

## DOCKETED

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APPEARANCES

Commissioners Present

Robert B. Weisenmiller, Chair  
Karen Douglas  
David Hochschild  
Janea A. Scott

Staff Present

Cody Goldthrite, Secretariat

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Jennifer Martin-Gallardo	2
Courtney Smith	2
Gabriel Herrera	2
Mary Dyas	3
Kevin Bell	3
Susan Cochran	4
Joseph Douglas	4
Elena Miller	4
Joseph Merrill	5
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Larry Froess	7, 8
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Jeffrey Doll	16, 17
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Kevin Mori	20
Yu Hou	21, 22
Timothy Smith	23, 24
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Kourtney Vaccaro	29
Rob Oglesby	30
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(none)

Adjournment

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

2 TUESDAY, JUNE 14, 2016 10:03 A.M.

3 CHAIR WEISENMILLER: Good morning. Let's start  
4 the Business Meeting with the Pledge of Allegiance.5 (Whereupon, the pledge of Allegiance was stated in  
6 unison.)7 CHAIR WEISENMILLER: Let's start the Business  
8 Meeting with a moment of silence in recognition of the  
9 Orlando event.

10 (Whereupon, a moment of silence occurred.)

11 CHAIR WEISENMILLER: Let's go back to the  
12 Business Meeting.13 In terms of today's meeting, Item 1a is pulled  
14 off the Consent Calendar. We will address as essentially  
15 right after the Consent Calendar.16 COMMISSIONER DOUGLAS: I move the Consent  
17 Calendar Items 1b and c.

18 COMMISSIONER SCOTT: Second.

19 CHAIR WEISENMILLER: All those in favor.

20 COMMISSIONERS: Aye.

21 CHAIR WEISENMILLER: This Item passes then four  
22 to zero. Commissioner McAllister is not at today's meeting  
23 and so the basic note is he is obviously not voting on any  
24 of these items.

25 (Whereupon, the Consent Calendar was approved.)

1 CHAIR WEISENMILLER: So let's go onto the what  
2 used to be Item 1a, Delegation of Authority. Paul Jacobs,  
3 please.

4 MR. JACOBS: Good morning, Your Honor, Chair and  
5 Commissioners. My name is Paul Jacobs and I'm the Director  
6 of Office of Compliance, Assistance and Enforcement. I  
7 joined CEC in November, after 30 years at the ARB where I  
8 built their enforcement program and served as the chief of  
9 mobile sources enforcement.

10 The Energy Commission sets Appliance Efficiency  
11 Standards for many types of products, including lighting  
12 fixtures and lamps, plumbing products, home appliance, and  
13 consumer electronics. In January 2012 the Commission  
14 adopted Appliance Efficiency Standards for battery charger  
15 systems, which took effect on February 1st, 2013. These  
16 standards are expected to save 2200 gigawatt hours  
17 annually, which is enough energy to power 3500 California  
18 households each year.

19 I currently have 15 cases dealing with these  
20 standards, along with 10 other cases dealing with other  
21 Energy Efficiency Standards. We continue to test products  
22 at our test laboratory for compliance. In 2016 to date, 17  
23 tests have been completed with 11 products failing and 11  
24 are pending testing. In 2015, 13 products failed lab  
25 testing out of 34 tested. These failing products are

1 eroding the anticipated energy-saving benefits of the  
2 Appliance Efficiency Regulations, which are cornerstone of  
3 our mandate set forth in AB32 and SB350.

4           This morning before you is a proposed order  
5 delegating approval of settlement agreements to the  
6 Executive Director for cases involving violations of the  
7 Appliance Efficiency Regulations. The authority for this  
8 delegation is codified in subdivision (c) of Section  
9 11415.60 of the Government Code, the Administrative  
10 Procedures Act. This delegation is needed for staff to  
11 effectively and efficiently administer the Appliance  
12 Efficiency Enforcement Program and the ongoing inventory of  
13 cases. In settling cases, staff is mandated under Senate  
14 Bill 454 of 2011 and the enabling Title 20 regulations  
15 adopted in July of 2015 to consider ten factors.

16           These factors include:

17           The nature and seriousness of the violation;

18           The persistence of the violation;

19           The number of violations;

20           The length of time which the violations occurred;

21           The willfulness of the persons responsible for  
22 the violations;

23           The harm to consumers in the state that resulted  
24 from the amount of energy wasted due to the violation;

25           The number of persons responsible for the

1 violations; the efforts of the persons responsible for the  
2 violations to correct the violations prior to initiation of  
3 an enforcement action;

4           The cooperation of the persons responsible for  
5 the violations; and,

6           The consideration of the assets, liabilities, and  
7 net worth of the persons responsible for the violation to  
8 consider financial hardship application.

9           Without this delegation, staff will not be able  
10 to effectively and efficiently enforce the Appliance  
11 Efficiency Regulations, resulting in the loss of the  
12 anticipated energy-savings benefits prescribed in the suite  
13 of Appliance Efficiency Regulations covering 23 product  
14 categories. Additionally, industry supports fair and swift  
15 enforcement of these regulations to maintain a level  
16 playing field by weeding out unfair competition.

17           Staff will keep the Commissioners apprised of all  
18 settlements by ongoing status reports. Additionally, all  
19 settlements will be posted on our public webpage.

20           To summarize, this order is a delegation solely  
21 for cases under the Appliance Efficiency Regulations.  
22 Granting this delegation will enable to staff to  
23 effectively and efficiently enforce the Appliance  
24 Efficiency Regulations, ensuring that the anticipated  
25 energy-savings benefits are achieved, which protect

1 consumers and the environment, and maintain a level playing  
2 field for the regulated industries.

3 I ask for your approval of this item and I'm  
4 happy to answer any questions.

5 COMMISSIONER DOUGLAS: Commissioners, I wanted to  
6 speak in support of this item. I have been meeting with  
7 Paul and a number of other staff involved in our  
8 enforcement and compliance activities across different  
9 divisions as well semi-regularly for some time. I want to  
10 particularly thank Paul for the great work he's done since  
11 coming onboard with a specific -- and he is focused on a  
12 broader set of issues than the Appliance Efficiency  
13 Standards, but he has in particular brought a tremendous  
14 amount of expertise and energy to helping us get that  
15 program really underway on the compliance and enforcement  
16 side.

17 And this came out of a meeting I had with him and  
18 the Executive Director and some others, and they were in  
19 particular suggesting this way of action because it's  
20 consistent with the way, for example, ARB and other  
21 agencies tend to handle settlements. It's allowed under  
22 the APA. It provides a way of handling larger volumes.  
23 It's one thing for one or two settlements or some small  
24 number of settlements to come to the Business Meeting, but  
25 in this case given the number of different products and the

1 number of different models that are covered by our  
2 Appliance Standards, even with relatively high levels of  
3 compliance with our standards, we could still be looking at  
4 significant volumes of settlements.

5           And so given, as Paul mentioned, the importance  
6 of dealing once we are in settlement discussions with a  
7 company whose product has not passed our standards, being  
8 able to bring those to a close in a speedy and efficient  
9 manner is also really important. It's important to us and  
10 it's important to the industry.

11           As Paul mentioned, settlements, we would have  
12 transparency, settlements would be available on the website  
13 for the public. So I think this is an important measure  
14 for the maturation, really, of this new program and our  
15 implementation of this new authority. So I recommend this  
16 to your approval.

17           COMMISSIONER SCOTT: I had a question -- I am  
18 also supportive of this item -- for Paul, and just to say  
19 how glad we are to have your expertise here at the Energy  
20 Commission as we go forward with this program. Can you  
21 just give us --and you talked about this a little as you  
22 spoke --a little bit about how you're planning to implement  
23 and if there are things that are ordinary how you will make  
24 sure that the Commissioners are aware?

25           MR. JACOBS: Sure. Well, in terms of

1 implementation, we'll continue our testing program and  
2 focus in on high-energy-consuming products. And once we  
3 identify those, we'll want to take swift and effective  
4 enforcement action to immediately bring the company into  
5 compliance -- that's our number one goal -- then take a  
6 reasonable penalty based on their ability to pay and those  
7 other factors I covered to establish that level playing  
8 field.

9 I can tell you from my many, many years of doing  
10 this at the Air Resources Board, industry fully supports  
11 enforcement because it ensure the good players that there  
12 is a policing of the bad players and, as a result, we're  
13 going to have a fair level competitive environment.

14 COMMISSIONER SCOTT: Thank you.

15 COMMISSIONER HOCHSCHILD: I just had a question.  
16 I'm also open certainly to this approach, but just whether  
17 we ought to consider a certain size threshold above which  
18 it would come to the Commission. For example, our first  
19 settlement was with this vacuum, it was I think a million  
20 dollar settlement. I'm just curious. Your thoughts on  
21 that, Commissioner Douglas.

22 COMMISSIONER DOUGLAS: I think that rather than  
23 establish a threshold, the delegation order as I understand  
24 it does enable staff to choose to bring something to the  
25 Commission. And based on their judgment, if for example a

1 settlement presents novel issues and they're not certain,  
2 that it would be within realm of things that the Commission  
3 would support, it presents a policy issue, it may be out of  
4 proportion in terms of size to other settlements for one  
5 reason or another, they would have the option of bringing  
6 that forward.

7           And this does not mean that staff has to operate  
8 in a vacuum in terms of Commissioner interaction either.  
9 Obviously without going to a business meeting, they can't  
10 talk to all five of us together, but they could certainly  
11 go to, for example, the Lead Commissioner for Efficiency or  
12 they could go to me in my role of helping shepherd along  
13 some of our Compliance and Enforcement issues, or they  
14 could go to the Chair and get a sense of whether this is  
15 the sort of item that should be brought forward to the  
16 Commission. But many, many, many of these settlements are  
17 likely to be pretty cookie cutter in approach really,  
18 especially as the program gets going and we get larger  
19 numbers of settlements in.

20           CHAIR WEISENMILLER: I was just going to note  
21 that in the PUC context one of the particular reforms for  
22 enforcement of gas-safety issues was just telling the staff  
23 to just do it, do a fine, don't bring it to the full  
24 commission and go through all that. At some point that  
25 meant people tended to say it was too much hassle, it took

1 too long. It was this immediate reaction on enforcement.

2 COMMISSIONER DOUGLAS: If there are no other  
3 comments or questions, I'll move Item 1a.

4 COMMISSIONER HOCHSCHILD: Second.

5 CHAIR WEISENMILLER: All those in favor?

6 COMMISSIONERS: Aye.

7 CHAIR WEISENMILLER: This again passes four to  
8 zero.

9 (Whereupon, Item 1a was approved.)

10 CHAIR WEISENMILLER: Let's go onto Item 2, Energy  
11 Commission Committee Appointments. Kevin -- or actually go  
12 ahead.

13 MS. MARTIN-GALLARDO: Good morning, Chair  
14 Weisenmiller and Commissioners. I am Jennifer Martin-  
15 Gallardo with the Chief Counsel's Office. I'm before you  
16 this morning to ask that you assign a committee to hear and  
17 take action on a letter of appeal from the Los Angeles  
18 Department of Water and Power, and any subsequent RPS  
19 certification eligibility, appeals, motions, or requests  
20 filed by LADWP's seeking action by the full Commission.

21 Briefly by way of background, the California  
22 Renewables Portfolio Standard, also known as the RPS, was  
23 established in 2002 and has been periodical modified over  
24 the years. Under the RPS statutes, all sellers of  
25 electricity in California, including publicly-owned

1 utilities such as LADWP, are required to procure a portion  
2 of their electricity retail sales from eligible renewable  
3 resources.

4 Procurement from a renewable facility cannot be  
5 counted towards an entities' RPS obligation unless the  
6 Energy Commission has certified the facility as RPS  
7 eligible. The Energy Commission's Renewable Portfolio  
8 Standards Eligibility Guidebook, which gets updated and  
9 modified from time to time, describes the eligibility  
10 requirements and certification process. To qualify for RPS  
11 certification, a facility must use one or more eligible  
12 renewable resources. Biomethane is an example of an  
13 eligible resource, and the Commission's Guidebook editions  
14 have specified the criteria that must be satisfied for a  
15 facility to qualify for RPS certification using biomethane.

16 Turning now to the LADWP Appeal. Between 2011  
17 and 2014, LADWP and Commission staff were engaged in  
18 communications regarding RPS certification eligibility for  
19 the Scattergood, Harbor, Valley, and Haynes Generating  
20 Stations using biomethane procured from 2009 contracts that  
21 LADWP had entered into with Shell and Atmos. Staff  
22 ultimately notified LADWP that the facilities could not be  
23 certified under the 2009 contracts. LADWP then asked the  
24 Commission's Executive Director to reconsider staff's  
25 determination. The Executive Director subsequently

1 affirmed the staff's denial determination.

2 LADWP has timely filed an appeal of the Executive  
3 Director's determination. And, pursuant to the  
4 Commission's regulations, the Commission Chair consulted  
5 with the Chief Counsel's Office and determined that the  
6 LADWP's appeal meets the basic pleading requirements  
7 specified in the RPS Guidebook. This matter is now before  
8 the full Commission for possible assignment of a committee  
9 to hear and take action on the appeal and any other  
10 certification eligibility motions, requests, or appeals  
11 that LADWP might submit seeking action by the full  
12 Commission.

13 After this agenda posted, LADWP submitted written  
14 comments asking the Commission to clarify the scope of the  
15 language in the proposed order. Representatives of LADWP  
16 are here today and are better able to explain the requests  
17 for clarity. After you hear from LADWP representatives and  
18 possibly staff, I'd be happy to answer any questions that  
19 you have.

20 CHAIR WEISENMILLER: Thank you.

21 May I ask LADWP's two representatives to come to  
22 the table?

23 In the interests of time, if the staff wants to  
24 come up also, that'd be fine.

25 Please sit down. Introduce yourself.

1 MS. CHUA: Good morning, Commissioners. Pjoy  
2 Chua, Regulatory Compliance Manager for LADWP.

3 MR. LEBRON: Good morning, Commissioners. Felix  
4 Lebron, Deputy City Attorney for the City of Los Angeles.

5 CHAIR WEISENMILLER: Good morning. Go ahead.

6 MS. CHUA: LADWP would like to thank the  
7 California Energy Commission for their attention to this  
8 matter. LADWP would also like to thank the CEC staff for  
9 their effort and diligence in working very hard with our  
10 staff in the past several months. However, we have reached  
11 an impasse. At this point, bringing this matter to the  
12 Commission is our final recourse to resolve this critical  
13 issue with the CEC. We appreciate the opportunity to work  
14 on this further in another avenue.

15 LADWP's policy for renewables was initiated in  
16 the early 2000s and has guided the adoption of increasing  
17 levels of renewable energy. LADWP is committed to a  
18 renewable energy policy that seeks to boost the amount of  
19 renewable energy provided to our customers. The longterm  
20 renewable goals are to achieve 25 percent by 2016, 33  
21 percent by 2020, and 50 percent by 2030, which is  
22 consistent with the rest of California utilities.

23 LADWP has invested over one billion dollars in  
24 developing renewable energy and in 2010 was among the first  
25 California electric utilities to achieve 20 percent

1 renewable energy delivered to our customers.

2 All of the renewable energy that was counted  
3 towards achieving the 20-percent RPS target was fully  
4 tracked and met the governing rules and guidelines in place  
5 at that time. LADWP is supportive of the State's effort to  
6 create clarity and consistency in the applicability,  
7 accounting, and reporting of California's leading renewable  
8 energy legislation. This is a complex and very significant  
9 issue. RPS is important to the City of Los Angeles, to the  
10 CEC, and to the State. Therefore, it is vital for the  
11 Commissioners to ensure that this is handled properly and  
12 expeditiously. We look forward to continuing a healthy  
13 relationship with the CEC as we move towards 33-percent and  
14 50-percent RPS.

15 MR. LEBRON: Felix Lebron. A few points I'd like  
16 to make to the Commission. First is that the City supports  
17 the delegation of the biomethane appeal to a subcommittee.  
18 We think that will be helpful for helping to resolve and  
19 adjudicate the legal and factual issues particularly  
20 regarding statutory construction under Senate Bill X12 and  
21 as it applies to biomethane, Assembly Bill 2196. I also  
22 would note that the Commission may want to consider, for  
23 purposes of the committee, using a hearing officer just  
24 because of the scope of the evidence, anticipated expert  
25 evidence dealing with natural gas pipeline transportation

1 standards under the Natural Gas Act and for transportation  
2 regulations.

3           The second point that I wanted to address is the  
4 point that was raised in LADWP's comments dealing with the  
5 request for clarification. LADWP supports the proposed  
6 order in terms of delegating to the committee that's formed  
7 the assignment for resolving any future or subsequent RPS-  
8 related motions or appeals directly to the subcommittee.  
9 The question that we raised regarding clarification is  
10 based on a motion that LADWP intends to file in the near  
11 future seeking guidance and an adjudication from the  
12 committee regarding issues of statutory interpretation and  
13 construction, and legislative intent between Senate Bill  
14 X12's grandfathering provisions and how those were meant to  
15 apply to publicly-owned utilities, legacy resources that  
16 were under the voluntary program before Senate Bill X12  
17 that became mandatory in the middle of the first compliance  
18 period.

19           While this legal-interpretation issue has  
20 application to a number of resources, it's of particular  
21 importance for LADWP's procurement from British Columbia  
22 small hydro facilities under a contract in which LADWP  
23 entered into in 2007 which expired in 2011, about two to  
24 three weeks after SBX12 became effective. So as to this  
25 particular issue we're seeking clarification because the

1 language in the proposed order says reverse future RPS  
2 certification eligibility appeals, and this is not per se a  
3 certification issue, but it does go to the eligibility of  
4 the procurement from BC Hydro for the period from before  
5 SBX12 became effective, so effectively 11 months in 2011.

6           And so, just to be clear, we're not asking the  
7 Commission to make any ruling here. This is just to seek  
8 clarity that we can file the motion before the subcommittee  
9 because to the extent that the proposed order is ambiguous,  
10 it might be just an issue of putting a comma between  
11 "certification" and "eligibility." We think now would be  
12 the appropriate time to clarify that so that we can bring  
13 the motion, and staff would have an opportunity at that  
14 time to respond as to whether or not they thought the  
15 motion was proper or on the merits.

16           I would say that in terms of the resolution of  
17 the motions, there is significant overlap between the  
18 statutory construction issues that I just mentioned and the  
19 biomethane statutory construction issues, which would be  
20 referred to the committee, so in terms of conservation of  
21 resources and achieving an efficient resolution, it would  
22 make sense to hear these issues at the same time because of  
23 the overlap.

24           I'd like to thank the Commission for the  
25 consideration. I also want to thank both Executive Director

1 Oglesby, the RPS staff and their Legal Counsel Mr. Herrera  
2 for working very closely with the Department not only over  
3 the last six months on the biomethane issue but really  
4 going back nearly five years in terms of helping LADWP to  
5 successfully integrate its renewables program into the  
6 State's RPS program under SBX12.

7 This is a very important issue for the City of  
8 Los Angeles which, as my colleague noted, has invested over  
9 a billion dollars in its renewables program, and also very  
10 important for LADWP's ratepayers. So we thank you for your  
11 consideration and time this morning.

12 CHAIR WEISENMILLER: Thank you.

13 Staff, any response?

14 MS. SMITH: Good morning, Chair and  
15 Commissioners. I just wanted to let you all know that you  
16 may be aware that staff are in the process of verifying  
17 eligibility of RECs for all local publicly-owned utilities  
18 as part of Compliance Period 1. And, in a letter dated  
19 June 3rd, 2016, Energy Commission staff provided LADWP with  
20 an update of staff's preliminary eligibility determination  
21 for Compliance Period 1 under the RPS Program. And  
22 explained in this letter there are a handful REC claims  
23 that have been made by L.A. that staff have found  
24 ineligible, one of which is the eligibility of BC Hydro,  
25 which Felix mentioned earlier. Certainly staff believe

1 that the process for creating the RPS Eligibility Guidebook  
2 that we go through here at the Commission appropriately  
3 addressed statutory interpretation of SBX12, however if the  
4 committee decides to entertain these other eligibility  
5 issues beyond biomethane, it is up to it to do so.

6 MR. HERRERA: Good morning, Chair and  
7 Commissioners. Gabriel Herrera with the Energy  
8 Commission's Legal Office. Just a couple points.

9 Some of the issues that L.A. could possibly bring  
10 forward in a future request or motion I speculate are  
11 issues that L.A. has raised before in the past in the  
12 context of both the rulemakings for the Energy Commission's  
13 adoption of POU RPS regulations as well as the RPS  
14 Certification Guidelines. So while I can't speculate  
15 exactly what the nature or substance of those future  
16 requests or motions might be from L.A., I would think it  
17 appropriate for any assigned Committee to decide that  
18 perhaps they will not entertain those requests because the  
19 Commission as a body has already fully addressed those  
20 issues as part of these other rulemaking proceedings, but I  
21 welcome the clarification that L.A. has sought just to make  
22 sure it's clear that they are not precluded from moving  
23 forward with a future request or future motion. But this  
24 order would not direct the Committee to automatically  
25 entertain that motion. And maybe Chief Counsel would speak

1 to that.

2 CHAIR WEISENMILLER: Maybe Chief Counsel would  
3 like the last word. Jennifer.

4 MS. MARTIN-GALLARDO: Yes. I would like to point  
5 out that under the Warren-Alquist Act, Section 2511 does  
6 allow and provide for anything that is assigned to a  
7 committee those issues and items also under our regulations  
8 or anything brought to the committee can be kicked back to  
9 the Commission for full consideration, and also any order  
10 from the Committee would need to be approved by the  
11 Commission in order for it to be an order of the  
12 Commission.

13 So, yes, the concerns that perhaps something  
14 would go to the Committee, not be precluded under this  
15 proposed order, could go to the Committee. And if the  
16 Committee reviewed whatever the motion requests, the  
17 appeal, if the Committee found that it was something that  
18 needed to be heard by the full Commission, it could be at  
19 that point.

20 CHAIR WEISENMILLER: Okay. Thank you.

21 Let's start the discussion among the  
22 Commissioners. I want to at least start out with just a  
23 couple of quick observations. First of all, obviously  
24 issues can go, an appeal can go to the full Commission or  
25 to a Committee. My decision was to go to a committee. I

1 think the issues are sort of complex enough that it would  
2 be burdensome for the Commission as a whole to consider  
3 these.

4           Now that being obviously as the case unfolds,  
5 there may well be issues that come back to the full  
6 Commission for ratification, but at least at this point  
7 just on that Committee-Commission question, that's pretty  
8 straightforward.

9           I think in terms of the Committee itself, I will  
10 be the presiding member, Commissioner Hochschild will be  
11 the associate member. I remember back in the old days,  
12 some of the guidelines that we're now talking about, being  
13 involved in the development of those and adoption of those  
14 and having discussions with LADWP at the time, so. And I  
15 think these are certainly important issues and significant  
16 issues with LADWP, that certainly it's important. And  
17 these, frankly, are I think the first time we've had to  
18 deal with these types of issues on compliance on the RPS  
19 issues, and so we really want to make sure we do it right.

20           Hopefully after we march through this effort it  
21 will be a little bit easier in the future. And I think in  
22 terms of just talking generally about structuring the case,  
23 my hope would be that we can identify the issues which are  
24 legal in nature and the issues that are factual in nature.  
25 And the issues that are legal in nature, we will establish

1 briefing schedules for that. And obviously on the  
2 factually issues, we will schedule hearings on that with  
3 testimony by competent witnesses. So, again, I think the  
4 issues are relatively complex but significant, and it's  
5 important we get these right.

6 Commissioner Hochschild.

7 COMMISSIONER HOCHSCHILD: Well said. I concur  
8 with everything you said. And, just to state the obvious,  
9 that in a piece of legislation this complex and substantial  
10 and consequential, I mean it's to be expected these issues  
11 come up. And we will dig into it thoroughly. I don't  
12 think we need to belabor any more of the details at this  
13 point.

14 MS. VACCARO: Chair Weisenmiller, before any  
15 motion is made or there is further comment, I just wanted  
16 to make sure that the Commission does address the very  
17 specific question that was raised by LADWP as well, which  
18 relates to whether or not the committee would be able to  
19 hear any such motion that L.A. would file.

20 CHAIR WEISENMILLER: Yeah. My impression looking  
21 at the language of the order is that we could. The  
22 question whether it needs any clarity, again I think the  
23 issue for the staff on some level is, is this ripe, is the  
24 BC Hydro issue ripe or not, but certainly again I think I  
25 would just as soon have the committee take a comprehensive

1 approach and resolve the issues moving forward and do it in  
2 an expeditious fashion. I.e., to the extent there are  
3 common issues here, I would just as soon have the record  
4 cover those common issues.

5           COMMISSIONER DOUGLAS: I just wanted to speak in  
6 support of that. I think it is really valuable for this  
7 Committee to be provided the delegated authority to deal  
8 with the suite of eligibility issues. And I don't think  
9 either of you want to be in a situation of parsing the  
10 order and trying to decide whether a certain issue fits  
11 within it or doesn't. Whether BC Hydro is ripe today does  
12 not speak to whether it will be ripe in two months, for  
13 example, in these proceedings. While I know you will  
14 endeavor to be as efficient as possible, you know the issue  
15 may well ripen over the course this proceeding, and it will  
16 be an efficiency to everyone involved I think to know who  
17 to bring matters to. At least as a matter of first  
18 impression, of course the committee could decide it's not  
19 ripe or the committee could decide it prefers to brief it  
20 back to the Commission for whatever reason you chose to.

21           So I guess I have a question for Jennifer or for  
22 Kourtney, if you'd like, which is in your view do you think  
23 it would be beneficial to clarify the order and do you have  
24 language whether the extra comma suggested by LADWP or some  
25 other version of language that would help do so?

1 MS. MARTIN-GALLARDO: It might be a little  
2 difficult to sit here and decide what the best solution is.  
3 We could certainly take some time and come back with  
4 language of the order, or we could provide some suggestions  
5 or take a suggestion.

6 MS. VACCARO: I think it could be we certainly  
7 could go back and you could meet with staff and L.A. or it  
8 could be as simple as putting the word "or" between  
9 "certification" and "eligibility" or interlineating and  
10 just taking out the word "certification" and leaving it  
11 with "eligibility." That seems as if that might address  
12 that.

13 CHAIR WEISENMILLER: Yeah. Okay. So we have  
14 two. Any comments from L.A. or the staff, or do we need to  
15 basically send folks off to talk while we go onto the next  
16 item?

17 MR. LEBRON: Felix Lebron again. I think that  
18 either of Ms. Vaccaro's proposals are fine. Our main  
19 purpose was to confirm with the Commission its  
20 understanding with respect to the scope, and it sounds like  
21 there appears to be consensus that these issues it would  
22 make sense to have the assigned committee review them,  
23 understanding that there may be issues raised by staff as  
24 to whether the motion is ripe for adjudication or not.  
25 What we're just seeking is to make sure that we can file it

1 before the Committee and understanding that whatever  
2 substantive or procedural issues would be raised and  
3 addressed by the Committee. So I think the intent of the  
4 Commission has been made clear. And I think either of the  
5 proposals by staff counsel would be fine.

6 CHAIR WEISENMILLER: Okay. Kourtney, Gabe.

7 MS. SMITH: Yeah. Just one addition on whether  
8 or not the issue is ripe. Just so you know, staff's  
9 determination on BC Hydro is not pending additional  
10 information from L.A.

11 MR. HERRERA: Again, my earlier comments were  
12 just intended to clarify that the Committee assigned could  
13 in fact entertain a motion or a request by L.A. There's no  
14 motion or request at this time, so the order wouldn't  
15 direct the Committee to reevaluate a particular issue.  
16 It's just setting up a process whereby the Committee at  
17 some point in the future can consider a motion or can  
18 consider a request by L.A. to look into it, an additional  
19 issue.

20 CHAIR WEISENMILLER: That's correct. And I think  
21 both parties are on notice that as we brief some of the  
22 issues, you should be briefing it keeping in mind that both  
23 issues could be affected by the same arguments.

24 COMMISSIONER DOUGLAS: So, Commissioners, I guess  
25 we have a very small decision to make which is which of

1 Kourtney's suggestions. The addition of the word "or"  
2 would seem to me to handle it.

3 CHAIR WEISENMILLER: Well, let's do it.

4 COMMISSIONER DOUGLAS: So let's do it. And we'll  
5 see if there are any other comments.

6 COMMISSIONER HOCHSCHILD: Do we need to take a  
7 vote to add the word "or"?

8 COMMISSIONER DOUGLAS: Would you like to make a  
9 motion or should I?

10 COMMISSIONER HOCHSCHILD: I would move to adopt  
11 Ms. Vaccaro's suggestion that we --

12 COMMISSIONER DOUGLAS: Oh, okay.

13 COMMISSIONER HOCHSCHILD: Or do you want to  
14 restate the proposal precisely?

15 COMMISSIONER DOUGLAS: I think we should adopt  
16 both the establishment of the committee and the members,  
17 and the order with adding the word "or."

18 COMMISSIONER HOCHSCHILD: All in one?

19 Okay, can you restate the proposal, Kourtney?

20 MS. VACCARO: So I think what your motion would  
21 be is that you would be moving approval of Item 2a with a  
22 correction to the proposed order so that the fourth full  
23 paragraph of the proposed order would now instead of saying  
24 "certification eligibility," it would say "certification or  
25 eligibility"; and that the third part of that motion would

1 be that you would be moving Chair Weisenmiller as the  
2 Presiding Member and Commissioner Hochschild as the  
3 Associate Member.

4 COMMISSIONER HOCHSCHILD: What she said. I would  
5 make that motion.

6 COMMISSIONER DOUGLAS: Second.

7 CHAIR WEISENMILLER: All those in favor?

8 COMMISSIONERS: Aye.

9 CHAIRMAN WEISENMILLER: So this motion also  
10 passes four to zero.

11 (Whereupon, Item 2a was approved.)

12 CHAIR WEISENMILLER: Thank you.

13 MS. MARTIN-GALLARDO: Thank you.

14 CHAIR WEISENMILLER: Thanks for being here.

15 MR. LEBRON: Thank you, Commissioners.

16 CHAIR WEISENMILLER: Let's go onto Item 3, Blythe  
17 Energy Project. Staff.

18 MS. DYAS: Good morning, Commissioners. My name  
19 is Mary Dyas and I'm the Compliance Project Manager for the  
20 Blythe Energy Project. With me this morning is Kevin Bell,  
21 Senior Staff Attorney, and technical staff is also in  
22 attendance.

23 The Blythe Energy Project, or BEP, is a combined-  
24 cycle, natural gas-fired, 520-megawatt facility that was  
25 licensed by the Energy Commission in March 2001 and began

1 commercial operation in July 2003. The facility is located  
2 on a 76-acre parcel in the City of Blythe, Riverside  
3 County, and about five miles west of downtown Blythe.

4 On August 18th, 2015, Blythe Energy, Inc. filed a  
5 petition with the Energy Commission to: Reduce hourly and  
6 annual particulate matter, or PM10, mass emission limits;  
7 reduce the annual natural gas fuel sulfur content limit;  
8 and reduce the annual oxides of sulfur mass emission limit  
9 from the conservative emission limits required within the  
10 license to more accurately reflect potential emissions from  
11 the facility based upon operating experience and test data.

12 Previously, on July 8th, 2015, a petition to  
13 amend was approved by the Energy Commission to reduce BEP's  
14 annual emissions of oxides of nitrogen, carbon monoxide,  
15 and PM10/PM2.5 so that the facility would no longer be  
16 considered a major stationary source under federal  
17 Prevention of Significant Deterioration regulations.  
18 Because both BEP and the adjacent proposed Sonoran Energy  
19 Project (licensed as Blythe Energy Project Phase II) are  
20 under the common control of AltaGas Power Holdings (U.S.),  
21 the two facilities are considered a single stationary  
22 source under Mojave Desert Air Quality Management District  
23 regulations. Under these regulations, the proposed  
24 reductions in permitted annual PM10 at the BEP can only be  
25 used to offset emission increases that occur

1 simultaneously, that is, as part of the same permitting  
2 action by the District.

3           The PM10 reductions that are being proposed in  
4 the August 2015 petition to amend could not be included in  
5 the petition that was approved on July 2015 because the air  
6 permit application for the proposed Sonoran Energy Project  
7 had not yet been filed.

8           The changes proposed by the August 2015 petition  
9 would modification existing Air Quality Conditions of  
10 Certification AQ-T2, T4, T6, and T7, and add Condition of  
11 Certification AQ-T7a to make them consistent with proposed  
12 changes to the Air District permits.

13           A notice of receipt was mailed and docketed and  
14 posted to the web on August 27th, 2015. Staff's analysis  
15 was mailed and docketed and posted to the web on May 6th,  
16 2016. No comments have been received.

17           Staff has review date petition to amend and  
18 determined that the changes proposed in the petition to  
19 amend comply with the requirements of Title 20, Section  
20 1769(a) of the California Code of Regulations. The BEP  
21 would continue to comply with all applicable federal,  
22 state, and Mojave Desert Air Quality Management District  
23 air quality laws, ordinances, regulations, and standards.

24           No change in annual fuel consumption will result  
25 from these proposed changes and, therefore, there would be

1 no change in greenhouse gas emissions as a result of the  
2 proposed petition to amend.

3 At this time staff recommends approval of the  
4 proposed revisions to the Air Quality Conditions of  
5 Certification.

6 CHAIR WEISENMILLER: Thank you.  
7 Applicant.

8 MS. CASTANOS: Good morning. Kristen Castanos,  
9 counsel for the project owner. I want to thank staff for  
10 their analysis. We concur with their conclusions. And if  
11 the Commission has any questions, our technical consultants  
12 are available to answer them.

13 CHAIR WEISENMILLER: All right. Does anyone,  
14 either in the audience or on the phone, have any comments?

15 Okay. Let's go to the Commission discussion.  
16 Commissioner Douglas.

17 COMMISSIONER DOUGLAS: I just wanted to say  
18 briefly I have also reviewed the materials and recommend  
19 this to the Commission's approval, so I will move approval  
20 of Item 3.

21 COMMISSIONER SCOTT: Second.

22 CHAIR WEISENMILLER: All those in favor?

23 COMMISSIONERS: Aye.

24 CHAIRMAN WEISENMILLER: This passes four to zero.  
25 Thank you.

1 (Whereupon, Item 3 was approved.)

2 CHAIR WEISENMILLER: Let's go onto Item 4, High  
3 Desert Power Plant.

4 MS. COCHRAN: Good morning. I am Susan Cochran,  
5 the Hearing Officer assigned to assist the Committee in the  
6 proceedings on the amendment to the High Desert Power  
7 Plant.

8 The High Desert Power Plant is an 850-megawatt  
9 natural gas-fired, water-cooled plant located near  
10 Victorville and is operating under a license granted by the  
11 Energy Commission in 2000. Commercial operations began in  
12 2003. The plant is located in the Mojave River Groundwater  
13 Basin, an adjudicated groundwater basin where the Mojave  
14 Water Agency acts as Water Master.

15 Under the 2000 Commission decision the High  
16 Desert Power Plant was restricted to using State Water  
17 Project water for its cooling systems. State Water Project  
18 was to be used in two different ways. First, it could be  
19 used directly from the State Water Project and, second,  
20 HDPP could inject and only inject State Water Project into  
21 the groundwater aquifer to provide a water bank to be used  
22 during times when State Water Project was not directly  
23 available.

24 The Energy Commission has since allowed  
25 alternative sources of water for cooling at the HDPP.

1 Beginning in 2009, HDPP was authorized to use recycled  
2 waste water from the Victor Valley Water Reclamation  
3 Authority. In 2014 the Energy Commission adopted an order  
4 giving HDPP the ability to use groundwater obtained from  
5 the Mojave River Groundwater Basin. The 2014 grant to use  
6 groundwater from the Mojave Basin was limited to two water  
7 years. Water years run from October 1 to September 30.  
8 Thus, the permission to use Mojave Basin groundwater  
9 currently expires on September 30 of this year.

10 In November 2015 the petitioner filed its  
11 amendment requesting the permanent ability to use  
12 groundwater as a source of cooling water, citing  
13 inconsistent deliveries of State Project water and issues  
14 with the quality and quantity of the recycled water  
15 available. On January 13, the Energy Commission appointed  
16 a committee consisting of Commissioner Douglas as the  
17 presiding member and Commissioner Scott as associate member  
18 to conduct proceedings on the amendment. To date the  
19 committee has held a number of public meetings and status  
20 conferences, where information about the operations of the  
21 High Desert Power Plant, the Mojave Basin groundwater, and  
22 the impacts of various types of water use has been  
23 exchanged. The complexities of this issue has led the  
24 Committee to recommend granting interim relief to allow the  
25 High Desert Power Plant to continue to use groundwater for

1 an additional water year, ending September 30, 2017.

2           The Committee's first recommended decision was  
3 filed on May 6th, and focused on amending conditions of  
4 certification, particularly Soil and Water-1, setting a  
5 maximum amount of water to be used annually and extending  
6 use of groundwater until September 30, 2017. The May 6th  
7 recommended decision also created a loading order for  
8 sources of water: State Water Project water, recycled  
9 water, and groundwater.

10           Consideration of the first recommended decision  
11 was originally scheduled for the May 17, 2016 Business  
12 Meeting. However, shortly before that Business Meeting,  
13 the petitioner and the staff filed comments on the May 6th  
14 committee recommended decision. The comments concerned:  
15 One, the maximum amount of water that the High Desert Power  
16 Plant could use annually for cooling purposes; and, two,  
17 whether an additional process for groundwater banking,  
18 percolation, should be allowed in addition to injection.  
19 The Committee withdrew the first recommended decision from  
20 the May 17 Business Meeting and continued consideration of  
21 the granting of interim relief to today, June 14th.

22           In attempt to resolve the issues between the  
23 first recommended decision and the parties' comments, the  
24 Committee held a status conference on May 23. The status  
25 conference was ultimately continued to June 2nd. Based on

1 discussions at the May 23 status conference, the committee  
2 issued a May 27 revised recommended decision with three  
3 hallmarks: First, it amended Soil and Water-1, allowing  
4 the use of adjudicated groundwater until September 30,  
5 2017; it set an overall cap on the amount of water to be  
6 used by the plant for cooling purposes; and eliminated the  
7 loading order that had been included in the May 6 committee  
8 recommended decision. It also added a new condition, Soil  
9 and Water-22 that authorized the High Desert Power Plant to  
10 percolate groundwater to increase the bank. That ability  
11 of percolate was limited to the earlier of the final  
12 resolution of the amendment petition, or to September 30th,  
13 2017.

14           On June 2nd the committee held a continued status  
15 conference. The parties presented the committee with a  
16 stipulation containing their proposed changes on the three  
17 topics discussed at the May 27th recommended decision.

18           After due deliberation of the stipulation, the  
19 committee issued what is before you this morning, a revised  
20 recommended decision filed on June 10th, 2016.

21           In sum, the committee now recommends that the  
22 Energy Commission adopt the June 10th revised recommended  
23 decision that provides for:

24           One, allowing using of adjudicated groundwater as  
25 part of a loading sequence that includes recycled water,

1 directly-available State Water Project water; bank State  
2 Water Project water; and groundwater with recycled water as  
3 the primary source for cooling.

4           Second, it eliminated the maximum amount of  
5 allowed water use for cooling purposes, although the  
6 committee has indicated it will revisit that issue in the  
7 remaining proceedings. And,

8           Three, maintains the interim nature of the use of  
9 percolation, but extends that to September 30th, 2018, to  
10 allow the petitioner to obtain more favorable terms from  
11 the Mojave Water Agency regarding percolation.

12           Yesterday petitioner filed comments on this June  
13 10th revised committee recommended decision, seeking a  
14 modification to Condition of Certification Soil and Water-  
15 22 regarding percolation. The committee thus recommends  
16 that the Energy Commission adopt the order adopting the  
17 June 10th revised recommended decision as the interim  
18 decision of the Energy Commission. I'm available for any  
19 questions or clarifications.

20           CHAIR WEISENMILLER: Thank you.

21           Let's start with applicant.

22           MR. HARRIS: Good morning. A pleasure to be  
23 here. Jeff Harris on behalf of the Applicant. My  
24 colleague Peter Keel, water expert, is also in the  
25 audience. On the phone, until we perfect the beam-me-up

1 method, is Mark Kubow, President of High Desert; and Frank  
2 Carelli, who is the Plant Manager and the man who  
3 ultimately has to live with all of us in our ways up here  
4 in Sacramento.

5           So appreciate the hard work of the Hearing  
6 Officer and her excellent summary.

7           This is in many ways a very simple project,  
8 though. It may not seem that way. You have been hit with  
9 both advocacy and obfuscation. All parties are  
10 participating in that, so it has gotten very complex. It  
11 is a very expensive docket there. But, at the most simple  
12 level, this is a natural gas-fired power plant, it has a  
13 high-capacity factor. It's located in a place that can  
14 provide grid reliability and it can allow for the  
15 integration of flexible renewable resources. It is, in  
16 sum, a power plant.

17           It was certified originally with a complete  
18 prohibition on recycled water. I didn't participate in  
19 that certification. And when my partner, Gregg Wheatland,  
20 told me that it was prohibited from using recycled water, I  
21 thought may be Gregg needed a nap, because if you're policy  
22 is on recycled water --but that's where this project  
23 started.

24           Things have changed since the turn of the  
25 century, and the project needs have changed. Basically,

1 what this project needs is certainty of water supply and it  
2 needs that certainty of water supply to be able to operate  
3 in the California ISO's day-ahead market and it needs that  
4 certainty of water supply to be able to go out and contract  
5 the facility long term. And it needs that certainty of  
6 water supply to prove to the CalISO that it's not a use-  
7 limited resource, it's available all the time.

8           How the project will actually operate versus the  
9 flexibility we need, those are two very different things,  
10 and something that I think is hard in this process to keep  
11 in mind. But we do need the certainty of water supply. We  
12 have to blend two or more water supplies to make this  
13 project work. Recycled water alone is not a sufficient  
14 quantity and it's not a sufficient quality. And, in  
15 addition, the project was not designed to run on a hundred  
16 percent recycled water. As I said, it was originally  
17 certified with a complete prohibition on recycled water.

18           If the project runs it helps keep the lights on,  
19 it provides low-cost reliable power, and it helps  
20 integrates renewables, and it has a heat rate that makes it  
21 a state of the art power plant in terms of efficiency. If  
22 it doesn't run, there are no impacts. There are no air  
23 emissions, there is no water use.

24           Today for me is really about expectations, and I  
25 kind of pride myself on being a bit of medium. I kind of

1 channel what I think is going to happen here. And today  
2 I'm a bit of a loss to know exactly where we're going to  
3 end up. And that to me is a bit concerning. My  
4 expectation as of last Friday is that we'd be ratifying an  
5 all-party stipulation.

6           There is before you in the record a stipulation  
7 between High Desert, the Energy Commission staff, and the  
8 California Department of Fish and Wildlife. That  
9 stipulation basically sets forth a compromise among all  
10 those parties and their interests that would allow us to  
11 move forward with some certainty for an additional year of  
12 groundwater use and the additional long-term ability to  
13 percolate groundwater. And long-term, all those parties I  
14 think I can represent will be that the solution for this  
15 project is to be able to percolate groundwater. We have  
16 the ability to percolate up to maybe 6,000 acrefeet of  
17 groundwater this year if we can get the authorization from  
18 you to do that.

19           Running as normal through injection, which is as  
20 it sounds, direct injection into the ground, probably a  
21 thousand acrefeet. So a sixfold difference there, and that  
22 really is what drove that stipulation.

23           I think before you today is a very important  
24 policy issue and one that I want you to think about as we  
25 move forward. And that policy issue is simply this: I

1 know each of you up there at some time have looked at me  
2 and said, you know, 'Mr. Harris, go get in a room with  
3 that's folks, talk about your interests, and work it out.'  
4 So we got in a room in Victorville, thank you to the City.  
5 We talked through these issues. We worked it out and we  
6 brought that back in the form of an all-party stipulation.

7           My expectation again on that would be an approval  
8 and that we would move forward with that stipulation. And  
9 that's the policy issue that I think is really important  
10 for you to consider today. You go into a settlement with  
11 an expectation. You put your entire case on display. You  
12 potentially educate other people about your interests and  
13 needs and potentially educate them in a way that they can  
14 use that against you should that settlement not be reached  
15 or should that settlement not be agreed to by the  
16 decisionmakers. You compromise your interests. You write  
17 it all done. You engage in the task of turning agreements  
18 in principle into agreements, which is no small task, and  
19 you take a potential schedule hit to put this all together.  
20 And at the end of the day now we're going to do that  
21 knowing that you faced a very real possibility that that  
22 entire settlement may be rejected.

23           The settlement and the stipulation is a  
24 negotiated whole. Each party gave some things. And now I  
25 think we're in a situation of knowing that we may end up

1 having parts of that settlement negotiated package  
2 basically taken and used and other parts left out. And  
3 that really in my opinion compromises the spirit of the  
4 stipulation process. So I think it's a very serious policy  
5 consideration for you today.

6 We have requested, as of yesterday even, that you  
7 return to that all-party stipulation. I think there are  
8 good reasons in this proceeding to use that stipulation as  
9 the basis to move forward. And I think there is a larger  
10 policy implication for this Commission, in all of your  
11 proceedings where you have parties, to think about that  
12 stipulation process and what the settlement might bring.

13 So, in the simplest terms, he said after a long-  
14 winded expectation here, we have two requests. Number one,  
15 -- and these were in our letter from yesterday -- approve  
16 instead of the order the all-party stipulation. I think  
17 that moves us very much forward. I think it moves the  
18 parties closer together. I think it's closer to where we  
19 ultimately end up in this case. That's our first request  
20 and our preferred outcome.

21 In the alternative, and we provided language to  
22 this, if you're going to move forward with the order we'd  
23 at least like to see some clean-up on new item 22, Soil and  
24 Water-22. That condition was not discussed by the parties,  
25 in fairness to the Hearing Officer and those who

1 participated in drafting it, because it was subsumed in the  
2 entirety within our stipulation. So there was no need to  
3 point out what we thought were concerns with that language.  
4 Well, here we are today, our second option would be to  
5 basically change the language of 22 to reflect an important  
6 distinction between injecting groundwater versus  
7 percolating groundwater.

8           As proposed in the order, the language is that  
9 the water may be accounted for or calculated in the same  
10 manner as injected water, pursuant to Conditions 4, 5, and  
11 6. Well, again, there's a fundamental difference between  
12 injection of groundwater and percolation of groundwater.  
13 Injection, there are a limited, finite number of spaces  
14 where that water is put into the basin. The water has to be  
15 treated to a certain quality before it goes in. So our  
16 proposed language is that the water be calculated by MWA  
17 and the Mojave Basin Water Master like they do for every  
18 other project out there. So that may seem like a minor  
19 change, but it's an important one to provide us with some  
20 certainty. The language as written now, I can't tell how  
21 you would calculate credit for those percolations.

22           So, again, preferred outcome would be to go with  
23 the stipulation. The second outcome would be to go with  
24 our proposed language from Soil and Water-22. And this is  
25 all in Docketed Item 211795. This is our filing from

1 yesterday.

2 And, with that, I'll make myself available to  
3 answer any questions.

4 CHAIR WEISENMILLER: Okay. Let's go to staff.

5 MR. DOUGLAS: Good morning, Commissioners. My  
6 name is Joseph Douglas. I'm the Compliance Project Manager  
7 for the High Desert Power Project. To my right is Elena  
8 Miller, Senior Staff Counsel. And CEC staff is available  
9 for answering questions.

10 CHAIR WEISENMILLER: Okay. Intervenor, CDFW?  
11 Please. Come up to the microphone, please.

12 MS. MURRAY: Nancee Murray. I'm here on behalf  
13 of California Department of Fish and Wildlife.

14 And we support the filing that High Desert made  
15 yesterday and I'm available for questioning.

16 CHAIR WEISENMILLER: Great. Any other public  
17 comment from anyone in the room?

18 Any public comment from anyone on the line?

19 Okay, so let's transition to Commissioners.  
20 Commissioner Douglas.

21 COMMISSIONER DOUGLAS: So I've got some comments  
22 and I will try to be brief, but I may not be as brief as  
23 you might hope. So I wanted to make a couple of points  
24 about where we find ourselves today with this case, and the  
25 first point is that we actually are unlike most cases that

1 we bring to you, we actually have no evidence in front of  
2 us. So we have filings, we have assertions by parties, we  
3 have information that if it were received in the context of  
4 a hearing and adjudicated would be evidence, but we are  
5 doing this on the basis of status conferences and also with  
6 some referring back to the heavily-adjudicated decision  
7 that the Commission reached in 2000, approving this  
8 project.

9 We are bringing a proposal for interim relief  
10 forward to the Commission because there are issues  
11 presented with the long-term relief sought by the applicant  
12 that require adjudication, that require an evidentiary  
13 vetting of facts and determinations by the Commission with  
14 regard to the committee and then Commission with regard to  
15 specific issues. And at the same time the ability of the  
16 plant to use groundwater expires in September, September  
17 30th of this year, so it's clear that we need to take  
18 action in order to enable the plant to continue operating.  
19 It would be at least during the pendency of the longer-term  
20 proceeding. Without interim relief, it's not certain if  
21 water that the plant needs for cooling will be available to  
22 it.

23 And there is at least some possibility that this  
24 plant could be one of a portfolio of solutions and  
25 resources that assists the state in maintaining

1 reliability, given the situation at Aliso Canyon. Again I  
2 will call it a possibility because we have information that  
3 has been presented to us that highlight that possibility.  
4 We don't have an evidentiary record that would enable us to  
5 make a finding to that effect.

6 I want to make sure that the Commissioners are  
7 aware that in the year 2000, when this project was  
8 certified, it was explicitly conditioned to only be able to  
9 use State Water Project water. Groundwater was not  
10 available to this facility and recycled water was not  
11 allowed for this facility. And those restrictions occurred  
12 because the plant is located in the desert; in the Mojave  
13 Water Basin, which was at that time experiencing decades of  
14 overdraft and was undergoing adjudication. And there was  
15 actually an adjudication approved not long after we  
16 approved the certification for this project.

17 Water was the most contested issue in this case  
18 and both in terms of the impact of this project, which uses  
19 wet cooling, on a water basin that was in overdraft; and  
20 also, and this I will say is a greater concern of the  
21 committee at this point, also the fact that it is located  
22 in a place where it could affect riparian habitat along a  
23 portion of the Mojave River, and this is the environmental  
24 issue that this committee needs to see addressed and  
25 particularly in the longer-term proceeding.

1           There is a mesquite bosque riparian habitat area  
2 near the project site. It's part of the Mojave River. And  
3 one of the things that is a characteristic of this area is  
4 that the Mojave River in many places is actually an  
5 underground river. It's sustained and maintained by  
6 groundwater. And it does not reach the surface in very  
7 many places, especially in a perennial way. And so in this  
8 area the water which was underground hits a place called  
9 The Narrows where there is bedrock and it forces the water  
10 to the surface. And because you have this desert oasis  
11 with water on the surface, it supports a pretty significant  
12 number of endangered species or did in 2000 and probably  
13 still does. Again, we don't have a record in front of us  
14 where we have actual evidence that's been adjudicated, but  
15 species such as the Mojave ground squirrel and desert  
16 tortoise and a large number of avian species rely, as I  
17 understand it, reasonably heavily on this area. And I think  
18 this is why CDFW is an intervenor now. And this is why  
19 CDFW was an intervenor in the original proceeding.

20           And in all the years that we have done siting  
21 cases and all the citing cases we have done, this is the  
22 only case that at least I have experienced where CDFW has  
23 intervened, so I think it probably helps underscore the  
24 level of importance of the resource from their perspective.

25           So we're interested and I'm interested in what is

1 the impact of this project on the riparian habitat. And  
2 that has to do with, to make it simple, that has a lot to  
3 do what's the source of the water the plant uses; if it's  
4 groundwater, where is it taken out and when; what water is  
5 either reinjected or percolated back into the ground; how  
6 is it done; what's the water source; where is it done.

7           And this all matters when you're thinking about  
8 the impact on the habitat because it could very well be  
9 that the water use and the water injection or percolation  
10 isn't balanced in terms of the project's impacts on the  
11 groundwater basin as a whole, which is really I think more  
12 of where Mojave Water Agency would be coming from in their  
13 perspective, but again we don't have evidence. I have not  
14 heard a word from them directly.

15           But that does not necessarily give me comfort  
16 that the water that is percolated into the ground in a  
17 certain place at a certain time is available three years  
18 later, therefore the plant can pump groundwater and there  
19 will not be an impact on this habitat. That's the sort of  
20 evidence that would be helpful to have.

21           Now what I will give you is that for the purposes  
22 of interim relief, and I have not had an opportunity to  
23 talk to the associate member on this case about this  
24 because we now have to notice meetings when we meet, and of  
25 course that was not possible between last night and today,

1 but I would be willing to live with the applicant's  
2 proposed Soil and Water-22 for the purposes of interim  
3 relief but with the very, very specific reservation that,  
4 from my point of view, I really want to see evidence that  
5 the time, place, source of water as it's taken out and as  
6 it's put back keeps the habitat whole. Of course it's not  
7 whole, you can also bring us evidence about how important  
8 the plant is, and that is something we would be very  
9 interested in considering as well.

10           So what the interim order that the committee  
11 developed provides the Commission, just so you know, and  
12 I've already said I'll live with what the applicant  
13 provided for the purposes of interim relief so that they  
14 can have some certainty, but in 2000 the Commission  
15 directed that a model be developed that took into account  
16 location and timing of water withdrawals and water  
17 injection, not percolation because they didn't really look  
18 at percolation, but there's at least locations of the  
19 proposed perc sites in that model, in order to determine  
20 when and how much and over what period of time --you know  
21 the real question you're asking is once you percolate or  
22 inject water, how long is it still there and when is it  
23 gone. And that's an answerable question, but it's one that  
24 I think this model was developed to address.

25           Of course I don't have evidence. Maybe the model

1 didn't work or maybe it did or maybe it's great and maybe  
2 it needs to be improved. That's the sort of thing we would  
3 vet. But it was vetted and it is a current requirement.  
4 It is a current part of the license.

5           So I can live with another approach for interim  
6 relief. I think we all share the goal of achieving interim  
7 relief, but I would be looking to the parties to provide  
8 information about the suitability of the model that  
9 currently exists and was developed for that purpose. And  
10 maybe if you have a little more time to vet it you'll  
11 either be more comfortable with it or less comfortable with  
12 it and we can work on that from there.

13           A couple other comments and then I really will be  
14 done.

15           I think I have probably underscored enough that  
16 we really want more information about the impact of the  
17 project on that habitat and this change in water use. In  
18 the proceeding in 2000, both the hearing officer and  
19 another intervenor in that case sought to ensure that we  
20 would never, ever allow any other water source, we would  
21 never, ever allow groundwater. We have a new project  
22 owner, we have new circumstances. Lo and behold, we have  
23 and we're really in a position now -- and we've allowed  
24 recycled water -- and we're in the position now of really  
25 having to look at how this mix of water sources impacts the

1 resource and we need to look at that for the long term.

2 I appreciate seeing analysis of that issue.  
3 Obviously one of the things that we lack that we usually  
4 have, even in pretty minor cases, is a staff assessment  
5 that forms the basis of the information that we deal with  
6 and of course is adjudicated. And so that would be  
7 helpful.

8 I want to make sure that I make clear that it's  
9 by no means obvious to me that the use of recycled water in  
10 this context is any less impactful than the use of  
11 groundwater in terms of the resource, the riparian habitat.  
12 We have policies and we have implemented policies for a  
13 long time encouraging the use of recycled water for a lot  
14 of reasons, because power plants are really good clients of  
15 recycled water. And when power plants combined with other  
16 uses come forward, recycled water plants are more likely to  
17 be built, and that stretches our water supply. And that's,  
18 in general, a good thing. But right now water that is  
19 produced by the facility producing recycled water appears  
20 to a large degree support the habitat.

21 So as we look at impacts, I'll just say that it  
22 is not necessarily obvious that a policy that we can say if  
23 we succeed in getting the applicant to use, say, a hundred  
24 percent recycled water that may be good for the recycled  
25 water part of a policy, but we also have to look at other

1 impacts. And it's not clear to me that it's less  
2 impactful. And we have, I think, an intervenor in this  
3 case arguing that it's more impactful; and that's another  
4 issue that we will need to adjudicate going forward.

5           And since I want to be equal opportunity with my  
6 comments here, I'll just say to the CDFW: We really  
7 appreciate your participation. We really would like to see  
8 technical involvement by CDFW, particularly in terms of  
9 project and specific impacts on a specific area. The  
10 committee, unless -- I won't even say "unless," but the  
11 committee is not terribly interested in overall water  
12 balance basin wide. I mean you're welcome to bring  
13 evidence in the proceeding, but there is an adjudication.  
14 We're really, really focused on impacts of a plant in a  
15 specific location on a specific habitat.

16           So those are my comments. They're not short.  
17 But I think that, as Mr. Harris is noted, it's unusual for  
18 us not to accept a stipulation. Usually we will of course  
19 be happy to get a stipulation because it means the parties  
20 have worked issues out and we can be fairly sure that they  
21 have all to some degree protected the interests that are of  
22 most importance to them. And it reduces the work involved  
23 for us, provided that we have the confidence that we have a  
24 full record and the issues have been fully vetted. And I  
25 think in this instance I really want to be as light touch

1 as we can for interim relief and just be sure that we have  
2 a robust record for the longer-term issues. And so the  
3 stipulation in some areas went further than I was  
4 comfortable going right now. I'm glad we have it. It  
5 gives me confidence that the parties will work together  
6 constructively to help us resolve and clarify issues, and  
7 that's great because our first couple status conferences I  
8 wasn't convinced that the parties would be stipulating  
9 about much of anything. And it's very good to see the  
10 parties coming together and working out issues. And, at the  
11 same time, I think the committee at this point has gone  
12 about as far as it's ready to go, and I'm speaking for  
13 myself maybe, but Commissioner Scott can add in.

14 COMMISSIONER SCOTT: So I will pretty much echo  
15 everything that you have heard from Commissioner Douglas. I  
16 wanted to just underscore a couple of things. I won't  
17 underscore all of the points, but I am also interested in  
18 the impact of the project on the riparian habitat and the  
19 change in water use and how that might impact it.

20 I agree that there is a need for additional  
21 evidence as we continue and I'm wanting to see the staff  
22 draft encouraging CDFW to provide us with some technical  
23 analysis -- I mean a staff assessment, and having CDFW  
24 provide us with technical assessment. To echo kind of a  
25 light touch, we wanted to do on interim relief and note

1 that I am also okay with the applicant's changes to Soil  
2 and Water-22. And I'll just leave it at that.

3 COMMISSIONER DOUGLAS: So I've maybe said a lot.  
4 Should we see if either other Commissioners or the parties  
5 would like to add anything at this point?

6 Parties, any other comments?

7 MS. MILLER: Commissioners, I want to thank both  
8 members of the committee. This has been a difficult task,  
9 and we appreciate that you have stayed with us. A lot has  
10 happened in the last month. There was a status conference  
11 in this room. And the stipulation that you now have all  
12 read was the result of a discussion that came after that  
13 status conference. And then you saw us again in a follow-  
14 up status conference.

15 A great deal of work was done. We appreciate the  
16 responsiveness of the committee. On behalf of staff, my  
17 client, I want to say that I join CDFW and the petitioner,  
18 and the comments that were filed by petitioner yesterday,  
19 we certainly all still agree with the stipulated agreement  
20 that's on the record, but we would have no concern with the  
21 language that's proposed with the explanation being that  
22 for staff the concern is on Soil and Water-22, that  
23 calculating would be best done by the Water Master. And  
24 that also supports the communication that staff had engaged  
25 in with staff at the Mojave Water Agency who speak on

1 behalf of the Water Master. They have continued to inform  
2 us as to what's happening within their organization. To a  
3 large part, we don't know what they're saying about us and  
4 what we're doing here. We only have the emails exchanged  
5 between Energy Commission staff and MWA staff.

6 But I want to at least mention to you today that  
7 those communications have continued up to this morning, and  
8 what we are hearing from MWA is that, to the second part,  
9 there's really two things here, one being the interim  
10 solution, but the second part and much of what you  
11 discussed, Commissioner Douglas, today has to do with the  
12 analysis that's yet to be done. And we're referring to  
13 that as the water balance analysis.

14 And we have all been telling you that what we  
15 think needs to occur is that there be a robust analysis  
16 done, and that there has been agreement that MWA is an  
17 appropriate agency to do that. The questions that remain  
18 are the timing of such and certainly the funding. But we  
19 have communicated with CDFW. They are working on their  
20 end. Staff have already provided them with what we are  
21 casually referring to as talking points. We are trying to  
22 figure out how to get everybody around the table to discuss  
23 what would need to be done for this water balance analysis.  
24 And I want to punctuate that that is separate from this  
25 interim solution. It is a part of what will happen in the

1 future, but what's before the Commission is the interim  
2 solution.

3 But, by point of reference to help you understand  
4 what's happening, staff provided those draft talking  
5 points. CDFW is looking at them and will get back to us  
6 soon, and so we're encouraged. And I know that that means  
7 their legal staff and their technical staff as well.

8 And on behalf of MWA, they have received an  
9 invitation from us to participate. I will say I hope that  
10 they do participate as well as Victor Valley, the provider  
11 of the reclaimed water, should we do what we would refer to  
12 as a workshop with all of those parties. And I know that  
13 we informed the committee of this idea.

14 MWA thanked us, but they also informed us that  
15 the Water Master periodically evaluates conditions of the  
16 water supply, use, and disposal, and reports annually to  
17 the court for purposes of the adjudication and that the  
18 Water Master is considering updating at this time. So what  
19 we have here is the possibility of a perfect situation.

20 If the Commission chooses to take the language  
21 that's presented by the petitioner in what was docketed  
22 last night, in amending Soil and Water-22 and making it  
23 clear that the calculation would be done by the Water  
24 Master, that then would presumably support the language  
25 that we put into the stipulation for Soil and Water-1 and

1 the other conditions of certification, and then puts it  
2 onto the Water Master to do this work that Mojave Water is  
3 telling us will be done.

4           COMMISSIONER DOUGLAS: So that's very helpful,  
5 and I appreciate those comments. And I think you heard me  
6 that one of the questions I'm -- I think that's very good  
7 -- and one of the questions I'm asking is does their work  
8 extend to the scope of really looking at this plant, this  
9 location, this riparian resource. And to the extent that  
10 it does, that's great. To the extent that it doesn't, we  
11 absolutely want to incorporate what they do, but we also  
12 need to look independently at that one environmental issue  
13 as well. But I appreciate that.

14           Other parties wish to speak?

15           MS. MURRAY: I very much appreciate your reading  
16 of the record. I love that you know that the underground  
17 river comes up at The Narrows and that there is a mesquite  
18 bosque. So we appreciate and we have had discussions with  
19 Water Master staff also. They are the appropriate entity  
20 to be doing the water balance, and it can be tailored just  
21 to the transition zone. They can do it -- we can do it,  
22 but because we would be doing it manually, and they have  
23 all the information electronically, it would be easier for  
24 them, their staff to do it or for them to hire a  
25 consultant. And it would essentially take money.

1           We are looking at funds that we do not control  
2 but have access to request to help pay for this but would  
3 hope that the applicant would be encouraged to also pay and  
4 participate and CEC staff. And we don't know how that  
5 would go, but we are hoping that what we're working on is  
6 essentially a scope of work for either the Water Master or  
7 its consultant. And they have made it clear to us that  
8 they won't do it for free.

9           We don't really know but don't think it's  
10 incredibly expensive, but it's absolutely essential, we  
11 feel, for moving forward to a longer-term solution. And so  
12 that's why we are planning to -- we cannot commit to it  
13 because we have to request the money, but we are planning  
14 to make that request once we get a scope of work more  
15 narrowed down and at potential estimate.

16           COMMISSIONER DOUGLAS: Good. Thank you.

17           Mr. Harris.

18           MR. HARRIS: Briefly. First, thank you. The  
19 revisions, the 22, it's better than half a loaf. I think  
20 it's probably a marble rye, or something. It's different,  
21 a different loaf. So thank you for that, so the gluten  
22 intolerant.

23           So just a couple of factual and legal issues I  
24 want to touch on. In terms of moving forward, I'd like to  
25 see more meetings with the committee in the nature of a

1 prehearing conference style discussion as opposed to  
2 evidentiary hearings. Maybe narrow and narrow the issues  
3 down to just a few things. I think that's going to be  
4 productive. The record is here unwieldy. I think that's  
5 the one way to get there, so that would be my  
6 recommendation or my request moving forward.

7           In terms of your legal authority, I think the  
8 recommended decision does a good job of talking about the  
9 executive order, so I just want to say I agree you're on  
10 solid ground with your decision today, based upon that and  
11 other things.

12           In terms of the evidence, I would ask you to be  
13 open to understanding the complex and unique role of the  
14 Mojave Water Master Agency. You know it's one thing that  
15 you respect the role, but it's another thing to kind of  
16 understand what they're doing. They have a much more  
17 basin-wide approach. And there's really two things that  
18 have changed since 2000, the turn of the century. One is  
19 the listing of the delta smelt in 2007. This project said  
20 it would rely solely on State Water Project water. That  
21 water supply basically became very, very limited after the  
22 listing, as it should, but I think that's the changed  
23 circumstances that this is where we are.

24           And then the second thing is the judgment with  
25 the Mojave Water Master and their position. And I think

1 one of the things that's going to be difficult for you all  
2 to balance is fulfilling what you believe is your role  
3 versus what we believe the role of the Water Master is. And  
4 so those are the kind of things I think we can have further  
5 discussions on.

6           And then, finally, I guess I just want to respond  
7 to a couple of comments about a change in water use. This  
8 is really not a change in water use. All four of these  
9 supplies are authorized. Recycled water, if anything,  
10 there is an argument we're only authorized to use up to a  
11 thousand acrefeet because that's what the 2007 decision  
12 allowing us to use recycled water said. The State Water  
13 Project water is obviously available. And the bank water  
14 was originally contemplated by the decision. So, if  
15 anything, I think we're talking about taking existing water  
16 supplies and making commitments to cut back on some of the  
17 authorized uses. So there are already some existing CEQA  
18 approvals for those supplies that I think you can rely on  
19 that will help to get you comfortable with the evidentiary  
20 record moving forward.

21           So I should just take my small victory and shut  
22 up, so I'm going to do that. So thank you very much.

23           COMMISSIONER DOUGLAS: All right.

24           MS. MILLER: And more, and I was going to start  
25 objecting and then that stipulation falls apart.

1           COMMISSIONER DOUGLAS: Yeah. Please don't fall  
2 apart now. All right. So I think we're at a good place.  
3 The committee is also very interested in having some  
4 interaction with the parties, especially around the scope  
5 of analysis that will address the issues that the committee  
6 believes need to be addressed and also really understand  
7 what are the issues that the parties believe need to be  
8 addressed, and clarify and winnow them down. The last thing  
9 we want is a study that addresses 80 percent of the issues  
10 the committee wants addressed. And nor do we necessarily  
11 want to address 150 percent of the issues we think need to  
12 be addressed either, so we really want to spend that time  
13 with all of you upfront to focus the analysis that's done.

14           So, Susan, anything more?

15           MS. COCHRAN: No. But I can help you with  
16 whatever motion you might want to bring.

17           COMMISSIONER DOUGLAS: I would appreciate help  
18 with a motion. So we want to approve the committee order  
19 with the substitution of applicant's Soil and Water-22.

20           MS. COCHRAN: Which would be amending Exhibit A  
21 to the June 10th Committee Recommended Decision, Soil and  
22 Water-22, the last two lines of the paragraph before  
23 verification you would strike in the same manner as for  
24 injected water pursuant to conditions of certification,  
25 Soil and Water-4, 5, and 6. Then we're going to get back

1 to Mr. Harris' language. Thank you.

2 And substitute the following phrase, "by MWA or  
3 the Mojave Basin Area Water Master."

4 COMMISSIONER DOUGLAS: Very good. So moved.

5 COMMISSIONER SCOTT: Second.

6 CHAIR WEISENMILLER: All those in favor?

7 COMMISSIONERS: Aye.

8 CHAIRMAN WEISENMILLER: Passes four to zero  
9 again. Thank you.

10 MS. COCHRAN: Thank you.

11 (Whereupon, Item 4a and 4b was approved.)

12 CHAIR WEISENMILLER: Let's go onto number 5,  
13 Aspen Environmental Group. Please go ahead, Joe.

14 MR. MERRILL: Good morning, Chairman  
15 Weisenmiller.

16 COMMISSIONER SCOTT: You need the microphone.  
17 Your microphone's not on.

18 MR. MERRILL: Good morning again. My name is  
19 Joseph Merrill. I'm a staff person with the Siting,  
20 Transmission and Environment Protection, or STEP, Division.

21 Staff is seeking approval of Agreement 700-15-001  
22 with Aspen Environmental Group for a \$4.687 million  
23 contract to: Provide siting, transmission, and  
24 environmental protection; technical support to Energy  
25 Commission for electricity systems planning studies,

1 including developing and implementing land use conservation  
2 plans; preparing landscape level environmental analysis;  
3 and planning study documentation, preparing system  
4 implications, power flow, and economic studies; and other  
5 technical activities.

6 And I'm available to answer questions.

7 CHAIR WEISENMILLER: Thank you.

8 First any comments from anyone in the room?

9 How about on the phone?

10 Okay, then let's transition to the Commissioners.

11 COMMISSIONER DOUGLAS: Well, this is a very  
12 important contract for the Siting Division and the Siting  
13 Unit. We have done through the Energy Commission a  
14 tremendous amount of technical work and coordination around  
15 landscape planning, around planning analyses. This  
16 includes DRECP. We provided a considerable amount of in-  
17 kind, largely staff support on another planning effort that  
18 was informal, the San Joaquin Solar stakeholder dialogue,  
19 the San Joaquin Solar Initiative.

20 Our staff is providing some really important  
21 support to the RETI 2.0 Process and this contract, I know,  
22 will be extremely valuable as we move forward to continue  
23 to support that effort. There is an increasing interest  
24 in, and I'd say from the Energy Commission's perspective,  
25 we have years of experience now working in multi-

1 stakeholder forums of various kinds to really come to terms  
2 with planning for renewable energy and planning for  
3 achieving our goals. And, as part of that, understanding  
4 both the natural environment, opportunities and  
5 constraints, and also, in some way, the social and legal  
6 and institution environment. What are the other land uses  
7 already in effect. And either because of legal  
8 designations or because of existing uses that affect where  
9 and how and to what extent renewable energy or associated  
10 transmission can be developed and are increasingly nuanced;  
11 and kind of just inclusive and a stakeholder-based way of  
12 putting these pictures together and understanding these  
13 things has a lot of potential for informing current policy  
14 debates of the day, especially in terms of getting a  
15 picture of alternative ways that we can meet our climate  
16 and renewable energy goals and how that plays out on the  
17 landscape and what that implies in terms of transmission  
18 investment or in terms of conservation or other issues or  
19 in terms of the likely resource mix that certain kinds of  
20 build-out can bring us and, therefore, how do we best  
21 optimize around that.

22           So I think this is really important work. I  
23 certainly recommend it to your approval. And let me just  
24 pause to see if there are other comments.

25           I'll go ahead and move approval of Item 5.

1 COMMISSIONER SCOTT: Second.

2 CHAIR WEISENMILLER: All those in favor?

3 COMMISSIONERS: Aye.

4 CHAIR WEISENMILLER: This passes four to zero.

5 Thanks.

6 MR. MERRILL: Thank you.

7 (Whereupon, Item 5 was approved.)

8 CHAIR WEISENMILLER: Let's go onto Item 6, Aspen  
9 Environmental Group. Sylvia.

10 MS. BENDER: Good morning, Commissioners. I'm  
11 Sylvia Bender, from the Energy Assessments Division.

12 This morning I am requesting your approval for an  
13 amendment to the Division's technical support contract for  
14 two areas within its current scope of work. This is for  
15 Contract 800-13-001. First, to augment funding for  
16 additional technical natural gas assistance related to  
17 Aliso Canyon mitigation actions and winter risk assessment  
18 modeling. Secondly, to add additional subcontractors who  
19 will comprise an independent expert panel to review and  
20 advise us on transportation energy-demand forecasting  
21 models and methodologies. This will be similar to a panel  
22 established earlier for electricity-demand forecasting  
23 under the same contract.

24 With that brief overview, I ask for approval of  
25 this item and am happy to answer any questions.

1 CHAIR WEISENMILLER: Thank you.

2 Any comments from anyone in the room or on the  
3 line?

4 Okay, let's transition to Commissioners.

5 COMMISSIONER SCOTT: I'm in strong support of  
6 this one. I think we can't understate the importance of  
7 being able to look into the winter for Aliso Canyon and  
8 also for the transportation energy-demand forecast and  
9 bringing some additional expertise and robustness to it so  
10 that it has the same level of heft and weight that we have  
11 in our electricity-demand forecast. So I'm very much  
12 looking forward to seeing how this comes out and I'm in  
13 support.

14 CHAIR WEISENMILLER: Do you...

15 COMMISSIONER SCOTT: Yes, I will move approval of  
16 Item 6.

17 COMMISSIONER DOUGLAS: Second.

18 CHAIR WEISENMILLER: All those in favor?

19 COMMISSIONERS: Aye.

20 CHAIR WEISENMILLER: Item 6 passes four to zero.  
21 Thank you, Sylvia.

22 (Whereupon, Item 6 was approved.)

23 CHAIR WEISENMILLER: Let's go onto Item 7, 2016  
24 Building Energy Efficiency Standards Residential and  
25 Nonresidential Alternative Calculations Method Reference

1 Manuals.

2 MR. FROESS: Good morning, Chair and  
3 Commissioners. My name is Larry Froess, and I'm a Senior  
4 Mechanical Engineer in the Building Standards Office, and  
5 the Project Manager for the Alternative Calculation Methods  
6 Manuals, also known as the ACM Reference Manuals. I am here  
7 today requesting your approval of the updates made to the  
8 2016 Residential and Nonresidential ACM References Manuals.

9 Staff has made updates and changes to the 2016  
10 ACM Reference Manuals since they were first approved in  
11 November of 2015. The most significant changes were made  
12 to the Residential Manual, which includes updates to the  
13 Domestic Hot Water calculations, Miscellaneous Electrical  
14 Load profiles, a new Energy Design Rating, and integrated  
15 Photovoltaic calculations.

16 The Domestic Hot Water calculation has updated  
17 the hot water draw schedule to better coincide with the hot  
18 water usage throughout the day, improve electric resistance  
19 and heat pump water heater simulations, and improve multi-  
20 family central water heating modeling.

21 The Miscellaneous Electrical Load profiles were  
22 updated to better reflect appliances uses throughout the  
23 day.

24 A new scoring method is introduced called energy  
25 design rating, or EDR. The EDR is voluntary and is an

1 alternative way to show building performance to correlate  
2 with the Title 24, Part 11, or CALGreen, where the proposed  
3 building is compared to a RESNET reference home with  
4 similar building features based on a 2006 International  
5 Energy Conservation Code. The scoring method can also show  
6 improved performance using nonregulated energy, such as  
7 efficient lighting, appliances, plug loads, and  
8 Photovoltaic systems.

9 An integrated Photovoltaic system is now built  
10 into the ACM. The calculator is based on PV Watts  
11 algorithms and is only used for the voluntary EDR scoring  
12 method.

13 In the Nonresidential ACM Reference Manual, some  
14 of the notable changes are updates to include: Partial  
15 compliance options for Existing+Addition projects; adding  
16 the capability to model Single Packages Vertical Units and  
17 Air-to-Air Heat Exchangers; adding the option to specify  
18 fixed seating for nonresidential occupancies; and  
19 incorporating the updated water heating calculations for  
20 highrise residential and hotel/motel occupancies.

21 We are asking for your approval of the 2016  
22 Residential and Nonresidential ACM Reference Manual updates  
23 that will give the public new and more accurate  
24 descriptions of the calculations used in modeling  
25 buildings. Thank you, and I am available for any

1 questions.

2 CHAIR WEISENMILLER: Thank you.

3 Is there anyone in the room who has comments on  
4 this item?

5 Anyone on the phone?

6 Okay, then let's transition to the Commissioners.

7 I think in terms of this particular one, we have  
8 all gone through the various variations on getting ready  
9 for compliance and having the tools ready. This is one of  
10 those steps.

11 COMMISSIONER DOUGLAS: Yeah, I agree. And this  
12 is a really important step forward in this program. I'll  
13 move approval of Item 7.

14 COMMISSIONER SCOTT: Second.

15 CHAIR WEISENMILLER: All those in favor?

16 COMMISSIONERS: Aye.

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

19 (Whereupon, Item 7 was approved.)

20 CHAIR WEISENMILLER: Let's go onto Item 8, 2016  
21 Public Domain Residential Compliance Software, CBECC-RES  
22 2016.2.0 and Nonresidential Compliance Software, CBECC-COM  
23 2016.2.0.

24 MR. FROESS: Yes. My Larry Froess and I am  
25 seeking your approval of CBECC-RES 2016, Version 2.0 and

1 CBECC-COM 2016, Version 2.0 as the 2016 Standards  
2 Compliance Software for newly-constructed buildings as well  
3 as for additions and alterations to existing buildings.

4 CBECC-RES 2016.2.0 is a major change to the  
5 residential compliance software that incorporates the  
6 requirements of the 2016 Standards as well as the updated  
7 descriptions in the 2016 Residential ACM Reference Manual,  
8 which includes updates to Domestic Hot Water calculations,  
9 Miscellaneous Electrical Load profiles, a new Energy Design  
10 Rating, integrated Photovoltaic conclusions, and various  
11 bug fixes.

12 CBECC-COM 2016.2.0 is a major change to the  
13 nonresidential compliance software that incorporates the  
14 requirements of the 2016 Standards as well as the updated  
15 descriptions in the 2016 NonResidential ACM Reference  
16 Manual, which includes updates and new features, such as  
17 Partial compliance options for Existing+Addition projects,  
18 added the capability to model Single Packaged Vertical  
19 Units and Air-to-Air Heat exchangers, added the option to  
20 specify fixed seating for nonresidential occupancies,  
21 incorporation of the updated Residential Domestic Hot Water  
22 calculations for highrise residential and hotel/motel  
23 occupancies, upgraded the simulation engine to EnergyPlus  
24 8.5, and various bug fixes.

25 We are asking for your approval of CBECC-RES

1 2016.2.0 and CBECC-COM 2016.2.0 software. And since these  
2 changes constitute a major software change, you will be  
3 also approving the decertification of CBECC-RES 2016.1.0  
4 and CBECC-COM 2016.1.0 along with private vendor software  
5 which includes EnergyPro Version 7.0 and Right Energy Title  
6 24 Version 2.0. All these versions of software shall  
7 expire on September 27th, 2016.

8 Private software vendors identified above must  
9 integrate the CBECC 2016.2.0 compliance managers into their  
10 software and submit for approval by August 13th, 2016 in  
11 order to have approved software for demonstrating  
12 compliance with the performance-based provisions of the  
13 2016 Standards for permit applications made on or after  
14 September 27th, 2016.

15 Thank you, and I am available for any questions.

16 CHAIR WEISENMILLER: Thank you.

17 We have one commenter. Meg Waltner, please.

18 MS. WALTNER: Meg Waltner with the Natural  
19 Resources Defense Council. Good morning, Chairman and  
20 Commissioners. Thank you for the opportunity to speak  
21 today.

22 I'm here today to support the adoption of the  
23 2016 updated software. This software in particular makes  
24 an important improvement to the way heat pump water heaters  
25 are modeled for residential construction.

1           As you may remember throughout the 2016 process,  
2 NRDC has urged the Commission to remove barriers to heat  
3 pump water heaters in Title 24. While we don't think these  
4 updates completely level the playing field for heat pump  
5 water heaters, we think they make a important step forward,  
6 a very important change to allow for this equipment that  
7 has emissions reduction potential.

8           So with that, we thank for the opportunity to  
9 speak and urge you to adopt this offer today.

10           CHAIR WEISENMILLER: Great. Thank you. Thanks  
11 for being here.

12           Anyone else in the room have comments on this?

13           Anyone on the phone?

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

15           Again, I think this is consistent with our last  
16 discussion of the importance of the Building Standards and  
17 also getting the compliance tools out in a timely fashion.  
18 So, again, part of that is trying to make sure it's got the  
19 features that the builders and architects need.

20           COMMISSIONER DOUGLAS: Yeah. I agree with that  
21 and appreciate NRDC being here to comment and also their  
22 engagement with us on Building Standards. And I move  
23 approval of this item.

24           COMMISSIONER SCOTT: Second.

25           CHAIR WEISENMILLER: All those in favor?

1 COMMISSIONERS: Aye.

2 CHAIR WEISENMILLER: This item passes four to  
3 zero.

4 Thank you.

5 (Whereupon, Item 8 was approved.)

6 CHAIR WEISENMILLER: Let's go onto City of Davis,  
7 Number 9.

8 MS. NEUMANN: All right. Good morning,  
9 Commissioners. My name is Ingrid Neumann, from the  
10 Building Standards Office.

11 The City of Davis has submitted a complete  
12 application for a local ordinance more stringent than the  
13 2013 Building Energy Efficiency Standards found in Title  
14 24, Part 6. The ordinance was approved by the City of  
15 Davis' Council on December 3rd of 2013, but the cost-  
16 effectiveness study, as required by Part 1, was not  
17 completed and heard until January 22nd of this year. As  
18 part of this ordinance, the City of Davis adopted and  
19 amended CALGreen Tier One in Section 8.01.065. This  
20 requires New Low Rise Residential Buildings to be 15  
21 percent more energy efficient, as measured by TDV Energy  
22 than the 2013 Building Energy Efficiency Standards.

23 Staff recommends the item to be approved and that  
24 the Energy Commission resolution be signed. I'm available  
25 to answer any questions you may have, as is Greg Mahoney,

1 who is the Chief Building Official for the City of Davis.

2 CHAIR WEISENMILLER: Great. Mr. Mahoney, you  
3 want to step forward, do you have any words to say,  
4 anything you want to comment?

5 MR. MAHONEY: No. I think Ingrid covered it, and  
6 we're just hoping to capture some projects that are on the  
7 books right now seeking entitlement and have them at the  
8 15-percent compliance add.

9 CHAIR WEISENMILLER: Great. We certainly want to  
10 thank you for being here and for your efforts at the local  
11 level.

12 COMMISSIONER DOUGLAS: Well, I guess I'll speak  
13 up as one of two Commissioners who live in Davis and  
14 congratulate the City of Davis for your work and for  
15 bringing this forward. And I'm pleased to move approval of  
16 the City of Davis' locally-adopted building energy  
17 standards which require greater energy efficiency than the  
18 2013 Building Energy Efficiency Standards.

19 COMMISSIONER SCOTT: Said.

20 CHAIR WEISENMILLER: All those in favor?

21 COMMISSIONERS: Aye.

22 CHAIR WEISENMILLER: This item passes four to  
23 zero.

24 Thank you.

25 (Whereupon, Item 9 was approved.)

1 CHAIR WEISENMILLER: Let's go onto Item 10,  
2 Digital Energy.

3 MR. EHYAI: Thank you, Chair Weisenmiller. Good  
4 morning, Commissioners. My name is Admire Ehyai, with the  
5 Efficiency Division.

6 Digital Energy is the prime contractor leading a  
7 team of engineers that is supporting the Bright Schools and  
8 Energy Partnership programs by providing technical  
9 assistance to program participants.

10 The tech support contract with Digital Energy is  
11 for \$4 million. Amendment 1 will add \$1.25 million to the  
12 contract amount. No other changes are proposed by this  
13 amendment. The existing contract and RFQ that preceded the  
14 contract include language that allows the Commission the  
15 augment the contract amount by up to \$2 million if fiscal  
16 Year 2015/16 funding becomes available. Augmenting the  
17 contract helps ensure sufficient funding remains available  
18 to continue offering services to program participants.

19 This is a work-authorization agreement funded by  
20 the Energy Conservation Assistance Account, known as ECAA  
21 and it's ECAA At Sub Account. Work is only performed when  
22 the contractor is provided written direction via a work  
23 authorization. When the contract ends, any remaining  
24 balance will revert to ECAA and may be used to fund new  
25 loan awards. The contract end date is January 31st, 2018.

1           The Bright Schools and Energy Partnership  
2 programs are long-standing Energy Commission programs.  
3 These programs provide a wide range of technical assistance  
4 to public sector entities seeking to reduce building energy  
5 use and save utility costs. Local educational agencies,  
6 such as K-12 school districts, are eligible to participate  
7 in the Bright Schools Program. Municipalities and other  
8 public sector entities are eligible for the Energy  
9 Partnership Program. these programs provide a grant of  
10 service at no cost to participants.

11           A commonly-requested service is to conduct  
12 comprehensive energy audits of existing buildings. The  
13 results of such audits is an ASHRAE LEVEL 2 report that  
14 identifies cost-effective energy efficiency and self-  
15 generation opportunities and quantifies the feasibility for  
16 such upgrades. Program participants can then seek an ECAA  
17 loan or use other available funding, including Proposition  
18 39 awards, to implement the recommendations.

19           We are currently a year and a half into the  
20 three-year term of this agreement. The contracts has  
21 completed energy audits for 87 applicants, covering 190  
22 school and municipal buildings. Of the \$4 million in the  
23 contract, approximately \$2.2 million has been encumbered,  
24 leaving a balance of \$1.8 million for new work  
25 authorizations. Amending the contract will allow us to

1 provide additional technical assistance to program  
2 participants. These services are especially valuable to  
3 school districts as they seek technical assistance needed  
4 to participate in the Proposition 39 program. We  
5 anticipate a surge in Bright Schools application as we  
6 enter year three of the five-year Prop. 39 program.

7 Thank you for your consideration. I am happy to  
8 answer any questions.

9 CHAIR WEISENMILLER: Thank you.

10 Is there any comments from anyone in the room or  
11 on the phone?

12 Then again let's transition to the Commissioners.

13 COMMISSIONER DOUGLAS: I'll just briefly note  
14 that this is obviously extremely important work. It's  
15 great that it's getting done, and I will move approval of  
16 Item 10.

17 COMMISSIONER HOCHSCHILD: Second.

18 CHAIR WEISENMILLER: All those in favor?

19 COMMISSIONERS: Aye.

20 CHAIR WEISENMILLER: This item passes four to  
21 zero.

22 Thank you.

23 MR. EHYAI: Thank you so much.

24 (Whereupon, Item 10 was approved.)

25 CHAIR WEISENMILLER: Let's go onto Number 11,

1 NORESKO, LLC.

2 MR. ISMAILYAN: Good morning, Chair and  
3 Commissioners. I'm David Ismailyan, from the Existing  
4 Buildings and Compliance Office of the Efficiency Division.

5 I'm seeking approval through a proposed  
6 resolution of an agreement with NORESKO, LLC for technical  
7 support on strategies within the recently-adopted Existing  
8 Buildings Energy Efficiency Action Plan.

9 Certain strategies within the plan require a  
10 highly-specialized knowledge which does not exist in any  
11 one civil service agency. Example areas of technical  
12 support would include: Energy use benchmarking and public  
13 disclosure programs; nonresidential building energy science  
14 and related modeling; savings measurements and verification  
15 approaches using metered energy consumption; data analysis  
16 approaches that leverage and build upon available  
17 solutions; energy consumption forecast and demand analysis;  
18 and, finally, data standardization, security, and public  
19 accessibility.

20 The proposed contractor and a substantial list of  
21 subcontractors have the experience, expertise, knowledge,  
22 and skills to provide the needed technical support to move  
23 the energy efficiency gage to a level required by Assembly  
24 Bill 758 and Senate Bill 350. This contract was the result  
25 of a competitive solicitation that received six

1 applications.

2 Today I'm recommending contracting with the  
3 highest-scoring team. Thank you, and I'm happy to answer  
4 any questions.

5 CHAIR WEISENMILLER: Thank you.

6 Any comments from anyone in the room or on the  
7 line on this item?

8 Okay, let's transition to the Commissioners.

9 I think obviously we've all talked about the  
10 importance of energy efficiency in the same building, and  
11 this is one to provide some of the analytical tools we're  
12 going to need as moving forward on the 758 plan.

13 COMMISSIONER DOUGLAS: You know certainly as we  
14 move forward to implement SB350 and the doubling of energy  
15 efficiency and the accounting for the doubling of energy  
16 efficiency, it's really important that we build our  
17 analytical capabilities and understand how to assess and  
18 track and model and measure and forecast savings from these  
19 programs. These are obviously very diverse programs. Very  
20 often you run into an issue where you can very easily say  
21 that multiple programs contribute to one set of savings,  
22 for example. And so this is not a simple area, it's a  
23 pretty complex are. I certainly support this item and I  
24 move approval of Item 11.

25 COMMISSIONER HOCHSCHILD: Second.

1 CHAIR WEISENMILLER: All those in favor?

2 COMMISSIONERS: Aye.

3 MR. ISMAILYAN: Thank you.

4 CHAIR WEISENMILLER: Thank you.

5 (Whereupon, Item 11 was approved.)

6 CHAIR WEISENMILLER: Let's go onto 12.

7 MR. BEDIR: Hello, Commissioners. My name is  
8 Kadir, and I am an Air Pollution Specialist at the Zero  
9 Emission Vehicle Infrastructure Office.

10 So my project proposes deployment of electric  
11 vehicle charging stations within several National Park  
12 Service territories. A team from the National Park Service  
13 has contacted our office and requested funding for  
14 conducting a feasibility study and installing charger  
15 stations for some of the National Park sin California.  
16 And, based on this request, my team has drafted an  
17 agreement in a way that gives the National Park Service  
18 flexibility to deploy EV charges as they identify potential  
19 sites.

20 Based on the proposed agreement, NPS will choose  
21 several sites from the 27 National Park units in  
22 California. Among these sites, some sites already have EV  
23 charging, some are in urban environments where home-  
24 charging is predominant. Some are more remote with  
25 electricity-capacity issues and some need on-route highway

1 chargers for successful EV travel. All chosen sites must  
2 be confirmed by the CEC and also by other authorities who  
3 have operational oversight over the National Park lands.

4           The criteria to select the sites includes  
5 visitation rates, the distance to the nearest existing  
6 charging units, site conditions, and possible routes to and  
7 from the park. The National Park Service is required to  
8 install a minimum of 15 electric vehicle charging stations  
9 within four of California's National Parks. The project  
10 will enable further access for EV, electric vehicles, to  
11 National Parks. Along with reducing fuel used and vehicle  
12 emissions, this project is also expected to make a  
13 significant impact on PEV awareness.

14           CHAIR WEISENMILLER: Thank you.

15           We have one commenter on the phone --or, first,  
16 is there anyone in the room who has a comment on this item?

17           Then let's go to the lines. I think Mary Hazel.

18           MS. HAZEL: Mary Hazel. I'm with the National  
19 Park Service in the Office of Sustainable Operations and  
20 Climate Change.

21           We are really excited to be able to do this  
22 partnering with you guys. You know we care very deeply  
23 about climate changes and energy and emissions reductions  
24 and air quality, and all those things. And we are hoping  
25 to complement your other route planning throughout the

1 state and allow us to look into adding these federal sites  
2 along people's travel to and from National Park units and  
3 through, and look forward to helping make this happen.

4 We also, like Kadir said, think this is a really  
5 great platform for information. Just because we have  
6 millions of visitors, it will allow for sustainable EV  
7 travel across the state and allow us to pass that onto a  
8 platform across the nation. And we have over 400 million  
9 visitors across the United States.

10 So we thank you for this opportunity and look  
11 forward to doing it.

12 CHAIR WEISENMILLER: Great.

13 Anyone else on the line?

14 Okay, Commissioner Scott.

15 COMMISSIONER SCOTT: Sure. I just want to thank  
16 you very much, Mary, for being on the phone with us today  
17 and for your collaboration with the Energy Commission.

18 Fellow Commissioners, as you all know, we are  
19 working to try and electrify corridors like 99 or I-5 or 80  
20 and also destinations. And so this, I think, is a  
21 fantastic partnership with us and the National Park  
22 Service, and will also help call some attention, as Ms.  
23 Hazel noted, to help raise EV awareness.

24 So I will, unless there are questions, move  
25 approval of Item 12.

1 COMMISSIONER DOUGLAS: Second.

2 CHAIR WEISENMILLER: All those in favor?

3 COMMISSIONERS: Aye.

4 CHAIR WEISENMILLER: This item passes four to  
5 zero.

6 Thank you.

7 MR. BEDIR: Thanks.

8 (Whereupon, Item 12 was approved.)

9 CHAIR WEISENMILLER: Let's go onto Item 13,  
10 Pacific Northwest National Laboratory.

11 MR. JENKS: Good morning, Chairman and  
12 Commissioners. My name is Chris Jenks. And I am  
13 representing the Zero Emission Vehicle and Infrastructure  
14 Office.

15 Today I am seeking approval of a proposed  
16 resolution with the Pacific Northwest National Laboratory,  
17 PNNL, operated by the Battelle Memorial Institute for the  
18 U.S. Department of Energy. This agreement for \$221.333  
19 reimburses the cost of hydrogen safety plan reviews and  
20 station audits by the PNNL Hydrogen Safety Panel (the  
21 Panel) for GFO-15-605. It will be funded through the  
22 Alternative and Renewable Fuel and Vehicle Technology  
23 Program.

24 The Panel is compromised of experts who provide  
25 recommendations on hydrogen safety issues, assist with

1 identifying safety gaps, best practices and lessons  
2 learned, and help integrate safety planning to ensure that  
3 projects address and incorporate hydrogen and related  
4 safety practices. The Panel has been in operation since  
5 2003 and contains 16 members and up to 5 are expected to  
6 recuse themselves. These consultations and reviews by the  
7 Panel will strengthen the safety planning of future  
8 hydrogen-refueling stations and ensure that the proposed  
9 projects that will eventually be funded by the Energy  
10 Commission have adequate Safety Plans. Safety Plans have  
11 not been required by previous GFOs, so FTD posted a webinar  
12 to explain how the Panel will be reviewing Safety Plans in  
13 terms of their guideline.

14           According to this agreement the Panel shall  
15 evaluate at least eight safety plans submitted to the  
16 Energy Commission as part of applications to GFO-15-605. An  
17 estimated eight different designs are anticipated for the  
18 hydrogen-refueling stations and only the differing designs,  
19 not multiple locations per design, will be evaluated.  
20 These evaluations shall be provided to the scoring team for  
21 the GFO to help determine the application scores.

22           The Panel shall evaluate and explain hydrogen  
23 releases and other hydrogen-refueling station or ancillary  
24 equipment-related incidents for all apparent recipients.  
25 They shall evaluate the grant recipients' ensuing

1 experiences based on their reports on hydrogen releases and  
2 incidences submitted to the Panel by the Energy Commission  
3 staff. The reports submitted to the Panel will be the same  
4 reports submitted by hydrogen station providers to the  
5 Unified Program Agency. The Panel will guide station  
6 operators to anonymously post incident reports on the  
7 Department of Energy Hydrogen Lessons Learned database  
8 website, which facilitates the sharing of knowledge from  
9 actual experiences using and working with hydrogen.

10           The Panel shall evaluate each hydrogen-  
11 refueling station funded under the GFO-15-605 annually for  
12 three years after the station becomes operational as  
13 defined in the GFO. The evaluation will include the  
14 station's adherence to the initial Safety Plan and to any  
15 related Safety Plan Implementation issues. These  
16 evaluations consist of a site visit the first year and  
17 telephone interviews the second and third years.

18           Staff is asking the Commission to approve the  
19 proposed resolution for this \$221.333 agreement with PNNL.  
20 Thank you for your consideration. I'm available to answer  
21 any questions you may have.

22           CHAIR WEISENMILLER: Thank you.

23           I think we have Tyson. Please.

24           MR. ECKERLE: Great. Well, thank you very much  
25 for having me here. Excuse me. My name is Tyson Eckerle.

1 I'm the Zero Emission Vehicle -- oh, no, that's different  
2 now. I'm the Deputy Director of Zero Emission Vehicle  
3 Infrastructure at the Governor's Office of Business and  
4 Economic Development. We have a new Zero Emission Vehicle  
5 Project Manager right there, Gia Vacin. It's her second  
6 week on the job, to help us do this. But we're here to  
7 voice strong support for this proposal and the Hydrogen  
8 Safety Panel.

9 I think each company that I have worked with in  
10 the development of hydrogen stations, they have some  
11 version of safety is job number one. I think that's a  
12 uniform industry thing and there's a lot of interest in  
13 making sure that any lessons learned that we learn here in  
14 California translate to other places. So I've had the  
15 great pleasure of working closely with the Hydrogen Safety  
16 Panel on projects and it's very clear that their expertise  
17 and experience truly is unparalleled and it's quite an  
18 asset and resource that we get to take advantage of.

19 I just want to make a point it's clear that  
20 hydrogen stations, the ones that have been funded, have an  
21 excellent safety track record, so it's not an issue we're  
22 trying to address out of a problem. This is really an  
23 opportunity to help collect lessons learned and make sure  
24 that we continue to be successful in California and also  
25 that this success translates to other jurisdictions as we

1 grow out. That's really the value of this DOE-backed  
2 Hydrogen Safety Panel. Those lessons learned have a  
3 natural avenue to make it out to the other states, so it's  
4 not just something happening here.

5           And so I just wanted to reiterate strong support  
6 for this. It's a great selling point. We're out in the  
7 local communities talking about safety. That's one of the  
8 first questions that come up, and we're very comfortable in  
9 saying that these are totally safe and this reaffirms that  
10 comfort. And it also will help expose them and give them a  
11 resource to look at more closely when they are doing their  
12 own analysis of approving these stations. So thank you very  
13 much for the opportunity to say a few words.

14           CHAIR WEISENMILLER: Well, thanks for being here.

15           Anyone else in the room?

16           Anyone on the line have any comments?

17           Then let's transition to the Commissioners.

18           COMMISSIONER SCOTT: I'd just like to say thank  
19 you to Tyson for being here and welcome to Gia. This is a  
20 terrific project. I appreciate very much our partnership  
21 with the Labs and with DOE on kind of putting in place all  
22 of the pieces and the components that we need to stand up  
23 this hydrogen-refueling structure, and so I am happy to  
24 move Item 13 for approval.

25           COMMISSIONER DOUGLAS: Second.

1 CHAIR WEISENMILLER: All those in favor?

2 COMMISSIONERS: Aye.

3 CHAIR WEISENMILLER: So this item passes four to  
4 zero. Thanks.

5 (Whereupon, Item 13 was approved.)

6 CHAIR WEISENMILLER: So let's go onto Item 14,  
7 Freight Transportation Projects at California Seaports.  
8 Please, Larry.

9 MR. RILLERA: Good morning, Chair and  
10 Commissioners. I am Larry Rillera of the Fuels and  
11 Transportation Division.

12 With the growing awareness of the economic and  
13 environmental challenges facing California's seaports,  
14 Commissioner Scott initiated an effort to engage the ports  
15 throughout California as they develop and implement  
16 sustainable practices. In March of 2015, the Commission  
17 and five ports throughout the state kicked off the Ports  
18 Energy Collaborative. The Ports Energy Collaborative  
19 provides a forum for the commission and the ports to come  
20 together to discuss important energy issues, mutual  
21 challenges, and opportunities for transitioning to  
22 alternative and renewable energy technologies.

23 Utilizing information gathered through this  
24 collaborative, staff developed the Freight Transportation  
25 Projects at California Seaports solicitation. Today I am

1 seeking approval of two agreements resulting from this  
2 solicitation, funded by the Alternative and Renewable Fuel  
3 and Vehicle Technology Program. The purpose of the  
4 solicitation was to fund medium- and heavy-duty vehicle  
5 technology demonstrations that will help develop vehicle  
6 technologies which reduce greenhouse gas emissions, improve  
7 air quality, reduce petroleum-fuel consumption, enhance  
8 market acceptance leading to their commercial production,  
9 as well as benefitting disadvantaged communities.

10           Item 14a, with the San Diego Port Tenants  
11 Association, will field demonstrate six battery electric  
12 yard tractors, four plug-in hybrid yard tractors, and ten  
13 drayage trucks in an intelligent transportation system, or  
14 ITS architecture. The ITS technologies to be demonstrated  
15 will focus on what is referred to as truck platooning,  
16 which relies upon freight moving trucks to communicate and  
17 travel in close proximity in order to achieve environmental  
18 benefits.

19           Item 14b, with the City of Los Angeles Harbor  
20 Department, also known as the Port of Los Angeles, will  
21 field some 20 yard tractors with low NOx engines, 5 battery  
22 electric yard tractors, and Class 8 trucks in an ITS  
23 architecture. This ITS demonstration will include 100  
24 trucks with marine terminal operators with project  
25 dimensions that include street signal optimization,

1 telecommunications and route design, and freight  
2 scheduling.

3           These projects can be great examples of the  
4 Energy Commission's efforts to support activities that  
5 align with the currently under development California  
6 Sustainable Freight Action Plan, which with initiated by  
7 Governor Brown's Executive Order B-32-15 in July of 2015.  
8 As staff from the Energy Commission participate in the  
9 development of this Action Plan and continue to collaborate  
10 further with our freight stakeholders, additional  
11 opportunities for promoting these sustainable options in  
12 the freight sector will be pursued.

13           With that I'd like to thank you for your  
14 consideration of these items, and representatives from the  
15 projects are present.

16           CHAIR WEISENMILLER: Great. Thank you.

17           Let's walk through the public comment from those  
18 in the room. First let's start out with the San Diego Port  
19 Tenants Association.

20           MS. SILVESTRI: Good afternoon, Chairman  
21 Weisenmiller and Commissioners and Energy Commission staff.  
22 My name is Sophie Silvestri. I'm the Director of  
23 Operations for the San Diego Port Tenants Association. I'm  
24 here today representing our Association President Sharon  
25 Cloward, who could not be present today due to hip-

1 replacement surgery.

2 Present today are representatives from BYD, the  
3 Grant Farm, and San Diego Gas and Electric, as well as the  
4 San Diego Port Tenants Association Project Manager. And  
5 joining us virtually are Peloton Technology, GC Green, and  
6 Continental Maritime, as you can probably see.

7 The association and its partners believe that the  
8 Energy Commission's commitment to the goals of the freight  
9 transportation projects at California seaports is an  
10 example of our state's dedication to greenhouse gas  
11 reduction. It demonstrates advanced vehicle technologies,  
12 maintaining economic competitiveness, while benefitting  
13 disadvantaged communities.

14 We are honored and enthusiastic about the  
15 Commission's proposed award of \$5.9 million. We look  
16 forward to carrying out the mutual goals of our  
17 organizations.

18 The association represents 200 businesses that we  
19 call port tenants. Each business leases property from the  
20 San Diego Unified Port District, which operates as a  
21 trustee of state owned tide lands. Since it's creation 27  
22 years ago, the association studies and communicates the  
23 requirements of all the governing agencies that have  
24 regulatory powers over our tenants, and there are many. We  
25 serve as an educated mediator for our members with the

1 Board of Port Commissioners.

2 Association businesses operate in the following  
3 sectors: Maritime industrial, commercial fishing, crews,  
4 boating and repair, hospitality, manufacturing, and  
5 defense. They generate \$7.6 billion annually of economic  
6 impact in the region. With this grant, we're going to make  
7 a difference in the port Cities of San Diego, Chula Vista,  
8 and National City.

9 Our association strives to be an early adopter of  
10 environmental initiatives and technologies. When the Port  
11 of San Diego was crafting its climate action plan, we  
12 provided concrete, measurable outcomes to enhance the plan.  
13 The Energy Commission's funds will be used for the  
14 development and demonstration of electric and hybrid  
15 vehicles and equipment to reduce greenhouse gases. The  
16 project will also assess and educate community members on  
17 the deployment of advanced technologies.

18 We would like to recognize our technology  
19 partners, project partners, and association members, who  
20 are also very enthusiastic about this project.

21 We look forward to engage with the Energy  
22 Commission through the Ports Energy Collaborative efforts  
23 and the San Diego Unified Port District. On behalf of our  
24 association, we would like to thank you in advance for your  
25 support of this project.

1 CHAIR WEISENMILLER: Thank you. Thanks for being  
2 here.

3 Let's go to SDG&E next.

4 MS. BROWN: Good afternoon. My name is Linda  
5 Brown, and I'm the Senior Director of Clean Transportation  
6 for San Diego Gas and Electric. On behalf of SDG&E, it's  
7 our privilege to support the San Diego Port Tenants  
8 Association in this grant opportunity.

9 We believe this grant provides great opportunity  
10 to help our customers in San Diego increase the  
11 electrification of their fleet while helping meet the  
12 state's 350 carbon-reduction goals. Grants like this  
13 support climate action plans by the cities and other  
14 organizations. We plan to be fully engaged and partner  
15 with San Diego companies at the port and the San Diego Port  
16 Tenants Association.

17 We believe the utilities play an important role  
18 here and we can help the customers understand the  
19 infrastructure requirements. We have a lot of experience  
20 in this area. We have 200 employees and over 20,000  
21 customers in the San Diego region that have electric  
22 vehicles today. The funding these grants provide are  
23 pertinent to these companies that help reduce the financial  
24 burden.

25 We applaud the Commission for their robust grant

1 program and offer the following comments to consider for  
2 future clean transportation funding. Please provide as  
3 much notice as possible for future program notices, that  
4 this will allow the grant teams to effectively plan their  
5 applications. Through this grant application and a few  
6 others, we have learned the intrinsic role that people  
7 movement has, so we would greatly appreciate the inclusion  
8 of both forklifts in this grant opportunity plus more  
9 diverse in future ones, such as offroad trucks, cranes. And  
10 we believe that will help expedite the operational  
11 experience and the transition to low carbon fuels.

12           Lastly, we look forward to opportunities relevant  
13 to people movement such as taxis, shuttles, and transit  
14 buses.

15           We thank you for your dedication and leadership  
16 in helping to lead the transportation electrification for  
17 the state of California.

18           CHAIR WEISENMILLER: Thank you.

19           BYD.

20           MR. YOUNG: Good afternoon, everyone. My name is  
21 Josiah Young, of the Weideman Group, on behalf of BYD, here  
22 in support of the seaport project.

23           First thank you to the Board, to the Chair, and  
24 to the CEC for this funding opportunity. BYD is excited to  
25 be here as a part of this project. And we would like to

1 highlight that battery electric vehicles are here and ready  
2 for prime time. We are excited to collect data around  
3 these two projects, San Diego as well as L.A. And we're  
4 looking forward to using that data to showcase to the  
5 markets that these vehicles are more than able to meet the  
6 needs of the freight and port industry.

7 Thank you.

8 CHAIR WEISENMILLER: Thank you. Thanks for being  
9 here.

10 Efficient Drive Trains, Inc.

11 MR. FAHREDDIN: Good afternoon, everybody. My  
12 name is Leonhard Fahreddin. I'm the Director of Operations  
13 at Efficient Drive Trains. I first want to say thank you  
14 to the Commission for this opportunity.

15 Efficient Drive Trains is manufacturing and  
16 developing zero emission, hybrid, and pure electric drive  
17 train solutions for medium- and heavy-duty trucks. We're  
18 located here in California and we're manufacturing our  
19 systems here in California. And I want to point out that  
20 this funding opportunity is very important for us. We're  
21 very excited about it, for building two drayage trucks for  
22 the Port of San Diego and also provide battery solutions  
23 for forklifts.

24 So thank you for this opportunity, and we're  
25 really looking forward to this project.

1 CHAIR WEISENMILLER: Great. Thanks for being  
2 here.

3 Now we're transitioning from a to b, so let's  
4 start out with the City of Los Angeles Fire Department.

5 Carter Atkins.

6 MR. ATKINS: Good afternoon, Chair and  
7 Commissioners. I'm Carter Atkins from the Port of Los  
8 Angeles.

9 The Port of Los Angeles is grateful and excited  
10 for this opportunity to partner with the California Energy  
11 Commission on this innovative project that will focus on  
12 demonstrating near zero and zero emission cargo-handling  
13 equipment, as well as improving efficiency to onroad trucks  
14 traveling in and out of the ports' container terminals.

15 The San Pedro Bay Ports Cleaner Action Plan  
16 adopted in 2006 and updated in 2010 guides the Port of Los  
17 Angeles in its commitment to reduce health risk, air  
18 emissions including greenhouse gases associated with port-  
19 related operations, while allowing the port development to  
20 continue.

21 In 2011 the San Pedro Bay Ports prepared the Zero  
22 Emissions Roadmap. Its purpose is to provide an initial  
23 course of action for the identifying and evaluating and  
24 integrating of zero emission technologies into the maritime  
25 goods movement and related activities. Most recently in

1 July '15, the Port of Los Angeles released its Draft Zero  
2 Emissions White Paper, with the goal of demonstrating up to  
3 200 zero and near zero emission trucks and cargo-handling  
4 equipment over the next five years to accelerate the  
5 commercialization of this advanced vehicle technology.

6 Since 2008, the Port of Los Angeles, included  
7 with the Port of Long Beach, and regulatory stakeholders  
8 have been involved in over 33 zero, near zero, and hybrid  
9 vehicle demonstrations, including both on and offroad  
10 application.

11 So to the grant opportunity. The first component  
12 of this grant will provide the Port of Los Angeles with  
13 approximately \$4.8 million for purchase and demonstration  
14 of 5 zero emission yard tractors that will be equipped with  
15 BYD zero emission propulsion technology and 20 near zero  
16 emission yard tractors that will be equipped with, for the  
17 first time in the offroad yard tractor application, with  
18 the Commons Westport near zero, 0.2 grams of brake  
19 horsepower, our NOx engine. All 25 of these yard tractors  
20 will be deployed at the Port of Los Angeles Everport  
21 Container Terminal and the fuel will be renewable natural  
22 gas.

23 A second component of the CEC grant will provide  
24 approximately \$1 million to the Port of Los Angeles and its  
25 project partners to deliver an innovative ITS project

1 designed to reduce freight-induced environmental impacts  
2 while improving mobility and congestion in and around the  
3 Port of Los Angeles. It will be accomplished through the  
4 seamless integration of ITS technologies, including Freight  
5 Advanced Traveler Information System, Ecodrive, and  
6 GeoStamp. The in-service demonstration of both project  
7 components will provide long-term operation experience with  
8 advanced freight information technology and yard tractor  
9 and drayage truck applications, and will also result in  
10 significant reductions of petroleum-fuel consumption,  
11 greenhouse gas, and criteria pollutant emission reductions.

12           Once again, I'd like to wrap up by saying the  
13 Port of Los Angeles greatly appreciates this opportunity to  
14 partner with the CEC on this groundbreaking project.

15           Thank you, Commissioners, for your consideration  
16 of this item. And I am here to answer any questions you  
17 may have. Thank you.

18           CHAIR WEISENMILLER: Thank you.

19           We have another card from BYD. Do you have  
20 anything in addition to add on this one, or... Okay. On,  
21 that's what I figured, but I thought I would check.

22           Okay. So Kerry Cartright is on the line --  
23 actually, first, is there anyone else in the room?

24           Go ahead.

25           MR. GARVEY: Good afternoon, Commissioner, and

1 this is Shawn Garvey with Grant Farm. I just wanted to  
2 point out a couple of innovations in the San Diego  
3 Sustainable Freight Demonstration Project. We were honored  
4 to be part of that project team and saw a very compelling  
5 blend of technology partners, BYD, Peloton, EDI, Carbon  
6 Blue, and Transpower, come together with seven different  
7 fleet partners. And the diversity of that team made for a  
8 really interesting submission process, but a brand new  
9 community that has sprung up in San Diego as a result.

10 I do want to point out that Greenlining was part  
11 of this proposal with a very innovative approach to  
12 outreach to disadvantaged-area communities and to supply  
13 chain diversity. And GC Services, as well, providing that  
14 same service but in the veteran and disabled veteran  
15 communities.

16 Finally, I do want to thank Sophie Silvestri and,  
17 in particular, Jason Greenblatt with Sempera Utilities, who  
18 provided leadership without which this wouldn't have come  
19 together. Thank you very much.

20 CHAIR WEISENMILLER: Great. Thanks.

21 Anyone else in the room?

22 Then let's go to Kerry Cartright, Port of L.A.,  
23 on the line.

24 MR. CARTRIGHT: Can you hear me?

25 CHAIR WEISENMILLER: Yes.

1 MR. CARTRIGHT: Yes. Kerry Cartright, Director  
2 of Goods Movement, Port of Los Angeles. I apologize for  
3 not being able to attend. A staff resource I'm having to  
4 work on, on getting another State of California grant  
5 opportunity.

6 Carter Atkins actually summarized the project  
7 very succinctly. And we're very excited about this because  
8 the existing freight project, freight events, the  
9 information technology project has been and is in testing,  
10 as I say, a sponsored project by U.S. DOT and Phase 2 down  
11 here in the Port of L.A., Long Beach, with 200 trucks to be  
12 deployed within the system. So we're very excited about  
13 integrating two new components, the Ecodrive by U.C.  
14 Riverside which uses traffic signal timing information to  
15 improve acceleration to acceleration, as well as GeoStamp,  
16 a newly-launched product, a Phase 1 application for  
17 providing realtime location and travel time information for  
18 truck drivers in the Ports area and beyond.

19 And that concludes my brief remarks.

20 CHAIR WEISENMILLER: Great. Thank you.

21 Anyone else on the line?

22 Then let's transition to the Commissioners.

23 Commissioner Scott.

24 COMMISSIONER SCOTT: Well, this is just  
25 fantastic. I am so pleased that we have this partnership

1 with the ports. We are also looking at things beyond  
2 transportation. If you all recall from the last Business  
3 Meeting, or it might have been April, we worked with the  
4 Port of Hueneme to do some high mast lighting with them, so  
5 it will change out their CFLs to LEDs. And so we really  
6 have been looking to find things that are of mutual  
7 interest to the ports and to the Energy Commission.

8           And I'm so pleased about these transportation  
9 projects as well. I'm really looking forward to finding  
10 out how the intelligent transportation system components  
11 work out. I think that's a really exciting part of this,  
12 and just want to thank you all of you who came and  
13 commented here in the room and on the phone. I share your  
14 enthusiasm for these projects.

15           And if you all don't have any questions, I will  
16 move approval of Item 14.

17           COMMISSIONER HOCHSCHILD: Second.

18           CHAIR WEISENMILLER: All those in favor?

19           COMMISSIONERS: Aye.

20           CHAIR WEISENMILLER: This item passes four to  
21 zero. Thank you.

22           (Whereupon, Item 14 was approved.)

23           CHAIR WEISENMILLER: Let's do one last item and  
24 then we'll break for lunch. Susan.

25           MS. WILHELM: Hi. I'm Susan Wilhelm. And on

1 behalf of the Energy Generation Research Office, I'm  
2 requesting today approval for funding a research grant  
3 entitled Extreme Weather-Related Vulnerability and  
4 Adaptation for California's Transportation Fuel Sector.  
5 This agreement with the University of California, Berkeley,  
6 would be in the amount of \$1,684,999, from Petroleum  
7 Violation Escrow Account funds.

8           As you know, prior research supported by the  
9 Energy Commission has demonstrated that California's  
10 electricity and natural gas systems are vulnerable to a  
11 variety of extreme weather-related events that will be  
12 compound by sea level rise and other aspects of a changing  
13 climate. Similarly, CalTrans conducts research to  
14 investigate vulnerability and adaptation options of state-  
15 owned highways and bridges. The Energy Commission's and  
16 CalTrans' work demonstrates that without proper research  
17 and planning, California will be ill-  
18 prepared for the impacts of future extreme events.  
19 However, to this point, the state has not undertaken an in-  
20 depth study of the vulnerability and adaptation options for  
21 the transportation fuel system.

22           To fill this gap, the State of California  
23 requested and was allocated funds from the Petroleum  
24 Violation Escrow Account. The proposed research grant was  
25 selected through competitive bid and will provide an

1 initial assessment of the vulnerability of California's  
2 transportation fuel sector for extreme weather-related  
3 events, such as flooding, wildfires, sea level rise, storm  
4 surge, wave dynamics, and saltwater intrusion. The work  
5 will leverage a multi-stakeholder engagement process as  
6 well as a system developed by the U.S. Department of  
7 Homeland Security to allow high-detail, high-accuracy data  
8 to be shared for detailed internal analyses while  
9 maintaining privacy and confidentiality.

10           The proposed research will also contribute to  
11 California's Fourth Climate Change Assessment.

12           Staff recommends approval of this project, and  
13 I'm happy to address any questions. Thanks.

14           CHAIR WEISENMILLER: Okay. Is there anyone with  
15 comments in room or on the telephone?

16           Okay, then again let's transition to  
17 Commissioners.

18           Obviously this went through the research areas.  
19 As Lead Commissioner, I can say we viewed this. And  
20 obviously resilience is an important topic. We have a  
21 workshop coming up next week on that. And we've done a lot  
22 on electricity sector and the gas sector. And what we're  
23 doing here as far as transportation fuel in that it's  
24 obviously not one of the areas that we can fund directly  
25 with our EPIC money. So, anyway, this was a creative way

1 to start filling that gap, since obviously our  
2 transportation fuel sector can really be heavily impacted  
3 by climate change.

4 COMMISSIONER DOUGLAS: I agree with those  
5 comments completely and I am looking forward to the  
6 workshop on this topic, so with that I move approval of  
7 this item.

8 COMMISSIONER SCOTT: Second.

9 CHAIR WEISENMILLER: Okay. All those in favor?

10 COMMISSIONERS: Aye.

11 CHAIR WEISENMILLER: This passes four to zero.

12 (Whereupon, Item 15 was approved.)

13 CHAIR WEISENMILLER: So let's be back here by  
14 1:30.

15 (Whereupon, the luncheon recess taken from 12:23 to  
16 1:32 p.m.)

17 CHAIR WEISENMILLER: Good afternoon. We're back  
18 on the record agenda. Let's go onto 16, University of  
19 California, Merced.

20 MR. DOLL: Good afternoon, Commissioners. My  
21 name is Jeffrey Doll, with the Energy Research Development  
22 Division's Buildings Energy Efficiency Program. I am  
23 presenting a solar water-heating project for residential,  
24 commercial, and industrial sectors with U.C. Merced. This  
25 is a solar water-heating project that will utilize mini-

1 channel technology.

2           Many channels are a technology that is hidden in  
3 the ventilation of air conditioning condensers and  
4 automotive radiators. And Merced previously developed a  
5 project with us that would utilize that mini-channel  
6 technology in solar water heating. What they previously  
7 did was they installed the mini-channel solar water-  
8 heating technology on one of their buildings and testing it  
9 against traditional solar flat-plate collectors to see how  
10 their performance compared. They used aluminum as their  
11 material for the mini-channel solar and they wanted to  
12 compare it to the traditional copper tube, thin collectors.  
13 And they got some promising results from that.

14           They also developed a new idea of adding copper  
15 or using copper with their mini-channel technology to see  
16 if it would be possible to get better performance and  
17 possibly even generate steam.

18           With this project, U.C. Merced is planning to  
19 take that aluminum mini-channel technology and demonstrate  
20 it on residential and commercial buildings, focusing on the  
21 Los Angeles Basin. They are going to test the technology  
22 using actual heatloads this time. The residential and  
23 commercial buildings, they are going to test it with things  
24 like showers, laundry, etc. With this demonstration, they  
25 are going to evaluate its cost-

1 effectiveness in actual residential and commercial building  
2 settings. And they also are going to take the results from  
3 their demonstration and see if they can market the  
4 technology on a wider scale than this project will cover.

5 Merced will also be taking their copper mini-  
6 channel technology and they are going to try and further  
7 develop and test that technology to improve the design,  
8 optimize it, and test the solar-water heating for potential  
9 commercial and industrial applications. They believe that  
10 there is a potential for generating usable low-grade steam,  
11 using that technology than is currently possible, using  
12 nonevacuated solar collectors. And they want to try and  
13 see how would work in an industrial setting and optimize  
14 it and see if there can be any improvements made that would  
15 help that out.

16 So that is essentially what U.C. Merced plans to  
17 do with this project. If you have any questions, I'm  
18 available.

19 CHAIR WEISENMILLER: Okay. Thank you.

20 Any questions, any comments from the audience,  
21 people in the room or on the phone?

22 Okay. So let's go to the Commissioners.

23 Again certainly this has gone through the Lead  
24 Commissioner for research myself, and it's a good project.  
25 I think it's important. U.C. Merced has done a lot of very

1 interesting stuff on the development of solar technology,  
2 and so I think this is a good project.

3 COMMISSIONER DOUGLAS: I strongly agree with that  
4 and I move approval of this item.

5 COMMISSIONER HOCHSCHILD: Yeah. I was just going  
6 to say I visited U.C. Merced and very impressed at the team  
7 and the creativity. I do think one thing to look at as the  
8 costs of PV have come down, I know the solar thermal market  
9 has suffered a bit because I'm some cases it's cheaper to  
10 heat your hot water with PV, and it's great to see some  
11 cost-reduction potential on the solar thermal side. I'm  
12 just interested to see if we should look at how that  
13 changes the map over time.

14 MR. DOLL: Yeah. Looking at, for example, PV-  
15 powered heat pumps compared to solar thermal technology, is  
16 something our program will look at in the future. It's  
17 outside the scope of this project, but it is something our  
18 program is considering.

19 COMMISSIONER HOCHSCHILD: Yeah. No, I think it's  
20 definitely something to keep our eye on.

21 I second the motion.

22 CHAIR WEISENMILLER: All those in favor?

23 COMMISSIONERS: Aye.

24 CHAIR WEISENMILLER: Approved four to zero.

25 Thank you.

1 (Whereupon, Item 16 was approved.)

2 CHAIR WEISENMILLER: Let's go onto Reducing Costs  
3 for Communities and Businesses Through Integrated Demand-  
4 Side Management and Zero Net Energy Demonstrations.

5 MR. DOLL: I will be presenting Item 17 as well.  
6 This is a package of three projects that came out of our  
7 recent competitive solicitation on zero net energy  
8 communities. The first project is with the City of San  
9 Diego -- or, excuse me -- it's with the Center for  
10 Sustainable Energy. They are testing zero net energy  
11 technology on three of the City of San Diego's libraries.

12 The purpose of this project is to help municipal  
13 buildings in the state of California reach the 50-percent  
14 ZNE by the 2025 mandate with the State. They are looking  
15 to demonstrate cost-effective pathways for achieving ZNE.  
16 For this project, CSE is going to design and install  
17 advanced energy-efficiency technologies and emerging  
18 energy-efficiency technologies in combination with solar PV  
19 and energy storage that will be provided through match  
20 funding, to achieve zero net energy in three of their San  
21 Diego libraries, the Serra Mesa Library, the Point Loma  
22 Library, and the Valencia Park/Malcolm X Library.

23 With this project they are aiming to create a  
24 replicable blueprint for local governments to achieve ZNE  
25 buildings by 2025. They want to demonstrate the technical

1 competency of integrated demand-side management to deliver  
2 ZNE in existing municipal buildings. They want to  
3 demonstrate the value proposition of revenue models through  
4 IDSM and demand response. They are going to engage in  
5 public outreach to extend the direct energy savings beyond  
6 these demonstrations to other buildings, and not just  
7 municipal but also commercial buildings.

8           Item 17b is a grid Integrated ZNE community's  
9 demonstration with the Electric Power Research Institute.  
10 This project is going to demonstrate cost-competitive ZNE  
11 design strategies to create pathways for large-scale  
12 residential ZNE communities. The three community  
13 demonstration locations will be in Woodland, Clovis, and  
14 Lake Forest. The project will demonstrate that ZNE  
15 communities can be accomplished at market rate and in a  
16 manner that is cash flow positive to occupants. They are  
17 going to deliver standard ZNE packages across multiple  
18 climate zones. They are going to conduct substantial  
19 monitoring in order to understand actual energy  
20 performances in ZNE communities, identify the distributed  
21 grid impacts of ZNE communities. They want to develop new  
22 pathways to ZNE in a manner that works for customers,  
23 utilities, and builders.

24           They're going to try and understand the impacts  
25 of electrifying heating loads to meet California's long-

1 term carbon goals and provide design recommendations to  
2 utility programs that enable attainment of the ZNE at  
3 scale. EPRI is going to be working with Meritage Homes,  
4 DeYoung Properties, PG&E, SoCal Edison, among others, to  
5 demonstrate the feasibility of large-scale ZNE communities  
6 attempting to answer additional research questions.

7 In addition, staff requests Commission  
8 concurrence with the following California Environmental  
9 Quality Act findings in adoption for the demonstration  
10 locations.

11 As to the City of Lake Forest, findings based on  
12 the lead agency, City of Lake Forest's Final Initial Study,  
13 Mitigated Negative Declaration and Mitigation, Monitoring,  
14 and Reporting Program, a resolution adopting the Mitigated  
15 Negative Declaration and approving the Monitoring and  
16 Reporting Program, work under the proposed project presents  
17 no new significant or substantially more severe  
18 environmental impacts beyond those already considered.

19 As to the City of Clovis, findings based on the  
20 lead agency, City of Clovis' Final Environmental Impact  
21 Report, Resolution Certifying the Final Environmental  
22 Impact Adopting a Mitigation, Monitoring, and Reporting  
23 Program, and making findings under CEQA, including the  
24 adoption of a statement of overriding considerations, the  
25 work under the proposed project presents no new significant

1 or substantially more severe and environmental impacts  
2 beyond those already considered; and adopting a statement  
3 of overriding considerations.

4           As to the City of Woodland, findings that, based  
5 on the lead agency, the City of Woodland's Final  
6 Environmental Impact Report, Resolution Certifying the  
7 Final Environmental Impact Report and Subsequent Amendments  
8 thereto adopting a mitigation monitoring plan, and making  
9 findings under CEQA, including the issuance of a statement  
10 of overriding considerations, the work under the proposed  
11 project presents no new significant or substantially more  
12 severe environmental impacts beyond those already  
13 considered; and adopting a statement of overriding  
14 considerations.

15           Finally, I am presenting Item 17c with Build It  
16 Green, achieving ZNE multi-family buildings. This research  
17 project will assess precommercial technologies for all  
18 energy-using systems to validate energy performance in four  
19 low-income multi-family buildings. This will determine the  
20 potential for achieving zero net energy in these buildings.  
21 They are going to be located in Cloverdale, Atascadero,  
22 Oakland, and Calistoga.

23           The research project will also focus on human  
24 interactions between building energy performance and  
25 health, comfortable, costs and convenience in a low-income

1 multi-family context. It will develop new analysis of  
2 rhythms for code-compliant software, provide proper credit  
3 to advance technologies that support the State's ZNE goals.  
4 And it will evaluate the feasibility of ZNE for large low-  
5 income multi-family housing, impacts on indoor air quality,  
6 market acceptance, and long-term persistence of energy  
7 savings.

8           And those are the three projects from our ZNE  
9 solicitation. And if you have any questions, I am  
10 available to answer those.

11           CHAIR WEISENMILLER: Thank you.

12           Any comments from anyone in the room or on the  
13 phone?

14           Yes, go ahead. Come on up and identify yourself.

15           MR. STONE: Nehemiah Stone with Stone Energy.  
16 I'm sorry. Good afternoon, Chairman Weisenmiller and  
17 Commissioners. I want to thank you for this opportunity on  
18 behalf of the Build It Green team, which includes  
19 Association for Energy Affordability, the Lawrence Berkeley  
20 National Lab, Redwood Energy, and Stone Energy.

21           The reason I wanted to say something is that this  
22 is a milestone from my perspective. We have roughly two  
23 times the number of single-family homes in California as we  
24 have multi-family and we have well over ten times the  
25 amount of research on single-family as multi-family. It is

1 an area that has not had enough attention in the past. And  
2 for the Commission to meet its zero net energy goals and  
3 2050 goals, we need to really pay attention to multi-  
4 family. There's more multi-family new construction in  
5 California now than there is single-family. It's a much  
6 more important part of the building stock than it has been  
7 in the past.

8           And this project is going to have more monitored  
9 data on how these buildings work than any other project  
10 that I know of on multi-family buildings. So I really want  
11 to thank you for this opportunity and I think this is going  
12 to be great for California and for helping the Energy  
13 Commission meet its goals.

14           CHAIR WEISENMILLER: Thanks.

15           Also EPRI, please.

16           MR. NARAYANAMURTHY: I'm Ram Narayanamurthy from  
17 EPRI. Thanks again to the Commission staff and to the  
18 Commissioners for the opportunity to work on scaling ZNE  
19 communities and working towards the 2020 goals.

20           Actually about a year ago Commissioner Hochschild  
21 and Commissioner McAllister started some of our current  
22 efforts in Southern California. And what we are proposing  
23 to do now is to scale it. What we did in Southern  
24 California was to do small neighborhoods, looking at grid  
25 integration, and the EPIC funding actually provides an

1 opportunity to go at community scale.

2           One of the interesting things that we have found  
3 is that we can obtain ZNE single-family pretty cost-  
4 effectively even today working with the builders. But what  
5 we want to look at is how customers to react it, how  
6 homeowners accept ZNE, and the impact of differing  
7 definitions of ZNE. We have found out that, for example,  
8 we can actually electrify the loads without significant  
9 impact of cost or the PV sizing, and that high performance  
10 envelopes are a big part of trying to get to ZNE. So we do  
11 look forward to working very closely with your codes and  
12 standards team to be able to take the learnings that we get  
13 from the EPIC project and being able to transfer that as we  
14 move towards our 2020 goals.

15           The other impact I wanted to emphasize is looking  
16 at the distribution grid and the impact of ZNE on the  
17 distribution grid. As we get to lower and lower energy  
18 use, we are finding that plug loads and appliances  
19 constitute a majority of the energy usage and that your low  
20 profile is significantly peaky. There is a lot of over  
21 generation in the morning time, a lot of steep ramps in the  
22 evening, and we'd love to have an opportunity to look at  
23 how the impact of solar electrification E and ER work  
24 together in ZNE communities.

25           So thank you again for the opportunity.

1 CHAIR WEISENMILLER: Okay. Great. Thanks.  
2 Thanks for being here.

3 Anyone else in the room or on the line?

4 So let's transition to Commissioners. Obviously  
5 we're in the position now where the rubber has got to hit  
6 the road on ZNE, and so it's important to do the research  
7 like this. It's particularly interesting that Build It  
8 Green is really hitting some disadvantaged communities too.  
9 So, again, it's important that as we develop the technology  
10 the it's not just for suburban and track houses but  
11 basically focuses on multi-family in this area. So,  
12 anyway, I think these are all pretty good projects.

13 COMMISSIONER DOUGLAS: I think it's great and  
14 it's really great to see the progress on zero net energy.  
15 We have been, as the Chair mentioned, working towards those  
16 goals for a long time now and the rubber is hitting the  
17 road. And so it's really good to see, so I'll move  
18 approval of this item.

19 COMMISSIONER HOCHSCHILD: Second.

20 CHAIR WEISENMILLER: All those in favor?

21 COMMISSIONERS: Aye.

22 CHAIR WEISENMILLER: This item is approved four  
23 to zero.

24 Thank you.

25 MR. DOLL: Thank you.

1 (Whereupon, Item 17 was approved.)

2 CHAIR WEISENMILLER: Let's go onto ADM  
3 Associates. Hi.

4 MS. GOUGH: Good afternoon. I'm Andrea Gough.  
5 I'm with the Energy Assessments Division. I am here today  
6 to seek the Commission's approval for a \$1.1 million  
7 contract with ADM Associates, Incorporated. It's another  
8 project that's going to look at load profile. So the  
9 intent of this contract is to provide load shapes that  
10 characterize appliances, equipment, and other end uses over  
11 a 24-hour period in specific building and business types.

12 This project will be one of our first attempts to  
13 gather sub-hourly end-use metered data cross multiple  
14 sectors. ADM Associates will work with Energy Commission  
15 staff to find the best option for gathering data from  
16 investor-owned utilities.

17 The electric load data will be combined with  
18 other data such as weather and energy prices to develop  
19 current and project future load profiles, while considering  
20 how demand response activities could impact these load  
21 shapes. As part of this contract, ADM Associates will  
22 develop a technical solution which will allow staff to  
23 manage and manipulate the data for the project is completed  
24 so that we can continue to explore the impact on energy  
25 load as new policies are put in place.

1           A final benefit from this contract is that its  
2 findings will provide research opportunities to explore low  
3 cost and clean generation technology options that lower the  
4 risk of uncertain generation partners that occur over the  
5 course of a day.

6           With this brief description, I am here to seek  
7 approval of this contract with ADM Associates and to answer  
8 any questions you have.

9           CHAIR WEISENMILLER: Great. Thank you.

10           So any comments from anyone in the room? Anyone  
11 on the line?

12           So again let's transition over to Commissioners.

13           I think the gentleman from EPRI did a good set-up  
14 for this particular contract, of the need as we move more  
15 for technologies, studying better what they do to various  
16 load shapes, so.

17           COMMISSIONER SCOTT: I think my understanding  
18 with this one is also it's going to include transportation  
19 electrification and I think that that's an exciting  
20 component as well because that's going to become  
21 increasingly more important as we consider load shapes.

22           I will move approval of Item 18.

23           COMMISSIONER DOUGLAS: Second.

24           CHAIR WEISENMILLER: All those in favor?

25           COMMISSIONERS: Aye.

1 CHAIR WEISENMILLER: This item is approved four  
2 to zero. Thank you.

3 (Whereupon, Item 18 was approved.)

4 CHAIR WEISENMILLER: Let's go onto 19, Developing  
5 a Smart Grid of 2020: Clean, Safe, and Highly Intelligent.  
6 Please go ahead.

7 MS. SICHON: Good afternoon, Commissioners. My  
8 name is Consuelo Sichon with the Energy Research and  
9 Development Division. At last month's Business Meeting I  
10 presented four out of seven agreements resulting from a  
11 solicitation to fund research projects that develop smart  
12 grid operation and management practices or enhancements to  
13 existing distribution automation systems.

14 Today, staff is seeking approval of the remaining  
15 three agreements from that solicitation, which total almost  
16 \$3 million.

17 Item 19a is for a grant with the University of  
18 California, Irvine, to simulate microgrid controls over two  
19 distribution circuits at Southern California Edison's  
20 MacArthur Substation. This project will build on the  
21 substation automatic technology that was implemented during  
22 the DOE-funded Irvine Smart Grid Demonstration Project, by  
23 developing and testing a microgrid controller that can  
24 improve distribution system management, maximize the amount  
25 of distributed and renewable energy resources, and assess

1 the viability of these resources to participate in the  
2 retail of the electricity market.

3 The recipient will provide more than \$110,000 in  
4 matched funds and is also partnering with Southern  
5 California Edison on this project.

6 Item 19b is for a grant with the Electric Power  
7 Research Institute, Incorporated that will result in open-  
8 source communication software that can be incorporated into  
9 smart inverters to use the Distributed Network Protocol,  
10 also known as DNP3. The Recipient's project team includes  
11 stakeholders involved in other communication standards  
12 groups, the energy storage energy, and the solar power  
13 industry. This team will provide recommendations for  
14 enhanced standards to the existing DNP3 Users Group that  
15 address additional communication features for smart  
16 inverters used with energy storage systems. The team will  
17 also develop conformance testing for these inverters. The  
18 Recipient will provide more than \$360,000 in matched funds.

19 Item 19c is for a grant with the University of  
20 California, Riverside to fund the development of algorithms  
21 that can be incorporated into existing distribution  
22 automation software to determine the optimal power flow and  
23 circuit configuration under namely, emergency, and outage  
24 recovery condition. Providing this additional intelligence  
25 and analytics could help distribution operators avoid

1 large-scale outages by leveraging distributed energy  
2 resources. The Recipient will provide more than \$680,000  
3 in match funds.

4 All three projects will develop software tools  
5 and strategies that will help to efficiently and reliably  
6 integrate distributed and renewable generation into  
7 California's modern electric distribution system.

8 Staff requests approval of these three  
9 agreements, and I would be happy to answer any questions.

10 CHAIR WEISENMILLER: Thank you.

11 So are there any comments from anyone in the room  
12 or on the line?

13 Okay, so let's again transition to Commissioners.

14 I think we had a pretty good discussion the last  
15 time about how important smart grids are in terms of where  
16 we're looking at in terms of moving forward on greenhouse  
17 gas reductions. So, again, I think these sound like a  
18 pretty good suite or projects.

19 COMMISSIONER DOUGLAS: Yeah. Absolutely, it's  
20 really good to see this work move forward, and I'll move  
21 approval of this item.

22 COMMISSIONER SCOTT: Second.

23 CHAIR WEISENMILLER: All those in favor?

24 COMMISSIONERS: Aye.

25 CHAIR WEISENMILLER: Passes four to zero.

1 Thank you.

2 (Whereupon, Item 19 was approved.)

3 CHAIR WEISENMILLER: Let's go onto 20, Advancing  
4 Water and Energy Efficient Strategies and Technologies in  
5 California.

6 MR. MORI: Good afternoon, Commissioners. I am  
7 Kevin Mori, of the Energy Efficiency Research Office.  
8 Today staff is recommending approval of the following six  
9 agreements. Items a through e are demonstration projects  
10 and Item f is a market facilitation project.

11 Item a is: Cooling Tower Water Treatment using  
12 Vortez Process Technology for Energy and Water Savings,  
13 with EPRI. EPRI will demonstrate a water treatment  
14 technology that will use vortex processing technology to  
15 replace conventional water treatment systems for cooling  
16 towers on commercial buildings. This technology has the  
17 potential to save approximately four percent of a chiller  
18 system's energy use and will reduce water use to  
19 approximately 45 percent and chemical use to approximately  
20 50 percent.

21 Item b is: Biofiltration as an Advanced Primary  
22 Treatment Method to Achieve Substantial Energy Savings,  
23 with Kennedy/Jenks. Kennedy/Jenks will demonstrate a  
24 biofiltration system that uses compression of the media to  
25 eliminate the need of internal moving plates, and will

1 serve as a primary treatment system in treating wastewater  
2 in the Linda County Water District Wastewater Treatment  
3 Plant. This demonstration has the potential to save up to  
4 60 percent of energy compared to conventional primary treat  
5 systems and approximately one billion gallons of water per  
6 year.

7           Item c is: Energy Efficiency and Water Savings  
8 in Agricultural by Innovative Plant-Aware Irrigation, with  
9 EPRI. EPRI will demonstrate a real time smart irrigation  
10 system that uses sap flow sensors to determine when the  
11 crops need to be irrigated. This demonstration will be  
12 performed at three vineyards in Southern California and can  
13 save approximately 30 percent of water per year on  
14 irrigation.

15           Item d is: Low Energy Biofiltration System with  
16 Low Backwash Rate for Groundwater Contaminant, with BKT  
17 United. Staff has reviewed the Environmental Impact  
18 findings from the City of Barstow and has determined that  
19 the work proposed will not significantly impact the  
20 environment. BKT United will demonstrate a gravity fed  
21 biofiltration system that will remove nitrate and  
22 perchlorate from contaminated water in the City of Barstow.  
23 This system is expected to save approximately 70 percent of  
24 energy use compared to the conventional filtration method.

25           Item e is: Demonstrating Innovative Leakage

1 Reduction Strategies, with American Water Works Company.  
2 American Water Works will demonstrate three innovative  
3 technologies for leak detection in municipal pipelines.  
4 These technologies will be able to detect municipal leaks  
5 that are not visible on the surface through measuring  
6 acoustics and water flow, and looking at satellite imagery.  
7 This demonstration has the potential to save significant  
8 amounts of water and embedded energy for every leak found.

9           Item f is: Accelerating Drought Resilience  
10 through Innovative Technologies, with Water Energy  
11 Innovative. Water Energy Innovative will develop a  
12 replicable model for streamlining the planning, permitting,  
13 and financing of technologies that save both energy and  
14 water. Working with project partners, the Water Energy  
15 Innovative will pilot the model for Tulare County in an  
16 effort to develop the policy and program infrastructure  
17 needed to successfully implement this drought-resilient  
18 model and other similar rural agricultural communities.

19           Staff recommends approval of these agreements,  
20 and thank you. I will be happy to answer any questions.

21           CHAIR WEISENMILLER: Okay. First, is there  
22 anyone in the room who has any comments on these items?

23           Let's go to the line. Mr. Mitchell for 20d.

24           MR. MITCHELL: Kurt Mitchell. I'm the City  
25 Manager for Barstow. And, first, we want to thank the

1 Commission for considering this proposal, and we look  
2 forward to completing this demonstration project to get  
3 this to demonstrate these savings, so again thank you for  
4 your consideration.

5 CHAIR WEISENMILLER: Thank you.

6 Anyone else on the line?

7 Okay. So again let's transition over to the  
8 Commission.

9 Obviously, last year was a big year for us to  
10 start focusing on water and energy and efficiency. This  
11 year now post of El Nino, I guess the good news is Northern  
12 California is relatively in good shape in its reservoirs,  
13 whereas Southern California basically had a fifth-year  
14 drought. And I think going out of El Nino, it's looking  
15 like next year is going to be dry, so this is certainly  
16 timely to be moving these projects forward.

17 COMMISSIONER DOUGLAS: Yeah, I agree with you.  
18 These projects are very timely and topical, and we need to  
19 not let fluctuations in weather cycles in any case take our  
20 eye off the ball in terms of really understanding what  
21 needs to be done and laying the groundwork for that. And  
22 so I strongly support this and I move approval of this  
23 item.

24 COMMISSIONER HOCHSCHILD: Second.

25 CHAIR WEISENMILLER: All those in favor?

1 COMMISSIONERS: Aye.

2 CHAIR WEISENMILLER: So this passes four to zero.

3 Thank you.

4 (Whereupon, Item 20 was approved.)

5 CHAIR WEISENMILLER: Let's go onto Item 21,  
6 National Aeronautics and Space Administration.

7 MR. HOU: Good afternoon, Chairman Weisenmiller  
8 and Commissioners. My name is Yu Hou. I am an Air  
9 Resources Engineer from the Research and Development  
10 Division. I'm here to present a proposed interagency  
11 agreement with the National Aeronautics and Space  
12 Administration.

13 This project is part of the joint effort between  
14 the Energy Commission and the Air Resources Board to  
15 characterize methane emission in California. The Air  
16 Resources Board is going to enter into a parallel contract  
17 with NASA. The Energy Commission project will focus on  
18 emission from the natural gas sector and the Air Resources  
19 Board project will focus on emission from other sources.  
20 Findings from previous projects supported by the Energy  
21 Commission and others all points to the existence of super  
22 emitters. Those super emitters emit disproportionately  
23 more methane compared to other emitters. Being able to  
24 quickly identify super emitters is an effective way to  
25 mitigate methane emissions. In this project, NASA will

1 direct the Jet Propulsion Lab to conduct research flight  
2 over an identified area in California. JPL will deploy its  
3 advanced infrared camera to identify super emitters in  
4 those areas. Approximately 120 flight hours is scheduled  
5 for this project.

6 Staff recommends the approval of this proposal.  
7 And I am happy to answer any questions.

8 CHAIR WEISENMILLER: Thank you.

9 I believe we have someone from the Air Board.  
10 Please.

11 DR. HERNER: Good afternoon, Commissioners. My  
12 name is Jorann Herner. I'm one of the managers in the  
13 research division of the California Air Resources Board and  
14 I'm here to talk in support of this project.

15 As mentioned, it's a collaboration between the  
16 Energy Commission and the California Air Resources Board  
17 and NASA JPL to conduct the survey. The project will be a  
18 big part of our responsibility under AB1496, which requires  
19 the State to do monitoring of methane hot spots that have  
20 been identified in the state, of which there is a large one  
21 in the southern San Joaquin Valley.

22 The project will also inform our inventories and  
23 also inform several efforts we have underway, as described  
24 in the short-lived climate polluting plan.

25 I also want to give a shout-out to you and your

1 staff for very innovative and creative research overall.  
2 I'm a great admirer of what has been accomplished here. I  
3 have several programs under my purview that are now a full-  
4 fledged program that started as small research efforts  
5 here, including the greenhouse gas monitoring network and  
6 also the response to Aliso Canyon. So it's been a really  
7 good collaboration between the two agencies. I think this  
8 is a good and important project, and I hope you will look  
9 on it favorably.

10 Thank you.

11 CHAIR WEISENMILLER: Thank you.

12 Anyone else in the room or on the phone?

13 I'll turn to Commissioners.

14 I think obviously the next series of projects  
15 basically start dealing with the sort of methane issues.  
16 It's a nice, interesting suite of projects, I think. And  
17 so certainly step one is trying to figure out what the  
18 inventory is and this has been successful technology to  
19 date on identifying emitters and, again I think, this  
20 survey is going to be important research.

21 COMMISSIONER HOCHSCHILD: A quick question. Are  
22 the flights, I think historically have been manned. Have  
23 they looked at using drones?

24 CHAIR WEISENMILLER: I have encouraged them  
25 because obviously an issue is always the safety of the

1 pilot. I mean this is a pretty well instrumented plane and  
2 in fact one of the projects that we did initially would be  
3 a different technology, but what RPE has done is  
4 miniaturize it and make a drone. And right now it's being  
5 tested at PG&E's storage site.

6 COMMISSIONER HOCHSCHILD: I move the item.

7 COMMISSIONER DOUGLAS: I'll second it and I'll  
8 just note that it was great to have ARB here. I  
9 appreciated the comments. And just with respect to this  
10 and the other items on fugitive emissions, you know we had  
11 a workshop that was a joint workshop with the Air Resources  
12 Board and the California Public utilities Commission. It  
13 was part of the IPER. The IPER that we adopted in 2015  
14 called for the Energy Commission in the 2016 Report to do  
15 an assessment of the best available knowledge about  
16 fugitive emissions from the natural gas system. And so the  
17 workshop that we did jointly with the Air Resources Board  
18 and the CPUC was a really, really incredibly valuable  
19 contributor to that effort. And certainly additional  
20 collaborative work going forward that helps us to both  
21 frame the research needs and research gaps and also  
22 collaborate on bringing this great information in and  
23 putting it to work in the policy space --

24 CHAIR WEISENMILLER: Right.

25 COMMISSIONER DOUGLAS: -- and finding ways to use

1 it to inform all of our programs and help us achieve our  
2 goals is where we need to be. And I think we're in a  
3 really good trajectory, to have that kind of coordination  
4 and that we do have it and have had it.

5 So, anyway, that was a long second.

6 CHAIR WEISENMILLER: Okay. All those in favor?

7 COMMISSIONERS: Aye.

8 CHAIR WEISENMILLER: This item passes four to  
9 zero. Thanks.

10 (Whereupon, Item 21 was approved.)

11 CHAIR WEISENMILLER: Let's go onto 22, ICF  
12 Incorporated.

13 MR. HOU: So hello again. I will be presenting  
14 this item as well. The second agreement I will be  
15 presenting is with ICF Incorporated. It's also related to  
16 methane emission from the California natural gas system.

17 Recent research findings points out that methane  
18 leakage after-meter from buildings is contributing to the  
19 overall emissions. So in this proposed grant, ICF  
20 Incorporated was competitively selected to conduct research  
21 on the emissions from commercial buildings.

22 The project will measure emissions at both  
23 appliances and the building levels. In the beginning, a  
24 pilot study will test about 30 buildings, and the  
25 recipients will then revise the study based on preliminary

1 results from the pilot study, and a full-scale  
2 investigation of about 100 buildings will be tested.

3 Staff also recommend approval of the agreement.  
4 I will be happy to answer your questions.

5 CHAIR WEISENMILLER: Great. All right, thank  
6 you.

7 Any comments from anyone in the room or on the  
8 phone?

9 Well, again, Commissioners, I think this is a  
10 good project again on this whole methane emissions issue.  
11 It's certainly is the next step in trying to understand  
12 where the fugitive emissions are coming from.

13 COMMISSIONER DOUGLAS: Absolutely, so I move  
14 approve.

15 COMMISSIONER SCOTT: Second.

16 CHAIR WEISENMILLER: All those in favor?

17 COMMISSIONERS: Aye.

18 CHAIR WEISENMILLER: This passes four to zero.  
19 Thanks.

20 (Whereupon, Item 22 was approved.)

21 CHAIR WEISENMILLER: Let's go onto 23, University  
22 of California, Irvine.

23 MR. SMITH: Good afternoon, Commissioners and the  
24 Chair. My name is Tim Smith. I'm a Mechanical Engineer  
25 for the Research and Development Division. I am here in

1 regards to an interagency agreement with U.C. Irvine. The  
2 project is to examine the natural gas system of Southern  
3 California and to identify the vulnerabilities of the  
4 system to the effects of climate change.

5           The idea is to look at compounding effects of  
6 land subsidence, sea level rise, and extreme weather events  
7 on the gas system. The research also takes into  
8 consideration the demands of gas due to intermittent  
9 recyclable energy sources. The work is to determine what  
10 changes and improvements to the gas system would be needed  
11 to significantly reduce the system's vulnerability to  
12 climate change.

13           One of the final products coming from this  
14 research is a GIS map of the Southern California gas system  
15 to provide critical information on the weaknesses of the  
16 system. And, lastly, this research is part of the Fourth  
17 Assessment.

18           CHAIR WEISENMILLER: Great. Thank you.

19           Does anyone in the room or on the phone very  
20 comments on this?

21           Commissioners, again I think this is a good  
22 project and certainly building off of the methane issues,  
23 gas system, and adaptation.

24           COMMISSIONER DOUGLAS: Yeah. Absolutely, I agree  
25 with that, and I move approval.

1 COMMISSIONER SCOTT: Second.

2 CHAIR WEISENMILLER: All those in favor?

3 COMMISSIONERS: Aye.

4 CHAIR WEISENMILLER: So this passes four to zero.

5 Thank you.

6 (Whereupon, Item 23 was approved.)

7 CHAIR WEISENMILLER: Let's go onto 24, University  
8 of California, Santa Cruz.

9 MR. SMITH: Right, that's me again. It's another  
10 interagency agreement, with Santa Cruz. This project is  
11 now to examine the Northern California gas system and  
12 identify the risks to climate change. This research looks  
13 a little bit more into inland flooding, mudslides,  
14 wildfires, along with subsidence, and sea level rise.

15 This is a system-level analysis of the natural  
16 gas system, coupled with economic models to address the  
17 vulnerability of the system. So they're trying to identify  
18 resilience options, the timing of implementation, but also  
19 look at the economics of it.

20 This project is also part of the Fourth  
21 Assessment. And, lastly, I'd like to talk about that this  
22 is a combination of in November you guys approved an  
23 agreement with ICF to look at San Diego, and so now we have  
24 San Diego covered, Southern California, and Northern  
25 California.

1 CHAIR WEISENMILLER: Great. So any comments from  
2 anyone in the room or on the phone?

3 Well, again I think this sort of follows off the  
4 last one. It's good to really get that complete coverage  
5 of the state.

6 COMMISSIONER DOUGLAS: Absolutely. Go ahead.

7 COMMISSIONER SCOTT: I was going to move approval  
8 of Item 24.

9 COMMISSIONER DOUGLAS: Second.

10 CHAIR WEISENMILLER: All those in favor?

11 COMMISSIONERS: Aye.

12 CHAIR WEISENMILLER: This has been approved four  
13 to zero. Thanks.

14 MR. SMITH: Thank you.

15 (Whereupon, Item 24 was approved.)

16 CHAIR WEISENMILLER: Let's go onto 25. 2016  
17 Industrial Natural Gas Energy Efficiency Grants.

18 MR. KAPOOR: Good afternoon, Commissioners. I am  
19 Rajesh Kapoor from the Energy Efficiency Office. Staff is  
20 recommending approval of two agreements with Gas Technology  
21 Institute. The following two projects are the results of  
22 competitive solicitation to demonstrate the precommercial  
23 or emerging energy efficient technologies that can directly  
24 reduce natural gas use in California's industrial sectors.

25 The first agreement will demonstrate a low-cost,

1 low-temperature waste heat recovery system to validate the  
2 natural gas savings and system performance, and develop a  
3 tool for determining the potential use of this technology  
4 at any site.

5           The demonstration site is PL Developments, an  
6 industrial chemical processing plant in Lynwood, Southern  
7 California. In this project the existing rooftop HVAC unit  
8 will be replaced with a Waste Heat Recovery Rooftop Unit,  
9 along with a water storage tank and piping. This new unit  
10 will have the ability to remove heat from the occupied  
11 space and use it to preheat process hot water. This  
12 technology has the potential to reduce natural gas  
13 consumption for water heating by 25 percent at that  
14 demonstration site.

15           The second project will demonstrate the recovery  
16 of water from hot, humid industrial exhaust gases. The  
17 demonstration site is United States Gypsum Company in  
18 Plaster City, Southern California. This project will  
19 demonstrate a technology for recovering water from hot and  
20 humid industrial exhaust gases. The humid exhaust gases  
21 from commercial and industrial drying processes contain 20  
22 to 50 percent water vapor. The heat of the exhaust gas can  
23 be used efficiently to recover clean water. The recovered  
24 and recycled warm water takes less energy to heat than the  
25 cold utility water.

1           The technology uses only a small amount of  
2 electricity and the closed-cycle cooling loop with no  
3 moving mechanical parts is Company, inexpensive, and  
4 scalable. This technology has the potential of saving up  
5 to 20 percent of water use on the site and reducing the  
6 natural gas use by 2 percent. Twelve months of monitoring  
7 and verification will determine the actual natural gas and  
8 water savings and costs associated with this project.

9           If you have any questions, I am happy to answer.

10          CHAIR WEISENMILLER: Great. Thank you.

11          Any comments from anyone in the room or on the  
12 phone?

13          Okay. Then again I think, Commissioners,  
14 obviously the combination of reducing natural gas use in  
15 industry and also saving water, it's certainly pretty  
16 appealing.

17          COMMISSIONER DOUGLAS: Absolutely. Move  
18 approval.

19          COMMISSIONER SCOTT: Second.

20          CHAIR WEISENMILLER: All those in favor?

21          COMMISSIONERS: Aye.

22          CHAIR WEISENMILLER: Passes four to zero. Thank  
23 you.

24          (Whereupon, Item 25 was approved.)

25          CHAIR WEISENMILLER: Let's go onto Item 26,

1 Natural Gas Pipeline Safety and Integrity Management  
2 Research Grants. Avtar.

3 MR. BINING: Thank you. Good afternoon. I am  
4 Avtar Bining from Energy Research and Development within  
5 the Energy Commission. The item I am presenting here today  
6 is the result of a competitive solicitation or Grant  
7 Funding Opportunity released by the Energy Commission.  
8 Four great agreements are recommended for your approval.

9 The first three Grant Agreements are with the Gas  
10 Technology Institute as the recipient.

11 Under the first agreement, the recipient will  
12 conduct a thorough assessment of current status of natural  
13 gas pipeline safety and integrity management technologies,  
14 identify and research the gaps, and determine further  
15 research needs in discussions with and input from various  
16 stakeholders.

17 In the second agreement, the recipient will  
18 demonstrate a high accuracy mapping system to create an  
19 display high accuracy maps and information of natural gas  
20 pipelines in California. The ability to present up-to-date  
21 high accuracy maps to stakeholders during the routine  
22 operations and emergency situations will reduce the risk of  
23 pipeline damage and will promote situational awareness to  
24 facilitate improved and timely responses and  
25 decisionmaking.

1           In the third agreement the recipient will  
2 demonstrate the Global Positioning System-based  
3 encroachment notification and alert system to increase  
4 pipeline situational awareness of equipment operators and  
5 significantly reduce the risk of damage to the natural gas  
6 pipelines and infrastructure.

7           The fourth grant agreement is with Det Norske  
8 Veritas of USA as the recipient. Under this agreement, the  
9 recipient will demonstrate an advanced risk assessment  
10 methodology for managing the integrity of natural gas  
11 pipelines in California. This includes assessing corrosion  
12 and mechanical damage threats by using advanced methods and  
13 models that can also be used by pipeline companies for  
14 improved integrity management and decisionmaking.

15           I request your approval of these four agreements.  
16 I will be happy to answer any questions. Thank you.

17           CHAIR WEISENMILLER: Thank you.

18           Let's start with the gentleman from GTI in the  
19 room -- or actually on the line. Yeah, so first is anyone  
20 in the room?

21           Now let's go to the gentleman on the line.

22           MR. MORRIS: I'm Robert Morris from GTI, to  
23 answer any questions regarding the first three, a, b, and  
24 c, proposals. I would like to thank the Commission for the  
25 opportunity. I'm looking forward to working with you as

1 well.

2 CHAIR WEISENMILLER: Thank you for calling in on  
3 this. Obviously gas pipeline safety is a very important  
4 issue for California, and we're certainly happy to be able  
5 to work with the PUC to strengthen the sort of technology  
6 and research in this area.

7 COMMISSIONER DOUGLAS: I absolutely agree with  
8 that and appreciate you calling in. And so I'll move  
9 approval of this item.

10 COMMISSIONER SCOTT: Second.

11 CHAIR WEISENMILLER: All those in favor?

12 COMMISSIONERS: Aye.

13 CHAIR WEISENMILLER: This item also passes four  
14 to zero. Thank you.

15 MR. BINING: Thank you.

16 (Whereupon, Item 26 was approved.)

17 CHAIR WEISENMILLER: Let's go onto the minutes.  
18 The minutes of May 17.

19 COMMISSIONER SCOTT: I move approval of the  
20 minutes.

21 COMMISSIONER DOUGLAS: Second.

22 CHAIR WEISENMILLER: All those in favor?

23 COMMISSIONERS: Aye.

24 CHAIR WEISENMILLER: Approved.

25 (Whereupon, Item 27 was approved.)

1 CHAIR WEISENMILLER: Let's go onto Lead  
2 Commissioner and Presiding Member Reports. Commissioner  
3 Scott.

4 COMMISSIONER SCOTT: Hi. So just a couple  
5 updates for you all. I've had a chance to go and do a  
6 little bit of speaking on behalf of the Energy Commission.  
7 I participated a few weeks ago at the International  
8 Partnership for Hydrogen and Fuel Cells in the Economy.  
9 This was hosted by the Department of Energy in Berkeley and  
10 it was a fantastic opportunity. These meetings are held  
11 all around the world, so there were folks from Germany,  
12 from Japan, from Korea, from Denmark, from Norway. I  
13 really have a chance to see what others are doing on  
14 hydrogen infrastructure, what are the challenges that they  
15 are finding, whether some of the solutions that they have  
16 come up with, and have a chance to tell California's story  
17 on hydrogen infrastructure.

18 It's terrific. Wade Crowfoot was there and had a  
19 chance to really talk about the Governor's vision and how  
20 zero emission vehicles, including how hydrogen fuel cells  
21 fit in with that. Then I went and talked in a little bit  
22 more detail about with we're doing here on infrastructure,  
23 and Alberto Ayala was there from the Air Resources Board  
24 perspective and really talked about the zero emission  
25 vehicle mandate and how the vehicles fit into the vision.

1 So it was a nice chance to highlight California's  
2 leadership and tell our story before an international group  
3 of folks.

4 I also had a chance to speak at the Greenlining  
5 Economic Summit, which was a couple of weeks ago. That was  
6 just fantastic. Alana was there as well. Again, it was  
7 kind of cool because I was on a panel of a pretty broad set  
8 of people, actually. I was the government person, there  
9 was a local government person. There were folks from  
10 Silicon Valley and some other key industries in California.  
11 And we were really talking about what can we do to increase  
12 diversity within our agencies and organizations but also as  
13 part of the whole dialogue.

14 And so it was a great chance to highlight, Chair  
15 Weisenmiller, your leadership on the EPIC program and our  
16 commitment to diversity there that I followed on for the  
17 Transportation Program that turned into an Energy  
18 Commission wide commitment on diversity. Some of the work  
19 we're doing under AB865, to increase diversity and  
20 equitable both at the -- to make sure that the Energy  
21 Commission staff mirrors what California looks like, but  
22 also the folks here are able to apply for and get the  
23 benefits of the programs that we have. And then also what  
24 we were doing a little bit on SB350 and the study and the  
25 Barriers Report. So it was a really interesting panel, a

1 dynamic and interesting set of folks. There were probably  
2 about 500 people in the room, and it was great to have a  
3 chance to highlight what the Energy Commission is doing in  
4 terms of diversity.

5           And then I wanted to introduce to you my intern  
6 for the summer. I tried to ping her so she could come  
7 down, but I don't think she made it, but her name is  
8 Adrianna Gomez, and she is from U.C. Merced. And we're  
9 really delighted to have her on the team. She is going to  
10 help out Alana with the Summer Institute, and there are a  
11 couple other research projects. She is fantastic. She was  
12 inspired when she was in high school. I guess she came and  
13 heard Commissioner Douglas speak and has been inspired and  
14 really wanted to work at the Energy Commission ever since.  
15 So I'm going to try to get a project with Commissioner  
16 Douglas's Office for her as well.

17           And then I want to say welcome in advance to my  
18 new advisor. His name is Matt Coldwell. And he will be  
19 joining my team starting on Monday. So I look pretty much  
20 forward to that.

21           CHAIR WEISENMILLER: And congratulations on your  
22 confirmation.

23           COMMISSIONER SCOTT: Thank you. I'm so happy.

24           COMMISSIONER DOUGLAS: Thank you. So I have a  
25 few updates. Back on May 25th we had a workshop on some

1 emerging trends in our energy sector, and this one  
2 specifically we were looking at offshore wind, both in  
3 terms of the potential of that technology, the constraints,  
4 and environmental implications and concerns that could be  
5 presented by the technology and the permitting pathway.  
6 And we had a large number of both state and federal  
7 agencies participate.

8           There was a lot of discussion during the workshop  
9 of how we can really benefit from the playbook developed  
10 during the development of the Renewable Action Team and the  
11 Renewable Energy Policy Group and the high-level  
12 coordination that occurred between the state and federal  
13 government and governments in renewable energy permitting,  
14 and how that kind of coordination is what is likely to be  
15 important as we look at this technology which, you know as  
16 I was careful to say, needs to compete and may or may not,  
17 depending on the development of the market, play a  
18 significant role in California looking forward, but  
19 certainly has some attributes that are worth considering  
20 and some benefits that are pretty interesting.

21           And so Commissioner Hochschild, who was at the  
22 workshop and has been working on this issue for some time,  
23 will have more to add I think on that topic. But it was a  
24 very good workshop. It came in the context of a letter  
25 sent by the Governor to the Secretary of the Interior

1 requesting that the Bureau of Ocean Energy Management  
2 establish a state and federal task force to coordinate on  
3 this issue. And so there are discussions now of the  
4 establishment of such a task force and that level of  
5 coordination.

6 A lot of speakers at the workshop also talked  
7 about the importance of geospatial planning and really  
8 bringing the tools to bear, you know many of which we have  
9 a lot of experience with from planning for terrestrial  
10 renewable energy in order to understand opportunities and  
11 constraints in the offshore context.

12 There was a meeting organized, a roundtable  
13 conversation organized by the Bureau of Ocean Energy the  
14 next week that I attended and speak briefly at and  
15 Commissioner Hochschild spoke briefly at, I think  
16 electronically.

17 And, I'm just looking through my calendar here,  
18 and the other report I think I'll make, I already mentioned  
19 the joint ARB-Energy Commission-PUC workshop on fugitive  
20 emissions held at the CALEPA building. That was another  
21 really helpful IPER meeting focusing on that issue.

22 And I think that that is my report for this item.

23 COMMISSIONER HOCHSCHILD: Yeah, just building on  
24 that, it was really wonderful to have Commissioner  
25 Douglas's expertise at the Offshore Wind Workshop. I think

1 the RCP and your experience there is really going to be  
2 useful. And having had no meetings about the topic of  
3 offshore wind certainly as long as I have on the  
4 Commission, we had three now in the last three weeks,  
5 including one organized by BOEM, and I think just to  
6 clarify, the first project has been submitted by Trident.  
7 That's underway. And they're going through their sequence  
8 of steps they have to take this summer. But I think our  
9 goal is really just to clarify what the process is because  
10 there is something like 30 different permits required and a  
11 lot of interagency coordination and communications needed  
12 for that.

13           The big news on my end is we got just last week  
14 out of the PUC this vote to fund the balance of the NSHP  
15 program. And I really want to extend my gratitude to the  
16 Chair who has been a supporter since the beginning. This  
17 is really our glide path for getting to zero net energy in  
18 the residential sector, been an absolutely critical, and  
19 the success we're seeing, these heavy-weight, large-scale  
20 home builders like KBHomes and Meritage and Lennar and  
21 others, and so it was a really great validation of our  
22 team's work to execute successfully the administration of  
23 this program and to get those funds granted to us and the  
24 continued administration granted to us by the PUC. So  
25 we're grateful for that.

1           One of the questions I will be looking at along  
2 with Commissioner McAllister is a number of communities now  
3 in the state are mandating solar on new -- simply taking,  
4 like San Francisco did last month, taking our Solar Ready  
5 provisions and basically just making it mandatory. So  
6 that's essentially mandating a very small system, one to  
7 two kilowatts. Should we be funding PV where it's already  
8 mandated is the question I want to look at, as actually I  
9 don't want to waste funds. So we're going to be looking  
10 at.

11           I do want to share a few other updates.

12           I had a grant roundtable with the Silicon Valley  
13 Leadership Group last week, 15 of their top companies,  
14 Apple and Tesla and Solar City and NRG and GM and some  
15 others. And they're going to be doing an energy summit  
16 next month. I will be there with Senator de Leon. And the  
17 Chair and I and Ronald Spier are going to be visiting  
18 Apple's new headquarters, which is one of the greenest  
19 corporate headquarters being built, some time later this  
20 summer.

21           And then on the Clean Energy Administerial, the  
22 Chair and Commissioner McAllister and I were there last  
23 week. Very fruitful meeting. A series of sort of  
24 overlapping conferences held at the same site, but I will  
25 just say the Governor's speech there was the highlight of

1 the whole thing. He is speaking with greater passion and  
2 conviction on climate than ever before, and it really has  
3 helped. You can see in my discussions talking to some of  
4 the ministers and other people there, just the example  
5 California is making a big difference. And so his message  
6 was to all of us: Keep going, be bold. And the Chair did  
7 a great job as well in his keynote opening remarks, along  
8 with Mary Nichols.

9 And that's it for me.

10 COMMISSIONER DOUGLAS: All right. Thank you,  
11 Commissioner Hochschild.

12 COMMISSIONER SCOTT: My intern has just come in.  
13 Her name is Adrianna Gomez.

14 I just want you --can you just stand up and wave?  
15 That way everyone will know her.

16 Welcome. We're glad to have you here this  
17 summer.

18 COMMISSIONER DOUGLAS: All right. Thank you. We  
19 are happy to have you onboard.

20 Very good. So the Chair had to just step out to  
21 take a call, so I'm just going to run us through the last  
22 couple items here.

23 Chief Counsel's Report.

24 MS. VACCARO: I don't have a report, but as is  
25 the custom and practice of the Chief Counsel's Office, we

1 have introductions because we have a few new faces in our  
2 office. I'm very pleased to introduce Ralph Lee -- wave or  
3 stand. Ralph is a Senior Attorney III who's joining us,  
4 and he's coming out of the private sector, so private  
5 practice, which for us is really pretty different, and I  
6 think it's just one more thing that will allow our office  
7 to look at how we approach problems and to get that  
8 injection of a different energy.

9           And speaking of energy, I have three terrific  
10 students, I think actually I've got the two summer interns  
11 from U.C. Davis, which is Jordan Fong and Rudy Faez, which  
12 we all know Rudy from working in Commissioner Hochschild's  
13 Office. I feel very fortunate to have the two of them. And  
14 then we also have Tiffany Michu, who is a Ph.D. student  
15 from Loyola, and she has already passed the bar and she's a  
16 graduate fellow in our office. And, as usual, we just get  
17 a great group of students that are interested in the Energy  
18 Commission. We're just very excited to have all four of  
19 them join our office.

20           COMMISSIONER DOUGLAS: Well, that's great. Thank  
21 you very much and welcome, all of you.

22           Okay, let's see here. Executive Director's  
23 Report.

24           MR. OGLESBY: I'd like to start with an  
25 introduction as well, I have another item as well, but

1 starting with Rob Cook, he has big shoes to fill but he's  
2 highly qualified. He's our new Deputy Director for the  
3 Administrative Services Division. And, by way of  
4 background, he graduated from UCLA with an undergraduate  
5 degree and then obtained an MBA from U.C. Davis.

6 He joins us most immediately from the Department  
7 of State Hospitals, which is the third largest state agency  
8 with a lot going on. And he had served there as chief  
9 operating officer. And prior to that he served as acting  
10 deputy director for the Interagency Support Division of the  
11 Department of General Services.

12 And he was also the executive officer of the  
13 Public School Construction under Department of General  
14 Services. He also has legislative staff work in his  
15 background, and where I first got to know him more than a  
16 couple of decades ago, so with that let me introduce Rob  
17 and welcome him here.

18 COMMISSIONER DOUGLAS: Great. Well, thank you,  
19 Rob, welcome. Thank you for coming onboard.

20 Oh, and you have another item.

21 MR. OGLESBY: I have another item and that's  
22 basically to take this moment to observe that this is our  
23 last business meeting of the fiscal year. And, once again,  
24 we didn't run it down to the wire at the last day of the  
25 month. We had a fairly orderly year, and credit to all of

1 staff for bringing items to you that are developed and ripe  
2 and not having too severe of a backloaded year.

3 In terms of the few metrics, the items that came  
4 before you as a Commission, in EPIC we had a 104 projects  
5 totaling \$218 million this past year; for PIER, 22  
6 projects, totaling about \$22 million for this past year; on  
7 the ARF VTP program, 83 projects, totaling \$72 million; and  
8 for ECCA, a much smaller program, we did 10 loans, totaling  
9 \$16 million.

10 It goes without saying that not every item of  
11 work that the Commission deserves recognition for comes  
12 before you as a Commission to vote on, but some of the  
13 ongoing work that has good metrics, I'd like to share with  
14 you also are the Prop. 39 work. and to date we have  
15 processed 927 applications which total 639. That's a  
16 running total. And for the New Solar Homes Program, just  
17 for the last year, we've actually put about \$20 million out  
18 the door which benefits almost 5,000 homes, but because  
19 it's a reservation system, at the same time we have  
20 reservations that total 46 million for homes coming online,  
21 and we'll be getting the funds out as those get completed.

22 So with that as an overview, that's how we spent  
23 the last 12 months.

24 COMMISSIONER DOUGLAS: Well, thank you, Rob. And  
25 we all know how much they have been and we have

1 accomplished a lot in this fiscal year. And it has been,  
2 as you say, an orderly end of the fiscal year. We are not  
3 down to the last day, we are not having -- we are having  
4 reasonable-sized agendas. And that really does speak to  
5 the fact that you and the management have managed to bring  
6 items forward on a schedule that has us looking at  
7 contracts year round and not -- it's understandable when of  
8 course there is a deadline, and that sharpens the mind.  
9 And some things we tend to have a little more on the agenda  
10 in the May, June, July timeframe, but it has been pretty  
11 reasonable. And so congratulations and thank you.

12           So let me go on now to the Public Adviser's  
13 Report.

14           MS. MATHEWS: Good afternoon. Of course my  
15 Office has supported a number of workshops within each  
16 division here each month, but one of the highlights is what  
17 Commissioner Scott said, was the Greenlining Economic  
18 Summit, and I found it to be very valuable. I wasn't a  
19 panelist, but I did have the opportunity to facilitate kind  
20 of a session of workshop and it dealt with kind of  
21 innovation and how we deal with various issues. But what  
22 was particularly interesting to me is there was one session  
23 on climate change and disadvantaged communities. And what  
24 came out of that was the impact of displacement or  
25 indenturefication and low-income and disadvantaged

1 communities. So while there may be a general resources,  
2 such as EnviroScreen, the nature of that particular  
3 community might be changing and that's something that you  
4 have to be sensitive to, or there might be some  
5 environmentally progressive or good projects but maybe  
6 community members have not necessarily been educated so  
7 they are not supportive of that.

8           And I think it's important to mention that and to  
9 bring that about because we can't just have our policy be  
10 one dimensional, it has to be responsive to changing issues  
11 that come up, and that's one of the very few forums where  
12 that can come up.

13           And then I will segue because another form that  
14 it can come up is in our 350 Barrier Study. That's  
15 obviously one quickly-identified barrier that can be  
16 included. And, as the lead of that study that we're doing  
17 here at the Energy Commission, I just wanted to provide a  
18 more detailed overview of what we've been doing. Now I've  
19 briefed all the Commissioners, but I'll just very quickly,  
20 I came onboard as the lead at the very end of January, the  
21 beginning of February, I think February 4th was around the  
22 time of my first meeting, so we were able to move quickly  
23 and get our dockets open on February 9th, and we started  
24 receiving our first data dump or literature review, article  
25 involving the Barrier Study in March.

1 I also started in February meeting with  
2 interested stakeholders, which included the Asian Pacific  
3 Environmental Network, Greenlining, the Sierra Club. I  
4 also had an opportunity to speak before the CPUC's Low-  
5 Income Board Presentation on February 23rd. In March I  
6 continued to meet with interested stakeholders which  
7 included the 350 coalition. We met twice, March 14th and  
8 the 22nd. I also had an opportunity to meet with the  
9 CPUC's Low Income Program staff, March 18th. We were able  
10 to define the scope of the literature review, as well as  
11 the outline that we were going to base the study off of.  
12 And I attended and was on the agenda for ARB's Kick Off  
13 Workshop. We have a good relationship with ARB and the  
14 CPUC, so we coordinate on our workshops. So that was the  
15 first joint -- not necessarily joint, but where we had our  
16 first coordinated activity.

17 In April, I met with another interested  
18 stakeholder besides the 350 Coalition, also the California  
19 Community Colleges because they're interested in the  
20 workforce piece of the Barrier Study. One component is to  
21 look at small business contracting opportunities in  
22 disadvantaged communities.

23 We continued in our research. In May we  
24 continued to have our monthly 350 Coalition meeting. And I  
25 started to have a monthly call with ARB and their lead for

1 the 350 studies. And I have a biweekly call with the  
2 CPUC's lead for their 350 initiatives, to talk about the  
3 advisory committee. So we kind of meet every two weeks,  
4 just to keep touch.

5 We also began to draft and have -- we established  
6 our first draft of our interview questions that we  
7 anticipate using in our workshop.

8 June 3rd, this month, we had our introductory  
9 workshop which defined the scope of what the study will be;  
10 identified the four locations where we're going to have our  
11 main workshops, which will be Fresno, Oakland, L.A., and  
12 Riverside. And we actually do have the first confirmed  
13 date for our Oakland workshop, and Commissioner Hochschild  
14 will be at that one. That's going to be August 19th.

15 We are still working with our community partners  
16 to solidify the other three dates. And we are planning to  
17 have at least one workshop completely in Spanish, but we  
18 also want to work to have translation services available at  
19 every workshop.

20 Let's see. And on June 20th, this is actually  
21 going to be a very busy month, the comments are due for the  
22 scoping workshop that we had on June 3rd, as well as there  
23 will be an Energy Equity Experts' Roundtable. So it's  
24 important to have workshops in the community, but we also  
25 want to do a focus group and a roundtable with those would

1 advocate and have the expertise of the knowledge of  
2 firsthand issues they face and how that translates with  
3 renewable technology and efficiency technologies, so kind  
4 of have that technical expertise. That's going to be June  
5 20th in Berkeley.

6           And then also the Environmental Justice Advisory  
7 Committee of ARB, they have a series of community meetings,  
8 and they have a scoping plan and a community outreach that  
9 they are going to be doing this summer. And one component  
10 of that is energy. They're looking at transportation and  
11 air quality. But the energy portion will actually be very  
12 beneficial to us. So I will also on June 30th be attending  
13 that myself, or someone on our committee will be attending  
14 that.

15           Then moving forward, July through September, is  
16 when we'll have the rest of our workshops and have the  
17 draft completed and post that for public comment.

18           The last thing I did want to mention is that I  
19 had a very ambitious goal to have not only workshops but  
20 we'll say community outreach, and I said between 10 and 15  
21 or 20, and I know I got a lot of crazy, weird looks, but I  
22 think it is possible. And it's possible not only if we  
23 don't do it ourselves but we partner. So I am happy to  
24 report that we are partnering with the CPUC, and they are  
25 doing some low-income oversight studies, and they had 10

1 interviews, and they will let us participate, so we are not  
2 interrupting the interview, but the information that they  
3 will be collecting from low-income ratepayers and the  
4 barriers that they're facing and how they view climate  
5 change policy and also trust. Regulatory agencies, when  
6 they have --they are some of the questions that they are  
7 concerned about. But we will be able to participate in  
8 those 10 interviews.

9           And then also with the Environmental Justice  
10 Advisory Committee, they have 10 workshop this summer. And  
11 they cover a lot of the remote areas that we may not  
12 necessarily be able to get to, which includes Coachella, I  
13 mentioned Oakland, San Bernardino, Imperial Valley,  
14 Modesto, San Diego, the South Bay, and South L.A. So we  
15 will have an opportunity to capture data from each of those  
16 on the energy sector as regards to the barriers.

17           And that, I believe, is the last update that I  
18 wanted to share.

19           We still have some more ideas that are being  
20 vetted out, so we will probably have another update next  
21 month, but that's going to be my plan forward, as part of  
22 the Public Adviser's Report, I will update you on the 350  
23 Barriers Report Study.

24           COMMISSIONER DOUGLAS: Thank you, Alana. You  
25 know I really appreciate this update and it's clear that

1 you've brought just a tremendous amount of energy and  
2 enthusiasm and new ideas to this project and especially to  
3 making sure that we do a lot of outreach, a lot of  
4 coordination, and that we get a lot of input on the  
5 Barriers Report, I think is really good to see. And I also  
6 know that you've got a strong team behind you. And I  
7 really appreciate these updates at the Business Meeting. I  
8 think we all do, because this is obviously a very high  
9 priority for us and it's something that we want to  
10 participate in. And, as we have discussed, certainly  
11 having for some of the workshops, having Commissioners  
12 participate is important, and Commissioner Hochschild I  
13 think has already had a chance to do that. We are all  
14 going to be doing that --

15 MS. MATHEWS: Yes, you are.

16 COMMISSIONER DOUGLAS: Yes, we are. And we're  
17 delighted to be doing it. So thank you very much for  
18 taking this on. I mean you have a lot to keep you busy  
19 already and this is a big project and you're bringing a  
20 tremendous amount of energy into it, so I really appreciate  
21 it.

22 COMMISSIONER SCOTT: I also wanted to say thank  
23 you very much for the report. As the Public member on the  
24 Energy Commission I am cheered to hear how much leveraging  
25 you're doing of the other opportunities for outreach so

1 that we are able to spread our outreach and get as much  
2 information back as we can as we're putting together the  
3 report.

4           The other thing I think is really important to  
5 have these updates for all of us because of the  
6 crosscutting nature of SB350, and it's got the renewables  
7 component, it's got the energy efficiency component, it's  
8 got the transportation component, it's got a research  
9 component. And so for us to be able to hear information  
10 and potentially share ideas as we go forward, I think, is  
11 really important. So I appreciate the great update and  
12 your enthusiasm. And thank you very much for your  
13 leadership on this.

14           MS. MATHEWS: One other thing I do want to  
15 mention is that June 30th in the morning I actually will be  
16 in Truckee, so we are making sure that we have involved  
17 Sierra and Northern California rural communities.

18           COMMISSIONER DOUGLAS: All right. Well, thank  
19 you again, and with that I think we're onto the Public  
20 Comment part of the agenda. Is there anyone in the room or  
21 on the Webex who would like to make public comment at this  
22 time?

23           All right, hearing none, we're adjourned.

24           (Whereupon, the Business Meeting was adjourned at 2:46  
25 o'clock p.m.)

**REPORTER'S CERTIFICATE**

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of June 2016.

A handwritten signature in black ink that reads "Susan Palmer". The signature is written in a cursive, flowing style.

Susan Palmer  
Certified Reporter  
CERT 00124

**TRANSCRIBER'S CERTIFICATE**

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of June 2016.

A handwritten signature in black ink that reads "Susan Palmer". The signature is written in a cursive, flowing style.

Susan Palmer  
Certified Reporter  
CERT 00124