I wanted
18 to give an update on the diversity commitment and
19 initiative. So our working group did take a break over the
20 summer for scheduling reasons, but we had our August meeting
21 last week. And I'm just happy to share, one, that kudos to
22 the ARFVTP division -- I mean, the program. They've been
23 doing a lot. Last month they had a Workforce Development
24 Workshop and invited me to attend. And just had a lot of
25 information to share because that is sort of a good

1 opportunity to bring in more diverse organizations for
2 funding opportunities at the Energy Commission.

3 And they also hosted a workshop on
4 CalEnviroScreen. So I thought that was very useful. And we
5 had -- every division, I believe, attended it to see how we
6 could better use it to target outreach and participation.

7 And then lastly, our Contracting Division has put
8 forth a kind of new -- stepping up their efforts to reach
9 out to more small businesses and disabled veteran business
10 enterprises. And that's also captured in our diversity
11 commitment that I wanted to highlight.

12 And that's it.

13 CHAIR WEISENMILLER: Great. Actually, it would
14 probably be a good idea if -- you know, I think various
15 divisions, at least one will have comments on the
16 EnviroScreen, on how to make it better. And the ARB --
17 excuse me, the CalEPA is going through a process now to do
18 that. If you get sort of the Executive Office sort of pulls
19 together, any comments across the divisions, and make sure
20 that we are participating there and helping them enhance the
21 model?

22 MR. OGLESBY: We will follow up.

23 CHAIR WEISENMILLER: Okay. Well, that's part of
24 350 anyway, to figure out how to do it. Okay.

25 So let's go on to public comment. Please come in.

1 MR. PERNEJAD: Hello?

2 CHAIR WEISENMILLER: Yes? Please identify
3 yourself.

4 MR. PERNEJAD: We weren't given a warning. Sorry.
5 I was expecting the secretary to let us know we were online.
6 This is Peter Pernejad, Development Services Director for
7 the City of Palo Alto.

8 I wanted to speak to Item Number 6. Apparently
9 you guys already heard it before we jumped on this
10 conference call, so I just wanted to put something into the
11 record, if I may?

12 CHAIR WEISENMILLER: Oh, sure. Go ahead.

13 MR. PERNEJAD: Great. So I wanted to first thank
14 the Honorable Commissioners for the recognition and the
15 opportunity to speak today. The City of Palo Alto has long
16 been a leader in energy stewardship and sustainability. We
17 continue to set ambitious targets for zero-net energy and
18 carbon reductions. The new Energy Reach Code is a
19 reflection of our community's commitment to the state's
20 zero-net energy goals for 2020 and 2030.

21 I'd like to thank the City of Palo Alto City
22 Council for providing the vision and direction to develop
23 one of the most aggressive ordinances in the state and the
24 nation.

25 I'd also like to recognize the Palo Alto Green

1 Building Advisory Group, a group of stakeholders of local
2 industry experts who have created this progressive
3 regulation together, with our help.

4 And finally, I'd like to recognize the CEC Staff
5 for guiding us through the steps to turn our local ordinance
6 into a statewide-vetting policy. The City of Palo Alto has
7 set a goal of 80 percent reduction of greenhouse gas
8 emissions by 2030. We see a collaboration with the Energy
9 Commission as critical in advancing our mission for a zero
10 net-energy future towards carbon neutrality. We ask for
11 your continued support in pushing the envelope on innovative
12 local policies.

13 And finally, as we enter into the next code cycle
14 we look forward to continuing our Reach Code development in
15 collaboration with the California Energy Commission.

16 We'll be coming back to you again with additional
17 amendments to advance our 2020 goal, to be ahead of the
18 state before the next code cycle.

19 So with that, again, thank you for your time and
20 your support for our Reach Code. And we look forward to
21 being a laboratory for the Energy Commission on the results
22 from our findings.

23 CHAIR WEISENMILLER: Okay. Thank you.

24 I was going to say, normally we don't have a
25 dialogue back and forth on public comment. But since we

1 inadvertently didn't catch you before, Commissioner
2 McAllister, if you have anything you want to say?

3 COMMISSIONER MCALLISTER: Just please, thank you
4 very much. And I know if you heard any of the conversation,
5 but you should listen to the dialogue when it comes up. But
6 please do convey our thanks and gratitude to the City
7 Council and all the folks you mentioned in the city for your
8 innovation and leadership. It's really key to getting this
9 whole ball moving forward and getting bigger across the
10 state.

11 CHAIR WEISENMILLER: So any other public comment
12 from anyone in the room or on the line? Okay.

13 So what I want to say is the Commission will now
14 go into Closed Session with Legal Counsel pursuant to
15 Government Code section 11126(e) on the following items set
16 forth in Agenda Item 16, matter pending with the Department
17 of Industrial Relations in Grant ARV-11-012 of Electricore,
18 Inc.

19 We anticipate returning to open session at about
20 1:30. And again, that's probably not a precise forecast,
21 but that's, I think, a reasonable guess. So again, we'll be
22 back.

23 (Off the record at 12:15 p.m.)

24 (On the record at 1:54 p.m.)

25 CHAIR WEISENMILLER: Good afternoon. We're back

1 in session.

2 I'd like to report that in the Closed Session the
3 Commission authorized the Chief Counsel to pursue all
4 available legal remedies to obtain any funds that the Energy
5 Commission might be owed by Electricore, Inc. under Grant
6 Agreement ARV-11-012, including possible initiation of
7 litigation.

8 This meeting is adjourned.

9 (The Regular Meeting of the California Energy Commission
10 adjourned at 1:55 p.m.)

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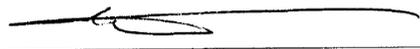
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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of September, 2016.



PETER PETTY
CER**D-493
Notary Public

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



MARTHA L. NELSON, CERT**367

September 26, 2016